



FEDERAL TRADE COMMISSION

# A Review of Food Marketing to Children and Adolescents

## Follow-Up Report

Federal Trade Commission  
December 2012



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### Federal Trade Commission

Jon Leibowitz, Chairman  
J. Thomas Rosch, Commissioner  
Edith Ramirez, Commissioner  
Julie Brill, Commissioner  
Maureen Ohlhausen, Commissioner

# **Report Contributors**

## **Bureau of Consumer Protection**

Sarah Botha, Staff Attorney, Division of Advertising Practices  
Keith Fentonmiller, Staff Attorney, Division of Advertising Practices  
Carol Jennings, Staff Attorney, Division of Advertising Practices  
Mary Johnson, Staff Attorney, Division of Advertising Practices  
Michelle K. Rusk, Staff Attorney, Division of Advertising Practices  
Kial Young, Staff Attorney, Division of Advertising Practices  
Heather Hipsley, Assistant Director, Division of Advertising Practices  
Mary Koelbel Engle, Associate Director, Division of Advertising Practices

## **Bureau of Economics**

Pauline M. Ippolito, Deputy Director, Bureau of Economics  
David Givens, Economist, Division of Consumer Protection  
Paul Rothstein, Economist, Division of Consumer Protection  
Christopher H. Wheeler, Economist, Division of Consumer Protection

## **Research Assistants**

Michelle Y. Kambara, Bureau of Economics  
Susie Liu, Bureau of Economics  
Mariel Woods, Bureau of Consumer Protection, Division of Advertising Practices

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# Executive Summary

## A. Background and Overview

This report is a follow-up to the Federal Trade Commission's 2008 report: *Marketing Food to Children and Adolescents: A Review of Industry Expenditures, Activities, and Self-Regulation*. The 2008 report was requested by Congress and prompted by concerns about dramatic increases in the rate of childhood obesity. It examined the state of food and beverage marketing to children as of 2006, at the early development of industry self-regulatory initiatives to improve the nutritional profile of foods marketed to children. Using data obtained through compulsory process orders to 44 major food and beverage marketers, the Commission found that the food industry spent \$2.1 billion marketing food to youth in 2006. The Commission documented which categories of foods and beverages were most heavily marketed to children and teens, as well as which marketing techniques were used. The Commission also assessed early self-regulatory efforts to promote more nutritious foods and made specific recommendations for further action by the food industry and media. In particular, the Commission conducted a detailed assessment of the Children's Food and Beverage Advertising Initiative (CFBAI), a significant self-regulatory program launched by the Council of Better Business Bureaus in 2006. Because self-regulation was still at its nascence, the Commission committed to prepare a follow-up report assessing industry progress.

The 2006 data from the first report serve as a baseline for measuring the impact of industry efforts. The current report compares 2006 data to 2009 data from the 44 original companies and four additional companies. Total spending on food marketing to youth dropped 19.5% in 2009, to \$1.79 billion. Spending on youth-directed television advertising fell 19.5%, while spending on new media, such as online and viral marketing, increased 50%. The overall picture of how marketers reach children, however, did not significantly change. Companies continue to use a wide variety of techniques to reach young people, and marketing campaigns are heavily integrated, combining traditional media, Internet, digital marketing, packaging, and often using cross-promotions with popular movies or TV characters across all of these. Those techniques are highly effective. Consumer research submitted by the reporting companies confirms the "pester power" phenomenon – child-directed marketing and promotional activities drive children's food requests. Children, in turn, play an important role in which products their parents purchase at the store, and which restaurants they frequent.

An important new element of the current report is the nutritional analysis of foods marketed to youth. The report examines whether and to what extent the nutritional quality of foods marketed to children and teens has improved with the advent of self-regulatory initiatives. Overall,

there were a number of modest improvements from 2006 to 2009, with more pronounced changes in particular food categories. The Commission is also aware that many food companies have continued to improve the nutritional profile of their foods, for example, by further reducing the sugar content of cereals marketed to children and increasing the whole grain content.

Finally, this report examines the progress industry has made in marketing food responsibly to children and shifting the emphasis of that marketing to more nutritious choices. The food and beverage industry, and in particular the CFBAI, has made major strides since the early days of self-regulation in 2006. The industry has expanded the scope of children's marketing to which their efforts apply and has strengthened and standardized the nutritional criteria for foods marketing to children. New uniform criteria, developed by the CFBAI and scheduled to take effect on December 31, 2013, will likely lead to further improvements in the nutritional quality of foods marketed to children, but could be further strengthened to more closely track key dietary advice in the 2010 Dietary Guidelines for Americans. In addition, the Alliance for a Healthier Generation has also succeeded in improving the nutritional quality of foods and beverages sold in schools. Within the media industry, individual entertainment companies have taken a leadership role in limiting character licensing and other cross-promotions to children and restricting ad placement during children's programming to nutritious foods. Despite the commendable progress, this report identifies areas where further efforts could be made by the food and beverage industry and the media industry to improve the nutritional quality of foods marketed to youth.

## **B. Dollars Spent on Marketing to Youth**

In 2009, the 48 reporting companies spent \$1.79 billion on youth marketing, a 19.5% drop in inflation-adjusted expenditures compared to 2006. Of the \$1.79 billion, \$1 billion was directed to children ages 2-11, and \$1 billion was directed to teens ages 12-17, with \$263 million overlapping the two age groups. For those food and beverage products promoted to children or teens, the overall expenditures for promotional activities directed to *all* audiences, including additional adult-oriented marketing, was \$9.65 billion, slightly less than the \$9.69 billion spent in 2006. Therefore, the expenditures directed to those between the ages of 2 and 17 represented 18.5% of all consumer-directed marketing expenditures for those products, down from 21.6% in 2006.

Quick-service restaurant (QSR) foods, carbonated beverages, and breakfast cereals accounted for \$1.29 billion of all youth-directed expenditures, 72% of the total (the same as in 2006). The reporting QSRs spent \$714 million on youth marketing in 2009 (down from \$733 million in 2006), with \$583 million directed to children and \$183 million directed to teens (including overlap of the two age groups). The drop in child-directed expenditures for QSR food was due primarily to reduced premium expenditures, which offset a substantial increase in child-directed television advertising. The increase in teen-directed expenditures for QSRs stemmed primarily

from greater television expenditures as well as modest increases in radio and new media advertising. Carbonated beverage companies reported \$395 million in youth-directed expenditures, about 97% of which were teen-directed. Nearly \$82.3 million, or 21%, of carbonated beverage youth marketing consisted of in-school expenditures, down in absolute and relative amounts from 2006. Breakfast cereal companies reported \$186 million in youth-directed expenditures, down from the \$237 million reported for 2006, but more evenly distributed between children (\$173 million) and teens (\$103 million, including overlap).

Although food marketers spent 19.5% less on youth-directed television in 2009 (\$633 million), television remained the predominant medium to reach youth, accounting for 35% of total youth-directed marketing expenditures, just as in 2006. Marketers spent \$375 million to reach children via television and \$364 million to reach teens, significant drops from 2006. QSRs (\$154 million) and breakfast cereals (\$102 million) accounted for 68% of the child television expenditures. QSRs accounted for nearly 36%, or \$130 million, of the teen television expenditures. All told, food marketers spent \$695 million on traditional measured media (television, radio, and print) directed to youth, a significant drop from the \$848 million spent in 2006.

In contrast, the food companies spent 50% more to reach youth using new media (*e.g.*, online, mobile, and viral marketing), compared to 2006. New media accounted for approximately 7% (\$122.5 million) of all reported youth expenditures, up from 4% in 2006. Breakfast cereals (\$22 million), QSR foods (\$19 million), and snack foods (\$10 million) were the top three categories for child-directed new media expenditures. Carbonated beverages (\$23 million), candy and frozen desserts (\$12 million), and snack foods (\$11 million) were the top three categories for teens. Appendix D to this report discusses youth exposure to online display advertising, food company websites (including advergames), and mobile advertising during 2006 and 2009.

The companies reported \$393 million to reach youth consumers through premiums, accounting for 22% of all youth-directed expenditures. QSRs accounted for most of the industry's \$377 million on premiums to children (\$341 million for QSR child-directed premiums). Total child-directed premium expenditures dropped 28%, due primarily to fewer children visiting QSRs in 2009 and reduced premium costs. The companies reported spending \$113 million on in-store marketing and packaging to reach children and teens, a 46% drop from 2006. They spent 22% less (\$315 million) on other traditional promotions, including product placement, movie, video, and video game advertising, cross-promotion license fees, athletic and event sponsorship, and celebrity endorsement fees. Finally, the companies reported in-school marketing expenditures of \$149 million, representing 8.3% of all youth expenditures, a significant drop from the \$186 million reported for 2006. Most in-school expenditures were teen-directed, and 93% were for carbonated (\$82.3 million) and non-carbonated (\$55.9 million) beverages.

As in 2006, nearly one-third of all youth-directed marketing involved cross-promotion expenditures, such as licensing fees paid for and expenditures associated with implementing marketing campaigns incorporating a licensed character or other cross-promotion. Youth-directed cross-promotion expenditures went down in 2009 (\$584 million versus \$666 million in 2006). Half of all child-directed marketing dollars (\$530.7 million) involved cross-promotions, and QSRs (\$428 million) accounted for 81% of that amount. The QSR foods and carbonated beverages categories spent more than half of their respective child-directed expenditures on cross-promotions. The companies spent significantly less on teen-directed cross-promotions (\$127 million). The carbonated beverages category (\$46 million) spent the most, followed by the breakfast cereal category (\$28 million), and QSRs (\$25 million).

## **C. Nutrition in Marketing to Youth**

The 48 reporting companies marketed a total of 625 food and beverage products to youth in 2006 and 2009 combined. The Commission's nutritional analysis of these products focuses on key nutrients and food components identified in the 2010 Dietary Guidelines for Americans as important elements to either limit (calories, sodium, sugar, saturated fat, trans fat, and calories) or increase (fiber, whole grains, calcium, Vitamin D, and potassium) for a healthy diet. The Commission also requested information about fruit, vegetable, dairy, and other food groups, but did not obtain sufficient data to analyze whether the products provide meaningful contributions of such food groups. All nutrition data are weighted by marketing expenditures to more accurately reflect the overall nutritional quality of foods in youth-directed marketing.

The Commission realizes that many of the reporting companies have continued to reformulate existing products and introduce new products since the 2009 data was collected, with the result that the overall nutritional profile of the children's food marketplace has continued to improve. The Commission commends industry for these efforts. The analysis, in this report, however, is limited to the two years for which data was collected.

A few general observations about the average nutritional quality of foods marketed to youth in 2006 and 2009 can be made by aggregating the nutrition data for all products. These general observations, however, are not always mirrored by trends in a specific product category. The analysis of all products (excluding QSR foods) shows that, overall, foods marketed to children were higher in calories and sodium than foods marketed to teens in both 2006 and 2009, but lower in sugar, largely due to less child-directed marketing of carbonated beverages and candy. Nutrients to increase, such as fiber, whole grain, calcium, and Vitamin D, were higher in foods marketed to children than those marketed to teens in both years. There were modest improvements across all key nutrients from 2006 to 2009 for foods marketed to children and improvements in all but sodium and saturated fat content for foods marketed to teens. The nutritional

improvements in foods marketed to youth were due both to reformulation of many of the products that were marketed in both years, as well as to products being introduced or newly advertised to youth in 2009 in place of less nutritious products that were either taken off the market or no longer advertised.

**Cereal:** There were small nutritional improvements across the board for cereal marketed to children and teens from 2006 to 2009, but those changes were generally too small to be nutritionally meaningful in the context of the daily diet. For example, average whole grain content of cereal marketed to children increased by 1.6 g per serving in 2009, the equivalent of one tenth of one of the three daily servings of whole grain recommended by the 2010 Dietary Guidelines for Americans.

There was also a small reduction in average sugar content in children's cereal marketing (0.9 g per serving), but this included a dramatic shift in 2009 away from marketing of the most sugary cereals. As a result, marketing to children of cereals with 13 g of sugar or more per serving was eliminated. The percentage of children's marketing for cereals containing primarily (51% or more) whole grain also increased in 2009. Marketing of cereals containing mostly refined grain, however, continued to dominate the youth market in 2009, representing 86% of the children's market, and 80% of the teen market. In 2009, only 3% of cereal marketed to children met FDA's standard for a "low sodium" claim.

A comparison of cereal marketed to children and teens with marketing of those same cereal products to all ages reveals that, in 2009, the cereals most heavily marketed to children were least nutritious. Cereal marketed to children averaged 2 g more sugar per serving and half the whole grain content of cereal marketed to older audiences. Cereal marketed to children with licensed characters or other cross-promotions had less than half the whole grain of cereal marketed to children without cross-promotions.

**Drinks:** There were small but positive changes in the nutritional profile of drinks marketed to youth (carbonated beverages, non-carbonated beverages, 100% juice, and water). As an example, drinks marketed to both children and teens averaged 20 fewer calories per serving in 2009 than in 2006. Almost all of the sugar in drinks marketed to both children and teens was added sugar, rather than naturally occurring sugar from fruit or fruit juice. Drinks marketed to children and teens averaged more than 20 g of added sugar per serving in 2009. At this level, applying the 2010 Dietary Guidelines for Americans limit for "discretionary calories" from solid fats and added sugars, one youth-marketed drink provided a third of the total daily limit for discretionary calories. Water and 100% juice products continued to represent a small percentage of overall youth drink marketing – 16% of drinks marketed to children and 8% of drinks marketed to teens in 2009. The data also showed that carbonated beverages marketed to teens averaged 10% more calories and added sugars in new media than in traditional measured media in 2009.



The most significant improvement came in the context of in-school drink marketing, which was subject to a self-regulatory program launched in 2006 by the Alliance for a Healthier Generation and the American Beverage Association. In the school setting, average calorie content of drinks fell more than 30% for both children and teens. Marketing of water and 100% juice products was also more prominent in the school setting than in other youth drink marketing, representing 35% of in-school drinks marketed to children and 29% to teens in 2009.

**Dairy:** Analysis of dairy marketing to youth is limited to dairy drinks and yogurt. Spending on cheese and other dairy product marketing to youth was too small to allow meaningful analysis. Nearly all dairy drink marketing to children and teens in both 2006 and 2009 was for non-fat and low-fat products that were unflavored (contained no added sugar). The percentage of marketing for dairy drinks with added sugar fell from 19% of children's dairy drink spending in 2006 to 7% in 2009; for teens, spending on dairy drinks with added sugar fell from 10% in 2006 to 1% in 2009.

The overall nutritional profile of yogurt product marketing improved for both children and teens from 2006 to 2009. For example, yogurts marketed to both age groups had approximately 20 fewer calories, half the saturated fat, and an additional 13% of the daily value for calcium per 6-oz serving in 2009. The total sugar content of yogurt products marketed to youth also dropped by approximately 2 g per 6-oz serving. Despite this drop, more than three quarters of children's marketing and more than half of teen marketing in 2009 was for yogurt containing 24 g or more total sugar per 6-oz serving, with nearly half of that sugar coming from added flavorings.

**Snacks:** Snacks marketed to both children and teens showed minimal or no improvements in nutrition from 2006 to 2009. None of the snacks marketed to children in either 2006 or 2009 met the FDA labeling claim standard for "low" calorie. As of 2009, 45% met FDA's standard for "low" saturated fat, 43% met the "low" sodium standard, and virtually no snacks marketed to children met FDA's standard for a "good source" of fiber or contained more than 50% whole grain. There was no significant or systematic difference, either positive or negative, between snack marketing in new media and traditional measured media. This was also true for the comparison of snack marketing with and without cross-promotions.

**Prepared foods:** Prepared foods is a diverse product category that encompasses individual foods, entrees, and meals, with portion sizes ranging from less than 100 g to more than 300 g. Nutritional changes from 2006 to 2009 in this category were mixed. Calories increased by about 16% and sugar by about 50% in children's prepared food marketing, while saturated fat remained constant and sodium fell substantially. For teen marketing, calories rose slightly (4%) along with sugar, while sodium and saturated fat both dropped. There were small to modest improvements in 2009 for both children and teens in fiber, whole grain, and potassium content. Calcium content was also up slightly for children's marketing but not for teens.

***Candy/Frozen Desserts:*** The primary change in this category was a large reduction in the number of products marketed and total spending. There was also some nutritional improvement in the category, particularly with respect to children’s marketing, which averaged 30 fewer calories, 7 g less sugar, and 0.6 g less saturated fat per serving in 2009. In both years, the calorie, sugar, and saturated fat content for marketing to teens was substantially higher than for children’s marketing. This was due in part to more marketing of chocolate and ice cream products to teens.

***Quick-Service Restaurant Foods:*** Because QSR companies were permitted to aggregate data by promotional activity in 2006, it was not possible to retroactively isolate spending for specific menu items. Nutritional analysis for this category is therefore based mainly on data for products advertised on television. Five companies reported data for both 2006 and 2009. Four additional companies were added in 2009.

For the five companies reporting in both years, there was some improvement from 2006 to 2009. In child-directed TV advertising, products averaged 79 fewer calories, 57 mg less sodium, 6 g less sugar, and 0.5 g less saturated fat. In teen-directed TV advertising, improvements were more modest; products averaged 43 fewer calories, 14 mg less sodium, and 1 g less sugar. The positive nutritional changes were primarily due to significant marketing of new, generally more nutritious, meal and menu items. Advertising to children was generally better nutritionally – with fewer calories, much less sodium, and less saturated fat – than advertising to teens in both 2006 and 2009. Children’s products averaged somewhat higher sugar content, however, possibly from milk and fruit that accompanied children’s meals. When advertising by the four new reporting companies (that are not CFBAI pledge companies) is factored in, the new company products have a modest negative effect on average 2009 nutrition levels.

The Commission also compared the nutritional profile of products advertised to children as “children’s meals” with other meal and main dish items that were also advertised to children in 2009. A much higher percentage of 2009 advertising for “children’s meals” met FDA standards for “low calorie” (100% of “children’s meals” vs. 7% of other meals and main dishes), “low sodium” (100% vs. 6%), and “low saturated fat” (64% vs. less than 1%). Because most character licensing and other cross-promotions in QSR advertising are tied to “children’s meals,” this comparison also serves as a proxy for comparing marketing with and without cross-promotions and suggests that QSR products marketed with cross-promotion were more nutritious.

Finally, QSR products marketed in new media in 2009 had a better average nutritional profile than products marketed in traditional measured media, for both children and teens, due largely to the fact that most online and other new media promotion was for “children’s meals,” rather than for other meals and main dishes.

***CFBAI Program Impact on Nutrition:*** Companies participating in the CFBAI self-regulatory program accounted for 82% of 2006 spending on children’s food marketing, and 89%



of 2009 spending. The average nutritional profile of CFBAI-member products improved from 2006 to 2009. For both 2006 and 2009, a comparison of the nutritional profile of food marketed through television advertising (an activity covered by the CFBAI pledges), with the nutritional profile of foods marketed through packaging and in-store displays (activities not covered by the pledges), revealed that food advertised on television were better on some nutrients and worse on others as compared to foods marketed through packaging and in-store displays. A comparison of foods marketed in 2006 to foods marketed in 2009, however, revealed that there were greater nutritional improvements in food advertised on television as compared to foods marketed through packaging and in-store displays. For example, food advertised on television had greater reductions in sodium, sugar, and calories than foods marketed through packaging and in-store displays. In addition, foods advertised on television had a slight increase in whole grain from 2006 to 2009, whereas food marketed through packaging and in-store displays had a small decrease in whole grain.

The Commission also examined how CFBAI-member food advertising from 2009 measured up to the CFBAI 2014 uniform nutrition criteria. Even though the nutrition profile of children's food advertising has likely changed significantly since 2009, there are still observations worth noting. In particular, the criteria for "nutrients to limit" (calories, saturated fat, sodium, and sugar) seem to be set at levels that are more challenging to reach than the criteria for nutrition components to encourage. As of 2009, 64% of CFBAI-member advertising would need reduction in at least one nutrient to limit to meet the 2014 uniform nutrition criteria, while only 20% would need any increase in nutrition components to encourage. Also of interest in the QSR category, "children's meals" marketed by CFBAI members were much closer to meeting the new criteria for nutrients to limit than were other meals and main dishes, almost all of which were marketed to children by QSRs that have not joined the CFBAI.

## **D. Methods of Promoting Food and Beverages to Youth**

Food and beverage companies continued to use a full spectrum of promotional techniques and formats to market their products to children and teens. As in 2006, youth-directed marketing campaigns were often fully integrated across a variety of media. Themes from television advertising carried over to packaging and in-store displays, and to the Internet. Packaging promoted food product websites, where young consumers played advergames featuring the food, entered contests, received "points" to redeem premiums, and engaged their friends in the campaign through social networking.

Cross-promotion was a hallmark of marketing food to young people, particularly children. In 2009, the companies reported more than 120 cross-promotions (up from 80 in 2006) tying food and beverage products to popular movies, TV programs, cartoon characters, toys, websites,

video games, theme parks, and other entertainment venues. *Ice Age: Dawn of the Dinosaurs*, the *Madagascar* movies, and *Night at the Museum* were prominent in 2009 and were used to promote QSR meals, cereal, fruit snacks, yogurt, candy, carbonated beverages, and many other products. Promotions included TV and print ads for the foods featuring movie characters, toy premiums distributed with QSR children's meals, movie characters appearing on packaging along with codes to enter contests online, co-branded websites with games and sweepstakes, and fruit snacks imprinted with movie images. Nickelodeon and Cartoon Network also licensed their shows and popular TV characters to promote a wide variety of foods to young people. SpongeBob episodes, for example, could be viewed on food company websites with cross-links between Nickelodeon's SpongeBob website and the food company site. Sesame Street licensed its characters to food companies but limited licensing to fresh fruits and vegetables. Foods and beverages were also cross-promoted with amusement parks, popular video games, and children's websites such as *NeoPets.com*.

Television advertising was less prevalent in 2009 but remained a staple of food and beverage marketing to youth, often featuring company-created spokescharacters or other animation. Some TV ads featured children or teens engaged in sports or other physical activities. Companies also continued to use print and radio, though not extensively. Print ads for fruit snacks, crackers, and lunch kits appeared in *Marvel Comics*, *Nickelodeon Magazine*, and *SI Kids*, as well as a variety of other "tween" and teen magazines. Radio ads to teens were mainly for carbonated beverages, sports drinks, and energy drinks.

Internet promotional activities have become an anchor for food marketing, with more than 90% of the reporting companies engaging in online marketing in 2009. Online marketing is far less costly than TV and other media, and more interactive and engaging. As set out in Appendix D to this report, in 2009, ad-supported, child-oriented websites generated over 2.1 billion display ad impressions for food products, reflecting little change from the 1.96 billion food ad impressions detected for 2006. As in 2006, the breakfast cereal category generated most of those impressions (1 billion), and pre-sweetened cereals tended to be the most advertised food products on both child- and teen-oriented websites. Child-directed virtual worlds also ran a significant amount of display advertising for foods. Nine of the top-ten consumer goods advertised on 13 of the most popular online worlds for children were foods.

Food company websites remained a viable part of integrated marketing campaigns in 2009, but their popularity did not grow appreciably from 2006. About two million children ages 2-11 (and nearly three million 6-14-year-olds) per month visited at least one of 73 food company websites most likely to attract children during the latter half of 2009. Few individual food company websites averaged more than 100,000 child visitors per month, the exceptions being Millsberry.com (284,000), HappyMeal.com (189,000), MyCokeRewards.com (177,000), and McWorld.com

(139,000). Millsberry.com ceased operations in 2011. Further, child visitors spent little time on company websites, the exceptions being Millsberry.com (45 minutes for children) and Postopia.com (29 minutes for 6-14-year-olds). Finally, as in 2006, a sizable subset of youth regularly visited and spent significant time on multiple food company websites each month during 2009. Through the four months ending December 2009, more than a half million children 2-11, and nearly 700,000 6-14-year-olds, averaged more than 30 minutes per month on two or more of the 73 food sites examined.

Advergaming promoting foods and beverages were a key focus of many child- and teen-oriented sites. Advergaming often offered multiple levels of play and some incorporated social networking by allowing players to “invite a friend” to join the game. One game directed the child to hold a cereal box up to a webcam in order to interact with the game. Other popular online marketing activities included allowing children to create their own avatar and personalize their virtual world, creating art work to share with a friend online, joining online “clubs” that offer free or discounted meals on a child’s birthday, and downloading screen savers, “emoticons,” ring tones, videos, and other items. Teen-directed websites often featured celebrity athletes and musical artists, sports video games, online concerts, and sweepstakes. In addition to marketing on their own websites, food and beverage companies also displayed banner ads on sites operated by Nickelodeon, NeoPets, Cartoon Network, and Disney, as well as on popular game, sports, and social media sites. Digital marketing to young people on mobile devices also increased with the proliferation of these devices, using many of the same techniques used on the Internet, such as games, free downloads, and contests.

Viral marketing and word-of-mouth activities were increasingly used by food marketers to reach children and especially teens and were often closely integrated with Internet marketing. Food marketers had their own Facebook and MySpace pages, links to Twitter accounts, dedicated portions of YouTube, and used other popular social media sites. Websites often included solicitations to “invite a friend” or “share with a friend”; in one case, a site urged advergaming players to enlist friends through Facebook and Skype. Food marketers also used word-of-mouth techniques – recruiting consumers as “ambassadors” of the brand. Word-of-mouth techniques were most often directed to teens.

Other traditional forms of marketing, such as product packaging and in-store marketing, premiums, product placement, and celebrity endorsements, are described in detail in Section IV of this report.

The Commission also collected consumer research from the companies related to their youth-directed marketing. One theme that emerged from the research was the important role that children play in purchasing decisions for food and beverages and how marketing promotes that “pester power.” Purchase of particular foods or the choice to eat at particular QSRs was often

driven by a child's request. For example, one company's study found that a child seeing an ad for a food product or seeing the product on the shelf was a key factor in purchase and that 75% of the purchasers surveyed bought the product for the first time because their child requested it. Another study showed that in-store advertising campaigns using child-targeted character-based themes outperformed those using mom-targeted themes.

Companies also conducted general research on the themes and content that appealed most to youth, as well as on the appeal of specific promotional techniques. The research supported the importance of product packaging, and in particular branding, to children and teens, and confirmed the efficacy of popular characters and celebrities in marketing to children and teens. Research on how to effectively engage children and teens on the Internet included a study by one company noting that online marketing activities are a worthy investment because they keep children engaged with the company and promote brand loyalty. Other research underscored the importance of frequently updating online content to keep it fresh, and using streaming video and interactive icons to appeal to teens. Research also confirmed the appeal of social media campaigns on Facebook and Twitter; the appeal of contests, especially those that are simple and offer instant gratification, such as entering a product code online; and the impact of children's meal toys on generating interest in eating at a restaurant. In contrast with research submitted for the 2008 report, companies found that healthy messages in advertising can be appealing to children, although the research results were mixed. Finally, research on children's and teens' media usage patterns included a study finding a sizable increase in use of social networking sites between the ages of 11 and 14 (from 18% to 42%).

Fewer than half of the reporting companies reported marketing activities targeted by gender, race, or ethnicity. Examples included: a few child-targeted Spanish-language ads; soda and energy ads on TV programming with a large African-American teen audience; digital marketing of carbonated beverages targeted to Hispanic and African-American teens; a QSR-sponsored town-hall meeting on college admissions for Hispanic teens; and athletic event sponsorship for Hispanic children and teens. Gender-based marketing included sponsorship of girls or boys sporting camps and events, and use of licensed characters, such as Disney Princesses, on cereal boxes and other packaged foods. No companies reported targeted marketing based on income level, although several companies sponsored athletic events intended to benefit lower income, inner-city youth.

## **E. Trends in Youth Food and Beverage Consumption**

For this report, the Commission also examined select food consumption data to look for signs that children and teens are changing their diets as the major food companies shift their expenditures, their marketing techniques, or the nutrition content of the food marketed to youth.

According to data from CDC's National Health and Nutrition Examination Survey (NHANES), over the past decade, children and teens reduced their average daily caloric intake as well as their consumption of total fat, sodium, and sugar. Over the same period, they ate more fiber and calcium.

Survey data from The NPD Group reveal that children and teens have increased their fruit consumption since at least 2005, a shift that may be attributable in part to the food companies' healthy eating initiatives and increased youth awareness of healthy eating. Contemporaneous with the increase in youth-targeted dairy marketing, children and teens consumed more dairy products, especially yogurt. Children ate slightly more cereal in 2009, even though child-directed marketing expenditures dropped substantially from 2006; their consumption of pre-sweetened cereals remained unchanged. Teen breakfast cereal consumption remained relatively flat between 2006 and 2009, even though the companies increased teen-directed marketing during that period. Although the companies reduced their youth-directed marketing expenditures for carbonated beverages between 2006 and 2009, there was a slight uptick in youth consumption. Trend data over ten years, however, reveal that children and teens have sharply reduced their intake of carbonated beverages, particularly regular (non-diet) soft drinks. In 2009, consistent with shifts in companies' marketing policies, children and teens drank the most caloric and sugary drinks outside of the school setting.

NHANES data show that children and teens who reported eating at QSRs steadily reduced their average daily intake of QSR-derived calories, total fat, sugar, and sodium between the 2003/2004 and 2009/2010 surveys. The same trend held for overweight and obese youth. These consumption shifts track the increased marketing of QSR food with fewer calories, sugar, sodium, and saturated fat on child-directed television programs in 2009. Relatedly, NPD data show that in recent years, the kids' meals with toys that were purchased for children have included fewer fries and full-calorie soft drinks and more milk, fruit, and fruit juice.

## **F. Summary of Industry Progress**

### **1. The Food and Beverage Industry**

Food and beverage companies have taken several positive steps in response to the recommendations set forth in the Commission's 2008 report, and to First Lady Michelle Obama's *Let's Move!* campaign. In 2008, for example, the Commission urged all companies to apply meaningful nutrition standards to marketing directed to children and suggested that companies apply broader indicia of what constitutes "directed to children." The Commission also suggested that companies more broadly construe the term "marketing" to cover all techniques used to reach children and specifically to expand the scope of covered activities in the school setting.

The food and beverage industry, especially those companies that participate in the CFBAI, the Alliance for a Healthier Generation, and other self-regulatory initiatives, have made measurable progress in implementing those recommendations. The CFBAI, for example, has expanded its membership to include four new participants with the result that all, or nearly all, children's marketing in many food categories is now covered by the CFBAI program. The CFBAI has also continued to closely monitor its members and has reported high rates of compliance with its program. The Commission notes, however, that some companies have not yet joined the CFBAI or adopted meaningful nutrition standards of their own. For example, some restaurant chains, candy companies, and baked good companies with sizable spending on the children's market do not participate in CFBAI. In addition, the Commission notes that franchisees, independent distributors, and local bottlers for CFBAI member companies do not always adhere to the member companies' pledge commitments.

CFBAI and its members have also made progress on expanding their definition of what constitutes marketing "directed to children." Many CFBAI members, for example, have expanded the scope of television and other measured media content covered by their pledges to any content with a 35% or greater audience of children ages 2 to 11. The Commission also commends CFBAI for expanding its program to require participants to commit that 100% of their child-directed advertising be covered. The Commission notes, however, that CFBAI's definition of "directed to children" does not yet incorporate more subjective assessments of appeal to children. For example, in determining whether a video game or DVD movie is "directed to children," the CFBAI considers the "EC" or "G" rating, but does not look at other indicia of the intended audience. Not all movies rated "G" are intended primarily for a child audience; by the same token, many movies rated "PG" are clearly intended to appeal to children under 12.

The Commission also commends CFBAI for expanding its "core principles" to include additional marketing techniques and media not previously covered by its program, including advergames, advertising on video games and movie DVDs, cell phone and other mobile media, the apps used in those media, and word-of-mouth marketing. Despite the significant expansion of covered marketing techniques, however, CFBAI does not yet cover certain forms of marketing that food company research shows to be highly effective in reaching children. Product packaging and in-store promotion, including the use of licensed characters from popular children's movies and TV shows, are exempt and continue to be used extensively to market to children, both by CFBAI members and other companies. In addition, although CFBAI continues to prohibit member companies from paying for or actively seeking to place food and beverage products in children's programming, the Commission notes that unsolicited product placement of food and beverages in child-directed movies continues and that companies do not take a proactive role in discouraging such placement. The Commission has also observed that product-line advertising,



company-wide brand advertising, and marketing through branded merchandise such as children's toys and clothing, are not always clearly limited to product lines or brands that fully meet meaningful nutrition standards. In other instances, advertising of individual products in a product line does not prominently feature the specific product meeting nutrition standards, so that the advertising appears to also promote product varieties not meeting those standards.

With respect to in-school marketing and sale of foods and beverages, both the CFBAI and the Alliance for a Healthier Generation have played an important role. At the start of the 2009-2010 school year, the vast majority of school and school district contracts complied with Alliance guidelines governing calorie-content and serving size for beverages sold in schools. Notably, the Alliance for a Healthier Generation's program encompasses food sales at all school levels, including high school. In contrast, the CFBAI program on marketing activities in schools is limited to elementary schools and continues to exempt certain activities, such as "point-of-sale" displays, fundraisers, and branded educational materials.

The 2008 report also encouraged companies to continue to engage in healthy lifestyle messaging and other outreach efforts to children. Companies reported a number of activities to promote nutrition and exercise, including the food and beverage industry's formation of the Healthy Weight Commitment Foundation and the restaurant industry's launch of the *Kids' LiveWell* campaign. Fewer of the initiatives reported for 2009, however, targeted minority populations.

The most notable self-regulatory development since the Commission's 2008 report involved strengthening and standardizing the nutrition standards applied to children's food marketing. In July 2011, CFBAI released a new set of uniform nutrition criteria to be implemented by all member companies by December 31, 2013. The Commission commends CFBAI and its member companies for their leadership in improving the nutritional profile of foods marketed to children. The CFBAI 2014 uniform nutrition criteria represent significant progress on several aspects of the nutrition criteria currently used by individual member companies. They are already spurring improvements in the nutritional profile of foods marketed by CFBAI members and will lead to further improvements over the next year prior to full implementation.

Although the Commission does not have the expertise to assess specific nutrition criteria, the Commission notes that the CFBAI 2014 criteria for "nutrition components to encourage" appear to be less challenging to achieve, requiring significantly less reformulation of foods marketed to children than the criteria for "nutrients to limit." Specifically, only 20% of the foods advertised to children in 2009 would require any increase in "nutrition components to encourage" to meet the 2014 criteria, whereas 64% of foods advertised to children in 2009 would require some additional reduction in at least one "nutrient to limit." In many of the food product categories, CFBAI does not limit its "nutrition components to encourage" to the key food groups and short-fall nutrients identified in the 2010 Dietary Guidelines for Americans, but includes other vitamins

and minerals that are not deficient in children's diets. For example, many of the categories with grain-based components do not include a requirement for whole grain. Cereal products, thus, do not need to contain a minimum amount of whole grain or fiber, provided they contain at least 10% of the daily value for Vitamins A or C, or iron. As a result, all cereal advertising to children in 2009 met the CFBAI 2014 criteria for "nutrition components to encourage," despite the fact that 86% of cereal marketed to children in 2009 contained mostly refined grain.

As a general matter, the CFBAI 2014 "nutrients to limit" criteria are set at levels that will spur further nutritional improvements in foods marketed to children. Within specific product categories, however, some of these criteria may have little or no impact on the nutritional quality of foods. As an example, the Commission notes that 99% of cereal marketed to children in 2009 already met the 2014 CFBAI sodium limit. Similarly, 92% of children's dairy drink marketing met the 24 g limit for total sugar established by the CFBAI's 2014 uniform nutrition criteria.

The Commission recognizes that some of the 2014 criteria may reflect practical limitations on what is feasible given current food manufacturing technology. Other criteria, such as those relating to sodium and sugar limits or whole grain content, may reflect concerns about palatability and consumer acceptance of reformulated foods. As technology advances and palates adjust, however, it may be possible for CFBAI to reassess its criteria to further enhance the nutritional quality of foods marketed to children in keeping with key recommendations of the 2010 Dietary Guidelines for Americans.

## **2. Media and Entertainment Companies**

The Commission's 2008 report also contained recommendations for media and entertainment companies, focusing on character-licensing and other cross-promotion with food companies and on placement of food advertising in children's media. The Commission commends those media and entertainment companies that have implemented their own individual initiatives, for example, by applying nutrition standards for character licensing and for cross-promotions with media properties. Some major media and entertainment companies, however, still do not apply any nutrition standards to foods promoted with their popular children's characters or programs. As for placement of food advertising in children's media, in 2008 only Qubo, a children's programming platform on the Ion network, had formally pledged to limit food advertising to more nutritious products during its block of children's shows. The Commission commends Disney which, in June 2012, became the first major media company to commit to apply nutrition standards for ads placed on programs directed to children. Other companies have yet to follow their example.

There were many examples of media companies engaging in healthy lifestyle initiatives for the 2009 reporting year, including some directed to Hispanic families. The Commission com-



mends those efforts. The Commission encourages similar focus on other populations with high rates of childhood obesity, including the African-American population.

Finally, the Commission notes that there has been no effort to date by media companies to work with the CFBAI or participate in a similar industry-wide initiative addressing childhood obesity. Unlike the food industry, where a substantial majority of those engaging in marketing to children participate in self-regulation to limit food marketing to nutritious choices, widespread media industry participation is lacking.

# **I. Introduction**

Childhood obesity continues to be one of the most serious and costly public health issues facing the United States. Over the past three decades, rates of obesity have more than doubled for children ages 2 to 11 and more than tripled for teens ages 12 to 18.<sup>1</sup> As a result, 32 percent of children are now overweight or obese, with 17 percent falling in the obese range.<sup>2</sup> While many factors contribute to these dramatic increases in obesity, children's poor diets play a significant role. The top three sources of calories in children's diets are grain-based desserts, pizza, and soda/energy/sports drinks.<sup>3</sup> Children are consuming too little whole grain, vegetables, fruits, milk, and healthy oils and falling short on important nutrients like fiber, potassium, Vitamin D, and calcium.<sup>4</sup> At the same time, children consume too many calories from added sugars, solid fats, and refined grains, and take in too much sodium.<sup>5</sup>

The Federal Trade Commission recognizes that tackling obesity and improving children's diets is a challenging task that requires effort from all segments of society. The Commission believes that food marketers and the media can play a meaningful role in that effort by applying their marketing power and creative skills to encourage children to make better food choices and be more physically active. The Commission is encouraged by the steps that many companies are already taking and the significant progress that has been made since the Commission, jointly with the Department of Health and Human Services, held its first workshop on food marketing and childhood obesity in July 2005.

In 2008, the Commission published its first study of the marketing of foods and beverages to children and teens.<sup>6</sup> Conducted at the request of Congress, that study analyzed data from public and non-public sources to provide a comprehensive assessment of marketing expenditures and activities directed toward children (ages 2-11) and teens (ages 12-17) by 44 food and beverage producers, marketers, and quick-service restaurants (QSRs) in the United States during 2006. The timing of that study was propitious because the Children's Food and Beverage Advertising Initiative (CFBAI) – a major self-regulatory effort to change the nutritional profile of foods and beverages marketed to children – was launched at the end of 2006. Thus, the 2006 data became the baseline for measuring the impact of voluntary industry efforts to modify food marketing to children. At the conclusion of its 2008 report, the Commission made a number of recommendations to the food and beverage industry, as well as media and entertainment companies. The Commission also committed itself to continued monitoring of food marketing to children and to conducting a follow-up study in the future to assess the impact of industry self-regulatory efforts.

This report describes the results of the follow-up study. To gather data from three years after the baseline data collection, in August 2010, the Commission issued an Order to File Special Report (Special Order) (attached as Appendix B) to 48 food and beverage manufacturers, dis-

tributors, and marketers, seeking data regarding marketing expenditures and activities directed to children and teens in 2009. As explained in Appendix A, Data and Research Methods, most of the 44 companies that provided the 2006 data received the Special Order for 2009 data. A few additional companies were also included in the request for 2009 data. The Commission also expanded the 2009 data request to include nutrition data for those food and beverage products for which there were marketing expenditures directed to children or teens. Because nutrition data had not been collected for 2006, the Commission asked the companies included in the prior study to submit nutrition data for the products marketed in 2006, as well as for those marketed in 2009. Accordingly, this report compares not only marketing expenditure data from 2006 and 2009, but also nutrition data weighted by the amount of spending on the promotion of each product.

As in the case of the previous study, the Commission believes that the companies receiving and responding to the Special Order (hereafter “the companies”) are responsible for a substantial majority of the expenditures for food marketing to children and teens during the relevant time frame.<sup>7</sup> To protect the confidentiality of the reported information, as required by the FTC Act and Commission Rules,<sup>8</sup> the Commission has reported expenditure and nutrition data only in the aggregate by food category and by promotional technique. Like the Commission’s first report, this follow-up report presents a great deal of information not previously collected and not otherwise available to the research community.

The companies provided information about expenditures in 2009 for products in 10 food and beverage categories: breakfast cereals, snack foods, candy and frozen desserts, dairy products, baked goods, prepared foods and meals, carbonated beverages, fruit juice and non-carbonated beverages, fruits and vegetables, and food served in QSRs. The companies were required to submit expenditure information for their marketing activities directed toward children (ages 2-11), teens (ages 12-17), or both, in each of 18 promotional activity categories: television; radio; print; company-sponsored websites; other Internet and digital advertising; packaging and labeling; movie theater, video, and video games; in-store displays; specialty item or premium distribution; public entertainment events; product placements; character licensing, cross-promotions, and toy co-branding; sponsorship of sports teams or athletes; word-of-mouth and viral marketing; celebrity endorsements; in-school marketing; advertising in conjunction with philanthropic endeavors; and other promotional activities. In addition, for any food product marketed to children or teens, the companies were required to report the total expenditures on marketing of the product to all audiences through any media. The report discusses these expenditure data in Section II, and includes comparisons to the data reported for 2006.

Section III of the report sets out a detailed analysis of nutrition data for food and beverages marketed to children and teens in 2006 and 2009. A key recommendation of the 2008 Report was that companies work to improve the nutritional profile of products marketed to children and

teens.<sup>9</sup> By comparing 2006 and 2009 nutrition data for foods marketed to youth, the analysis provides information on the progress the companies made in the three years following the launch of the CFBAI self-regulatory program and other self-regulatory initiatives. The Commission is aware that major self-regulatory measures have been taken since 2009, as highlighted in Section V of the report, that have likely resulted in further nutritional improvements. Section III, nevertheless, provides a useful snapshot of the initial impact of self-regulation on nutrition. The analysis includes specific sections on the product categories most heavily marketed to children and teens. In some categories, the Commission has also looked at nutrition by marketing technique, for example, comparing foods marketed with and without cross-promotion, and foods marketed in traditional measured media to foods marketed in new media. The nutrition data in Section III are weighted by marketing expenditures for each product. This is a key difference between this report and other recent assessments that look at nutrition data by product but do not take into account how heavily each product is marketed to children and teens. The Commission believes its expenditure-weighting approach more accurately reflects the overall nutritional quality of foods marketed directly to youth.

The Special Order also required the companies to produce samples or descriptions of their advertising and marketing activities directed to children or teens in all promotional categories, whether or not expenses were incurred for the promotion. Section IV summarizes this information and affords a comprehensive look at the nature of food and beverage promotions to children, teens, or both in 2009. In addition, Section IV summarizes key findings from market research the companies conducted on the impact of marketing directed to youth on purchase decisions.

Section V discusses media company policies and practices on youth-directed food advertising, as well as food company policies on advertising directed to children and teens, participation in self-regulatory programs, and initiatives to promote healthy eating by young people. Using survey data from The NPD Group, this section also examines food marketing expenditures in the context of food consumption trends for children over the last decade. Although the factors that impact a child's diet are numerous and manifold, evidence that children and teens are choosing to eat more or less of certain foods may inform the discussion about where industry should focus self-regulatory efforts.

Some companies objected to the Special Order's criteria for determining whether an ad or promotion is directed to children, teens, or both. These companies contended that the criteria were overly broad and resulted in the inclusion of expenditures for ads or promotions that were directed to parents, families, or adults in general.<sup>10</sup> The Commission acknowledges that, in some instances, the data may be over-inclusive, reflecting advertising that reached significant numbers of children or teens, although not specifically targeted to them. However, in other instances, the data may be under-inclusive. For example, the expenditures reported by QSRs did not account

for all of the local advertising expenditures by independently owned franchisees. Moreover, the companies responding to the Special Order do not represent the entire universe of U.S. companies that engage in food marketing to young people. Nevertheless, the Commission believes that these data present a reasonably accurate portrayal of the majority of food and beverage marketing directed to children and teens in 2009. Because the definitions and criteria used in the Special Order are nearly identical to those underlying the first report, the Commission can reliably compare the 2006 and 2009 time periods.

The Commission believes that food industry self-regulation is beginning to bring about important changes in the marketing of foods to children under 12. The Commission encourages companies to continue to enhance and expand upon these efforts.

## II. Expenditures for Marketing Food to Youth

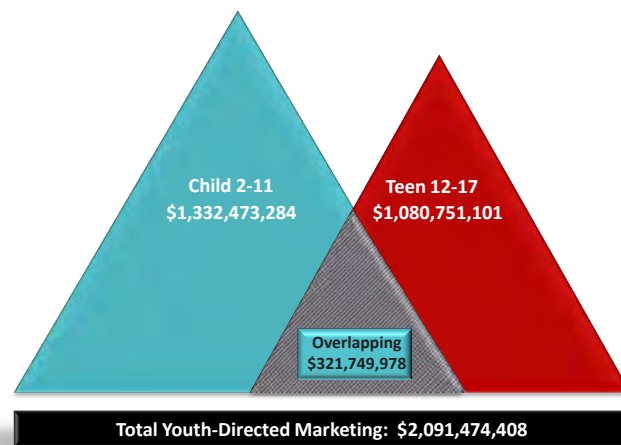
### A Introduction

In 2006, the reporting companies (44 for that year) spent nearly \$2.1 billion to promote food and beverages to children ages 2-11 and teens ages 12-17 (collectively, “youth”) in the U.S., with \$1.3 billion directed to children, and about \$1 billion directed to teens; approximately \$321 million of the expenditures were directed at both children and teens.<sup>11</sup> See Figure II.1.

In 2009,<sup>12</sup> the 48 reporting companies spent approximately \$1.79 billion on youth marketing, a 19.5% drop in inflation-adjusted<sup>13</sup> expenditures since 2006. Of the \$1.79 billion, \$1 billion was directed to children, \$1 billion was directed to teens, with \$263 million overlapping between the two age groups.<sup>14</sup> See Figure II.2.

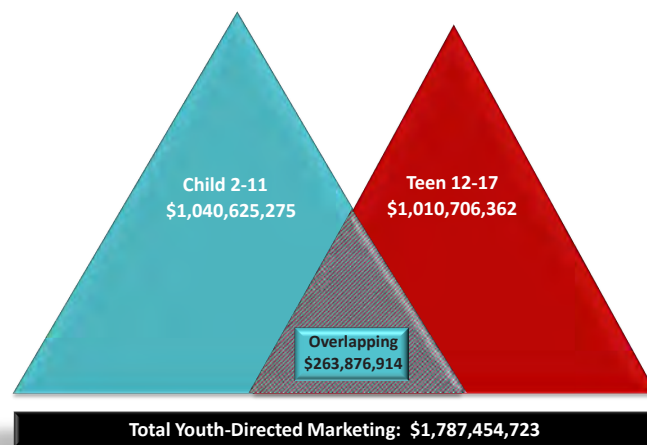
The reporting companies promoted their youth-advertised products to adults or to a general audience, as well as to consumers under age 18. Overall marketing expenditures for these products amounted to \$9.65 billion, slightly less than the \$9.69 billion spent in 2006. See App. C, Table C.1. The \$1.79 billion in youth-directed marketing expenditures for these products represented 18.5% of all consumer-directed marketing expenditures, down from 21.6% in 2006. Quick-service restaurant (QSR) foods, carbonated beverages, and break-

**Figure II.1: Reported Child- and Teen-Directed Marketing Expenditures and Overlap (2006)\***



\*The 2006 expenditures are higher than the expenditures reported in the 2008 Report because they include self-liquidating premiums.

**Figure II.2: Reported Child- and Teen-Directed Marketing Expenditures and Overlap (2009)**



fast cereals accounted for \$1.29 billion of those expenditures, 72% of the total (the same as in 2006).

The reporting QSRs spent \$714 million on youth marketing in 2009, dropping from \$733 million in 2006.<sup>15</sup> As noted below, most of that drop was due to reduced premium expenditures; in contrast, traditional measured media expenditures (television, radio, and print) substantially increased. As in 2006, QSR expenditures were weighted more toward children (\$583 million) than teens (\$185 million).

Carbonated beverage companies reported \$395 million in youth-directed expenditures, about 97% of which were teen-directed. Breakfast cereal companies reported \$186 million in youth-directed marketing expenditures, down considerably from the \$237 million reported for 2006. Compared to 2006, breakfast cereal expenditures were much more balanced between children (\$173 million) and teens (\$103 million), with considerable overlap (\$90 million).

In terms of promotional techniques, television advertising accounted for 35.4%, and, as in 2006, the greatest share, of total youth-directed food and beverage marketing expenditures; although, in inflation-adjusted dollars, food marketers spent 19.5% less on TV in 2009. They spent an additional \$63 million on radio and print advertising.

The reporting companies spent \$122.5 million on new media – company websites, Internet, digital, and word-of-mouth and viral, a 50.5% jump from 2006 expenditures. New media represented 6.9% of all reported youth-directed marketing, up from 3.7% in 2006. The companies reported spending \$113 million on in-store marketing and packaging to reach children and teens, a 45.5% drop from 2006. These expenditures also dropped as a share of youth-directed expenditures (6.3% versus 9.3% in 2006).

Premium expenditures represented \$393 million, or 22%, of all reported youth-directed expenditures. These expenditures dropped nearly 28% in inflation-adjusted dollars compared to 2006. Data from the companies and the NPD Group suggest that this drop was primarily due to two factors: restaurants sold fewer kids meals with toys to children, and the costs of these toys was less in 2009 versus 2006.

The reporting companies spent 22% less in 2009 on the other traditional promotions category, which includes product placement, movie, video, and video game advertising, cross-promotion license fees, athletic and event sponsorship, and celebrity endorsement fees. Companies spent \$315 million on these activities, accounting for 17.6% of youth-directed marketing expenditures. Finally, the companies reported in-school marketing expenditures of \$149 million. These expenditures represented 8.3% of all youth-directed food marketing expenditures, a significant drop from the \$186 million reported for 2006.

As in 2006, nearly one-third of all youth-directed marketing involved cross-promotions, although expenditures were down in absolute dollars (\$584 million versus \$666 million in 2006).



Cross-promotion expenditures include not only the licensing fees but also the cost of implementing the cross-promotion across various activity categories, such as television and Internet advertising, premiums, and packaging. Celebrity marketing, which includes both fees paid to celebrity endorsers and the cost of marketing that used the celebrity, also increased dramatically in absolute dollars (from \$26.8 million in 2006 to \$99 million in 2009) and accounted for 5.6% of all youth-directed marketing (up from 1.3% in 2006).

## B. Expenditures Analyzed by Food Category

For each product, meal, food, or beverage with youth-directed marketing expenditures (“reported products”), the companies also reported the total consumer-directed marketing expenditures – *i.e.*, total dollars spent to promote those products to consumers of all ages. Table II.1 presents total youth-directed expenditures for each food category in 2006 and 2009, which also are expressed as a percentage of the total marketing expenditures for those products within that food category. The QSR (\$714 million), carbonated beverages (\$395 million), and breakfast cereal (\$186 million) categories spent the most on youth-directed food marketing, accounting for \$1.29 billion, or 72%, of the \$1.79 billion total. In addition, the proportion of the companies’ marketing budgets for the reported products that was devoted to youth decreased across all food categories, from 20.9% to 18.5%. The most notable drops were for QSR foods (from 29% to 24.1%), candy and frozen desserts (from 25.8% to 14.8%), baked goods (40.8% to 25.2%), and fruits and vegetables (24.7% to 12.8%). As of 2009, the breakfast cereal category still had the highest proportion of youth-directed expenditures relative to total marketing expenditures for the reported products (25.9%).

**Table II.1: Total Youth-Directed Marketing Expenditures for Reported Brands and Percent of Total Marketing Expenditures, By Food Category (2006 vs 2009)**

Food Category	2006			2009		
	Expenditures Meeting Youth (2-17) Criteria (\$1000)	Total Marketing Expenditures (\$1000)	% of Total Marketing Expenditures Meeting Youth (2-17) Criteria	Expenditures Meeting Youth (2-17) Criteria (\$1000)	Total Marketing Expenditures (\$1000)	% of Total Marketing Expenditures Meeting Youth (2-17) Criteria
Restaurant Foods	732,644	2,529,445	29.0	714,298	2,959,566	24.1
Carbonated Beverages	526,370	3,132,150	16.8	395,128	2,470,781	16.0
Breakfast Cereal	236,553	792,042	29.9	186,085	718,988	25.9
Snack Foods	138,713	852,342	16.3	123,285	802,138	15.4
Juice & Non-carbonated Bevs.	146,601	1,340,266	10.9	121,156	1,029,864	11.8
Candy/Froz. Desserts	117,694	456,677	25.8	79,006	534,651	14.8
Dairy Products	54,645	265,887	20.6	78,457	459,433	17.1
Prepared Foods & Meals	64,143	424,858	15.1	65,987	547,552	12.1
Baked Goods	62,549	153,393	40.8	16,893	67,127	25.2
Fruits & Vegetables	11,563	46,769	24.7	7,160	55,915	12.8
TOTAL	2,091,474	9,993,829	20.9	1,787,455	9,646,016	18.5

Note: Youth 2-17 marketing includes all marketing that meets either the Child 2-11 criteria or the Teen 12-17 criteria, without duplication.

Table II.2 lists the reporting companies’ total expenditures for both child- and teen-directed marketing by food category and indicates the amount of overlapping expenditures (meaning the marketing met the definition for both child-directed and teen-directed). QSR foods (\$583 mil-



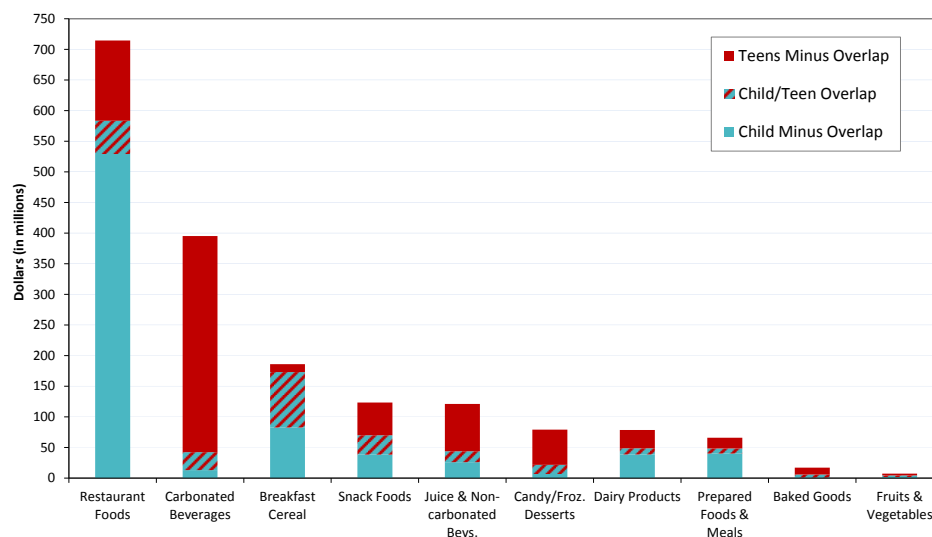
lion), breakfast cereals (\$173 million), and snack foods (\$70 million) accounted for 79% of the \$1 billion in child-directed ad expenditures (up from a 71% share in 2006). The top three food categories with teen-directed marketing expenditures were carbonated beverages (\$382 million), QSR foods (\$185 million), and breakfast cereals (\$103 million). Those three categories accounted for two-thirds of the teen-directed expenditures.

**Table II.2: Reported Child- and Teen-Directed Marketing Expenditures and Overlap (2006 vs 2009)**

Food Category	2006			2009		
	Expenditures Meeting Child 2-11 Criteria (\$1000)	Expenditures Meeting Teen 12-17 Criteria (\$1000)	Overlapping Expenditures (\$1000)	Expenditures Meeting Child 2-11 Criteria (\$1000)	Expenditures Meeting Teen 12-17 Criteria (\$1000)	Overlapping Expenditures (\$1000)
Restaurant Foods	604,771	140,487	12,614	583,268	185,280	54,250
Carbonated Beverages	96,024	507,918	77,571	42,263	382,284	29,419
Breakfast Cereal	228,983	71,266	63,696	173,000	103,462	90,377
Snack Foods	112,607	51,354	25,248	69,859	85,099	31,673
Juice & Non-carbonated Bevs.	70,302	108,476	32,177	43,609	95,214	17,667
Candy/Froz. Desserts	60,708	98,998	42,012	21,612	72,228	14,834
Dairy Products	29,602	38,477	13,434	48,559	39,780	9,882
Prepared Foods & Meals	59,821	17,791	13,468	48,394	26,016	8,423
Baked Goods	61,147	39,649	38,248	5,705	15,875	4,687
Fruits & Vegetables	8,510	6,336	3,283	4,358	5,469	2,667
TOTAL	1,332,473	1,080,751	321,750	1,040,625	1,010,706	263,877

Figure II.3 illustrates the information reported in Table II.2. It depicts total marketing expenditures directed to youth in each food category and the breakout between child- and teen-directed expenditures, as well as the overlapping expenditures, for the reported products.

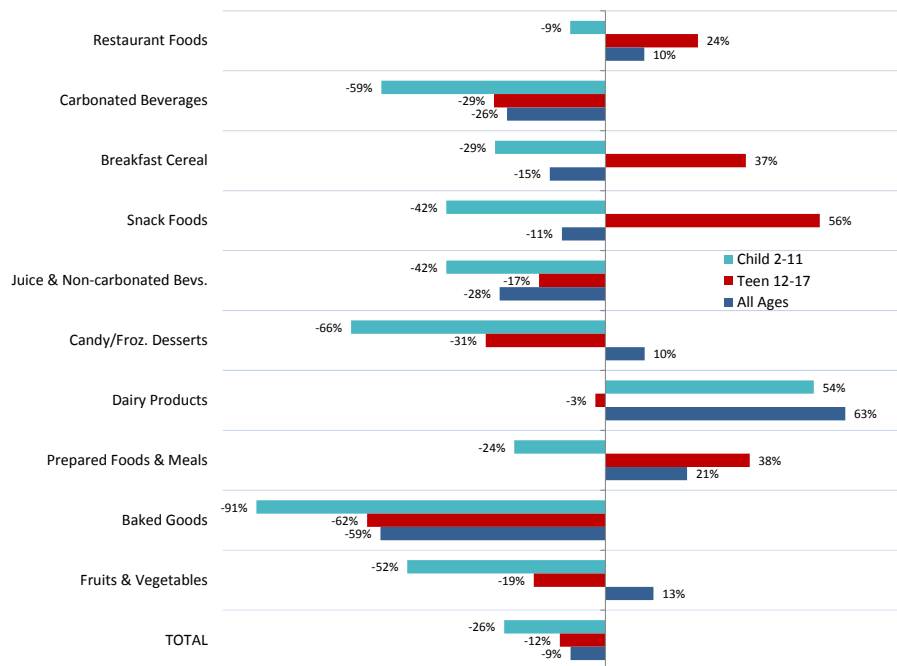
**Figure II.3: Child- and Teen-Directed Marketing Expenditures, Ranked by Youth Expenditures (2009)**



Note: The portion of marketing that meets both the child and teen criteria is labeled Child/Teen Overlap.

Figure II.4 shows the changes in child, teen, and total marketing expenditures for the reported products within each food category between 2006 and 2009. Child-directed expenditures declined across all food categories (-26%),<sup>16</sup> but especially for baked goods (-91%), candy and frozen desserts (-66%), and carbonated beverages (-59%). By contrast, several food categories increased their teen-directed marketing expenditures, including QSR foods (+24%), breakfast cereal (+37%), snack foods (+56%), and prepared foods (+38%). All other categories spent less to reach teens, especially the candy (-31%), carbonated beverages (-29%), and baked goods (-62%) categories.

**Figure II.4: Percentage Change in Reported Child-Directed, Teen-Directed, and All Ages Marketing Expenditures for Reported Products\* from 2006 to 2009, Adjusted for Inflation**



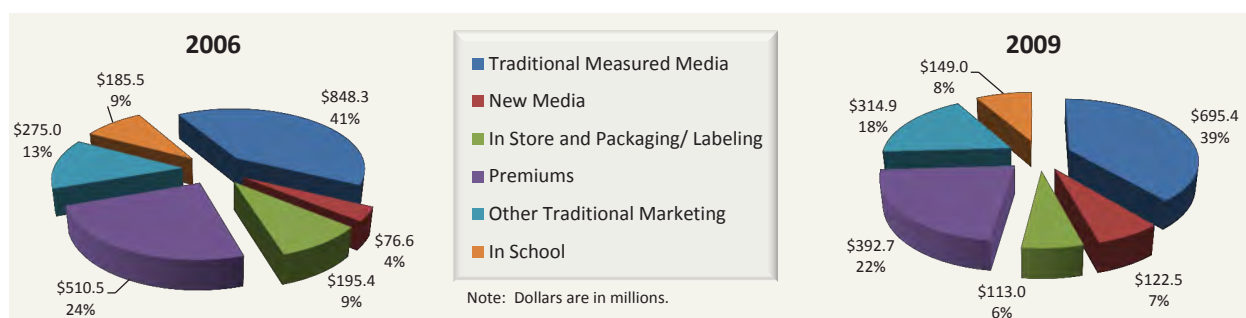
\*Reported products were those foods and beverages that the reporting companies marketed to children, teens, or both. The All Ages data reflect total consumer-directed marketing expenditures only for the reported products.

## C. Expenditures Analyzed by Promotional Activity Groups

The Commission's Special Order sought information about 17 separate promotional activity categories, as well as a catch-all "other" category.<sup>17</sup> For purposes of this report, these categories have been consolidated into six groups: 1) traditional measured media, consisting of television, radio, and print advertising; 2) new media, consisting of company-sponsored websites, Internet, digital, word-of-mouth, and viral marketing; 3) packaging and in-store marketing; 4) premiums; 5) other traditional promotions, consisting of product placements, movie theater, video, and video game advertising, character or cross-promotion license fees, athletic sponsorships, celeb-

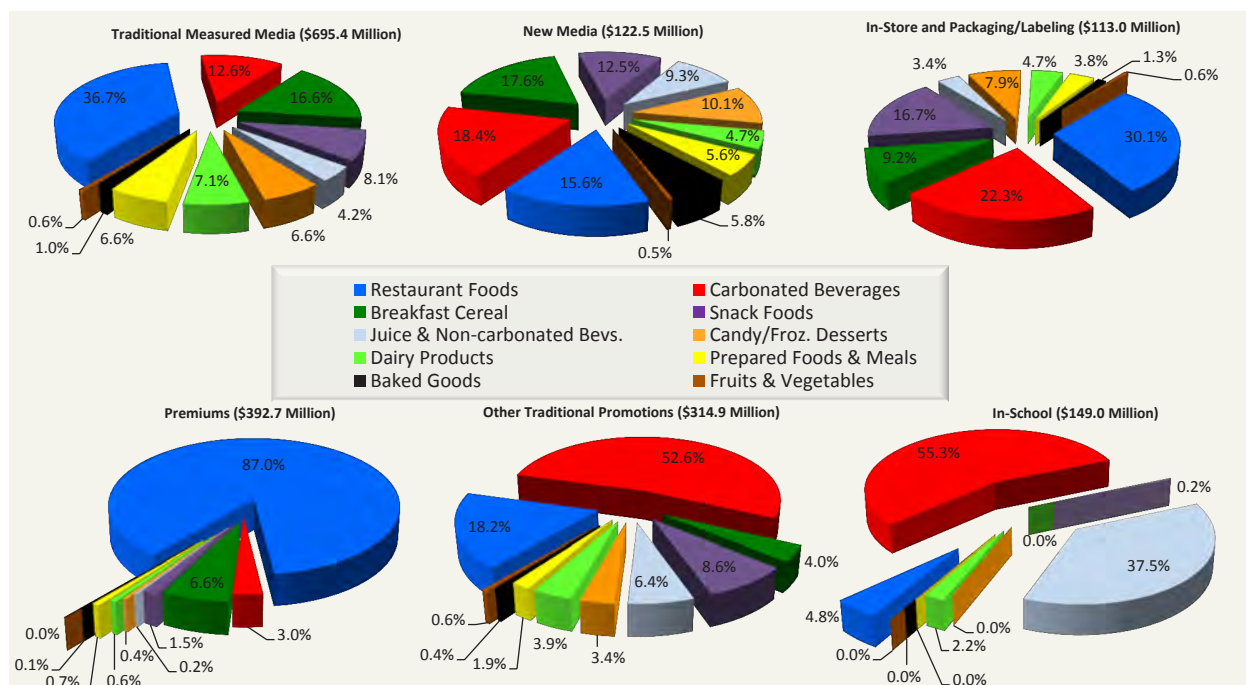
rity endorsement fees, events, philanthropic activities tied to branding opportunities, and other miscellaneous marketing expenditures; and 6) in-school marketing. Figure II.5 shows how the companies allocated the \$1.79 billion in youth-directed food marketing in 2009 across the six promotional activity groups, compared to 2006. Appendix Tables C.1 and C.2 provide detailed data on these expenditures within each promotional activity category for each food group and age category.

**Figure II.5: Reported Total Youth-Directed Marketing Expenditures by Promotional Activity Group, Adjusted for Inflation (2006 vs 2009)**



Within these six promotional activity groups, Figure II.6 illustrates the percentage of total youth-directed spending within each group contributed by each food category during 2009. The figure demonstrates, for example, that carbonated and non-carbonated beverages comprised

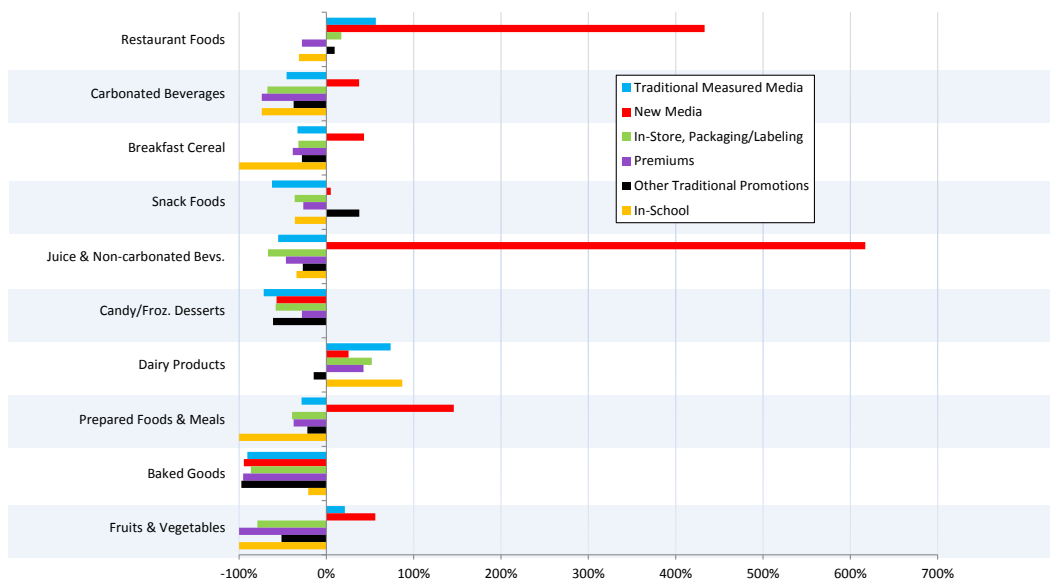
**Figure II.6: Food Category Share of Total Youth-Directed Expenditures for Each Promotional Activity Group (2009)**



nearly 93% of the reported in-school expenditures. The figure also shows that the QSR foods category accounts for the lion's share (87%) of premium expenditures. Appendix Table C.3 provides further detail on expenditures within the six promotional activity groups.

Figures II.7 and II.8 illustrate the percentage change in child- and teen-directed expenditures in the six promotional activity groups for each food category in 2006 and 2009. The dollar amounts underlying these figures can be found at Appendix Table C.3 of this report. Figure II.7 shows an increase in QSRs' use of measured media (primarily television) to reach children. Fruits and vegetables was the only other category that increased child-directed spending in measured media.<sup>18</sup> All other food categories showed significant decreases relative to 2006. Except for the candy and baked goods categories, all food categories increased their new media expenditures, with QSRs and juice and non-carbonated beverage companies demonstrating the biggest relative jump from 2006. In-school spending directed to children dropped substantially for all categories.<sup>19</sup>

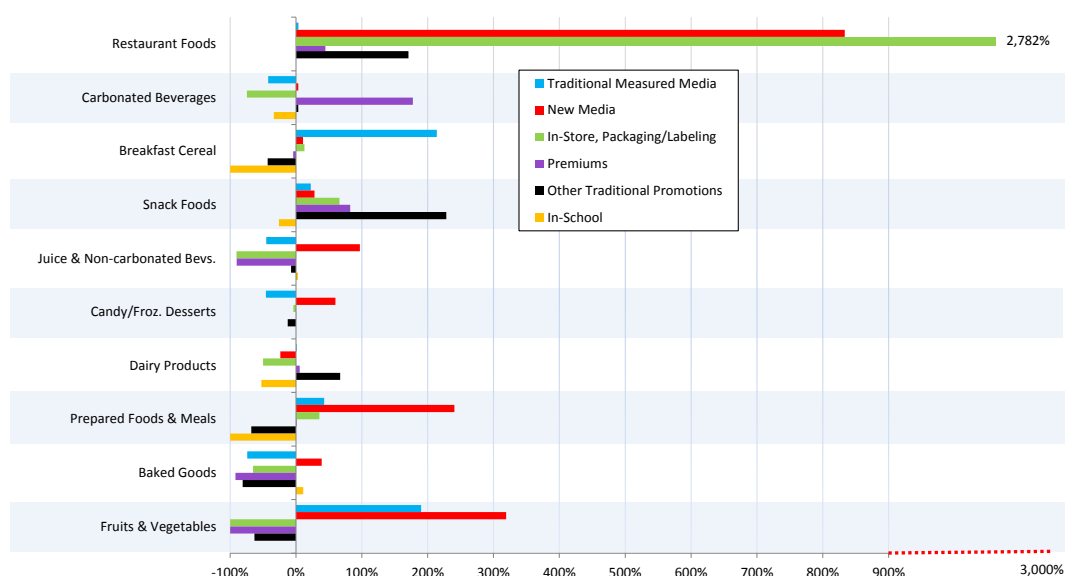
**Figure II.7: Percentage Change in Reported Child-Directed Marketing Expenditures from 2006 to 2009, by Promotional Activity Group, Adjusted for Inflation**



As Figure II.8 shows, breakfast cereal and fruit and vegetable companies substantially increased expenditures in teen-directed traditional media, relative to 2006, while the carbonated beverages, juice and non-carbonated beverages, candy and frozen desserts, and baked goods categories decreased these expenditures. Nearly all categories increased their teen-directed new media expenditures, with QSRs, fruit and vegetable companies, and prepared food and meal companies demonstrating the largest relative increases. Expenditures for in-school advertising directed to teens either remained flat or dropped for all food categories, except baked goods,

which showed a very slight increase. QSRs dramatically increased their teen-directed in-store and packaging expenditures (+2,782%), from \$200,000 in 2006 to \$8.9 million in 2009. Similarly, QSRs (+171%) and snack food companies (+228%) substantially increased expenditures on teen-directed other traditional promotions.

**Figure II.8: Percentage Change in Reported Teen-Directed Marketing Expenditures from 2006 to 2009, by Promotional Activity Group, Adjusted for Inflation**



## 1. Traditional Measured Media: Television, Radio, and Print

Food marketers spent \$695 million on traditional measured media (television, radio, and print) directed to youth, a significant drop from the \$848 million spent in 2006. Traditional measured media accounted for 39% of all youth-directed marketing expenditures, compared to 41% in 2006.<sup>20</sup> The bulk of these expenditures was for television advertising. The companies reported youth-directed television expenditures exceeding \$632 million, a 19.5% drop from 2006. As in 2006, television accounted for 35% of all youth-directed marketing expenditures.

### A. TELEVISION

The \$375 million in child-directed television advertising expenditures<sup>21</sup> represents a 22.8% drop from 2006. See Table II.3. QSRs (\$154 million) and breakfast cereals (\$102 million) accounted for 68% of those expenditures. Other food categories with child-directed television advertising were prepared foods (\$32 million), dairy

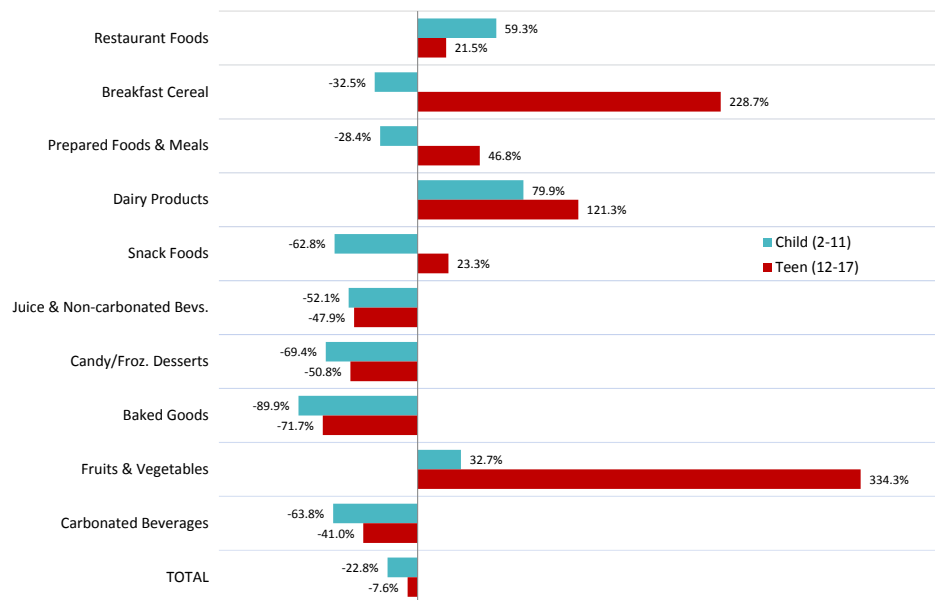
**Table II.3: Reported Child- and Teen-Directed Television Expenditures (2009)**

Food Category	Child (2-11) Expenditures (\$1000)	Teen (12-17) Expenditures (\$1000)
Restaurant Foods	154,259	129,580
Breakfast Cereal	102,032	49,348
Prepared Foods & Meals	31,619	18,513
Dairy Products	30,768	11,896
Snack Foods	27,401	33,082
Juice & Non-carbonated Bevs.	12,400	13,496
Candy/Froz. Desserts	10,720	36,169
Baked Goods	3,945	6,407
Fruits & Vegetables	1,212	3,967
Carbonated Beverages	710	61,890
TOTAL	375,066	364,348

products (\$31 million),<sup>22</sup> and snacks (\$27 million). Carbonated beverage companies reported only \$710,000 in child-directed television expenditures, representing .02% of their total television advertising expenditures for the reported products. The QSR foods category bucked the overall decline in child-directed television advertising, spending 59% more compared to 2006. See Figure II.9. The fruits and vegetables category also substantially increased its child-directed television expenditures relative to 2006 (by 33%); however, absolute expenditures remained small at \$3.9 million.

The reporting companies spent \$364 million on teen-directed television advertising, down 7.6% from 2006.<sup>23</sup> QSRs accounted for nearly 36% of those expenditures, or \$130 million, although this amount comprised barely 8% of the \$1.7 billion that QSRs spent on TV advertising (regardless of age) for the reported meals and products. Carbonated beverage companies spent \$62 million, breakfast cereal companies \$49 million, candy and frozen desserts \$36 million, and snack foods \$33 million, on teen-directed television advertising. The breakfast cereal, prepared foods, dairy,<sup>24</sup> snack food, and fruits and vegetables categories increased teen-directed television expenditures compared to 2006, while the other categories declined significantly.

**Figure II.9: Percentage Change in Reported Child- and Teen-Directed TV Expenditures from 2006 to 2009, Adjusted for Inflation**

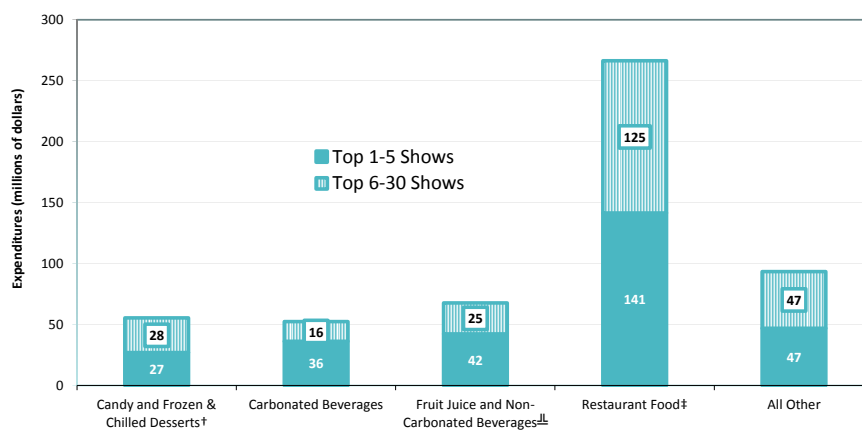


Three studies by the Rudd Center for Food Policy and Obesity show trends in children's and teen's exposure to certain categories of food ads on TV between 2004 and 2010 that are largely consistent with changes in reported expenditures between 2006 and 2009.<sup>25</sup>

In addition to collecting child- and teen-directed television expenditure data, the Commission examined food company expenditures on broadcast TV shows most popular with children and teens in terms of absolute numbers of child or teen viewers. According to data from the Nielsen Company, only two of the top 30 shows, ranked by number of viewers age 2-11 during the 2008-09 television year, met the 30% children threshold for reporting under the Special Order's definition of child-directed.<sup>26</sup> None of the top 30 shows for teens, ranked by number of viewers age 12-17, met the 20% teen threshold for reporting under the Order's teen-directed definition.<sup>27</sup> Nevertheless, in the past, food companies have acknowledged that ad placements on some of these shows were part of a marketing strategy to reach children and teens.

Figures II.10 and II.11 illustrate food advertising expenditures on the top 30 broadcast television shows viewed, respectively, by children and teens. The lists overlap substantially. Four food categories accounted for most of the food advertising on these shows – QSR foods, fruit juice and non-carbonated beverages, carbonated beverages, and candy and frozen and chilled desserts. Collectively, these four food categories accounted for \$442 million, or nearly 83%, of the food advertising on the top 30 broadcast shows viewed by children; the same categories accounted for \$514 million, or nearly 84%, of the food advertising on the top 30 shows viewed by teens. QSR advertising accounted for more than half the food advertising expenditures on these shows (50% on the children's top 30, and 51% on the teen top 30).

**Figure II.10: Food Ad Expenditures on Top 30 Broadcast TV Shows Viewed by Children 2-11\* (2009)**



Source: The Nielsen Company

\*Ranking according to 2-11-year-old viewership of broadcast shows with 10 or more telecasts airing between 9/22/08 through 9/20/09.

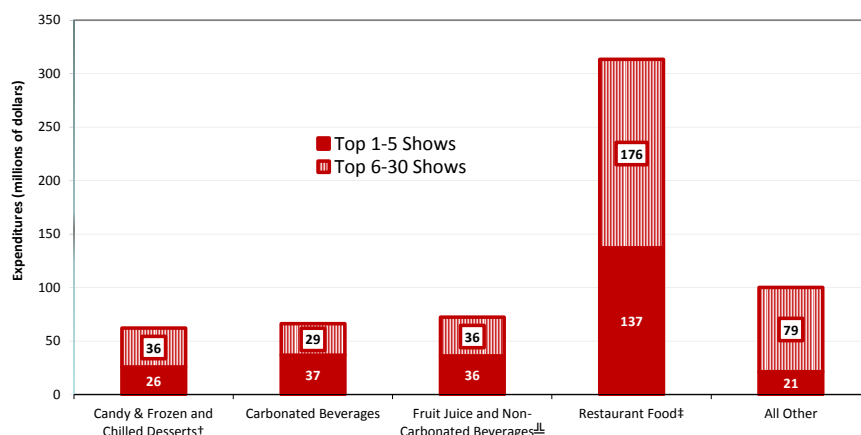
<sup>†</sup>Includes gum.

<sup>‡</sup>Includes coffee.

<sup>§</sup>Includes banquet facilities, comedy clubs, dining clubs, dinner theaters, and nightclubs.



**Figure II.11: Food Ad Expenditures on Top 30 Broadcast TV Shows Viewed by Teens 12-17\* (2009)**



Source: The Nielsen Company

\*Ranking according to 12-17-year-old viewership of broadcast shows with 10 or more telecasts airing between 9/22/08 through 9/20/09.

†Includes gum.

‡Includes coffee.

§Includes banquet facilities, comedy clubs, dining clubs, dinner theaters, and nightclubs.

## B. RADIO AND PRINT

The companies' spending on radio and print ads was less than 10% of spending on television advertising. They had \$7.2 million in child-directed expenditures for radio and print ads.<sup>28</sup> Only the dairy products (\$3 million)<sup>29</sup> and QSR foods (\$1.2 million) categories spent at least a million dollars on child-directed print and radio advertising. The companies spent significantly more – \$57.4 million – on teen-directed print and radio advertising. Carbonated beverages (\$23.1 million), QSR foods (\$14.3 million), and the candy/frozen dessert (\$5.2 million) categories led the way in teen-directed radio advertising, while dairy products (\$5.6 million), carbonated beverages (\$2.2 million), and juice and non-carbonated beverages (\$1.4 million) topped teen-directed print expenditures.

## 2. New Media: Websites, Internet, Word-of-Mouth, and Viral Marketing

New media, which includes company-sponsored websites, Internet, digital, word-of-mouth,<sup>30</sup> and viral marketing,<sup>31</sup> accounted for approximately 7% (\$122.5 million) of all reported youth-directed marketing expenditures, up from 4% in 2006, and representing a 50.5% increase in inflation-adjusted dollars.<sup>32</sup> The companies spent \$38.8 million on company-sponsored websites, \$74.4 million for advertising on third-party Internet sites and digital marketing, such as mobile marketing, and \$9.3 million on word-of-mouth or viral marketing, up from 4% (\$76.6 million) in 2006.

Table II.4 ranks the food categories according to total child-directed new media expenditures. Figure II.12 illustrates the percentage change in child- and teen-directed expenditures in these promotional categories compared to 2006, adjusted for inflation.



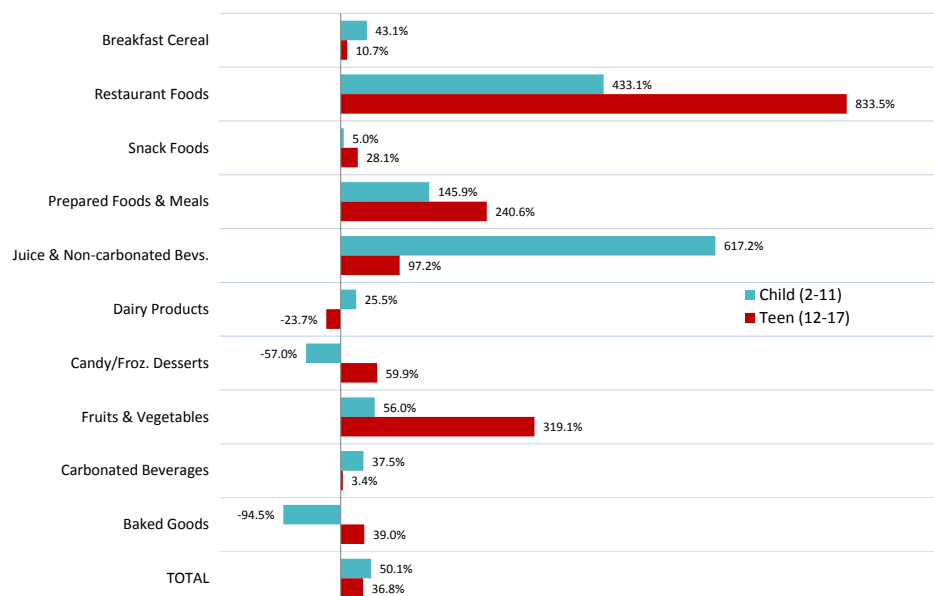
Three food categories led the way in child-directed new media expenditures – breakfast cereals (\$21.6 million), QSR foods (\$19.4 million), and snack foods (\$10 million). The top three food categories using new media to reach teens were carbonated beverages (\$22.6 million), candy and frozen desserts (\$11.7 million), and snack foods (\$11.3 million). Breakfast cereals (\$15.1 million) accounted for the highest spending on child-directed advertising placed on third-party websites, followed by QSRs (\$9 million) and snack foods (\$6.4 million). The carbonated beverages category (\$14.5 million) spent the most on teen-directed ads on third-party sites. QSRs (\$6.9 million) and breakfast cereal companies (\$6.5 million) spent the most on company-sponsored websites directed to children, whereas juice and non-carbonated beverages (\$6.2 million) and snack foods (\$5.7 million) spent the most on teen-directed web content.

**Table II.4: Reported Child- and Teen-Directed New Media Expenditures (2009)**

Food Category	Child (2-11) Expenditures (\$1000)	Teen (12-17) Expenditures (\$1000)
Breakfast Cereal	21,602	10,792
Restaurant Foods	16,430	8,410
Snack Foods	9,990	11,343
Prepared Foods & Meals	6,310	3,060
Juice & Non-carbonated Bevs.	3,470	8,700
Dairy Products	2,595	4,175
Candy/Froz. Desserts	1,492	11,692
Fruits & Vegetables	613	592
Carbonated Beverages	518	22,558
Baked Goods	280	6,780
TOTAL	63,300	88,101

Compared to 2006, the juice and non-carbonated beverages (+617%), QSR foods (+433%), and prepared foods (+146%) categories demonstrated the highest relative growth in new media expenditures directed to children. These categories also represented a much larger proportion of child-directed new media expenditures in 2009 (41.4% versus 14.5% in 2006). As in 2006, the absolute amount spent for these three categories (\$26.2 million) was overshadowed by traditional measured media expenditures directed to children (\$200 million).

**Figure II.12: Percentage Change in Reported Child- and Teen-Directed New Media Expenditures from 2006 to 2009, Adjusted for Inflation**



The QSR foods (+833.5%), fruits and vegetables (+319.1%), prepared foods (+240.6%), and juice and non-carbonated beverages (+97.2%) categories markedly increased expenditures on teen-directed new media. These food categories accounted for \$20.7 million in new media expenditures directed to teens, up from \$5.9 million in 2006. These categories also represented a much larger proportion of teen-directed new media expenditures in 2009 (23.6% versus 9.9% in 2006). As in 2006, companies spent far more on traditional media (\$184.5 million) to reach teens with ads for foods in these categories.

Appendix D to this report explores the amount of display advertising for food and beverages that appeared on child- and teen-oriented websites during 2009, as well as traffic on company websites that feature branded entertainment and activities, such as advergames, directed to children and teens. There is also a brief discussion on trends in food advertising on mobile devices.

### 3. Packaging and In-Store Marketing

The companies reportedly spent \$113 million on packaging and in-store marketing to reach the youth audience, a 45.5% drop from 2006 in inflation-adjusted dollars.<sup>33</sup> As in 2006, QSRs led spending in these promotional categories with \$27.4 million directed to children, followed by companies producing snacks (\$12.4 million) and breakfast cereals (\$10.4 million). The child-directed proportion of all in-store and packaging expenditures for the reported products ranged from a low of 2% for carbonated beverages to a high of 22% for QSR foods.<sup>34</sup>

The carbonated beverages category spent the most on packaging and in-store marketing directed to teens, with \$24.2 million in expenditures, a 74.6% drop compared to 2006; the snack foods category was second in these expenditures at \$14.8 million, a 66.1% increase. Fruits and vegetable companies reported no such expenditures directed to teens.

Table II.5 ranks the food categories in terms of total costs on packaging and in-store marketing directed to children ages 2-11. Figure II.13 illustrates the percentage change in child- and teen-directed expenditures in these promotional categories compared to 2006, adjusted for inflation.

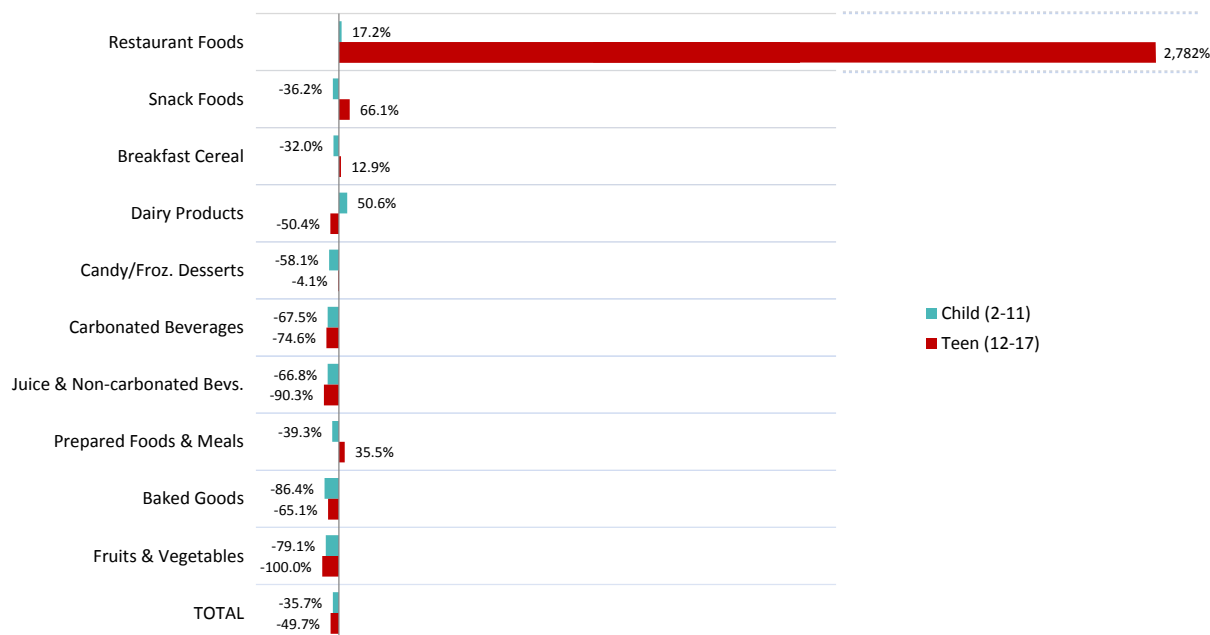
### 4. Premiums

The companies reported spending \$392.7 million to reach youth consumers through premiums, accounting for 22% of all reported youth-directed marketing expenditures.<sup>35</sup> As was the case for 2006, some companies explained that a cross-promotional partner, such as a toy or media company, often covered the premium costs, such as sweepstakes prizes or DVD rebates. Consequently, the true value of youth-directed premiums

**Table II.5: Reported Child- and Teen-Directed In-Store and Packaging/Labeling Expenditures (2009)**

Food Category	Child (2-11) Expenditures (\$1000)	Teen (12-17) Expenditures (\$1000)
Restaurant Foods	27,367	8,570
Snack Foods	12,354	14,757
Breakfast Cereal	10,355	8,159
Dairy Products	5,338	1,868
Candy/Froz. Desserts	5,190	8,467
Carbonated Beverages	4,014	24,172
Juice & Non-carbonated Bevs.	3,605	957
Prepared Foods & Meals	2,250	2,970
Baked Goods	1,130	1,170
Fruits & Vegetables	722	0
TOTAL	72,326	71,090

**Figure II.13: Percentage Change in Reported Child- and Teen-Directed In-Store and Packaging/Labeling Expenditures from 2006 to 2009, Adjusted for Inflation**



likely was substantially higher than the reported expenditures.

Table II.6 ranks the food categories in terms of total costs on premiums directed to children ages 2-11. Figure II.14 illustrates the percentage change in child- and teen-directed expenditures on premiums compared to 2006, adjusted for inflation.

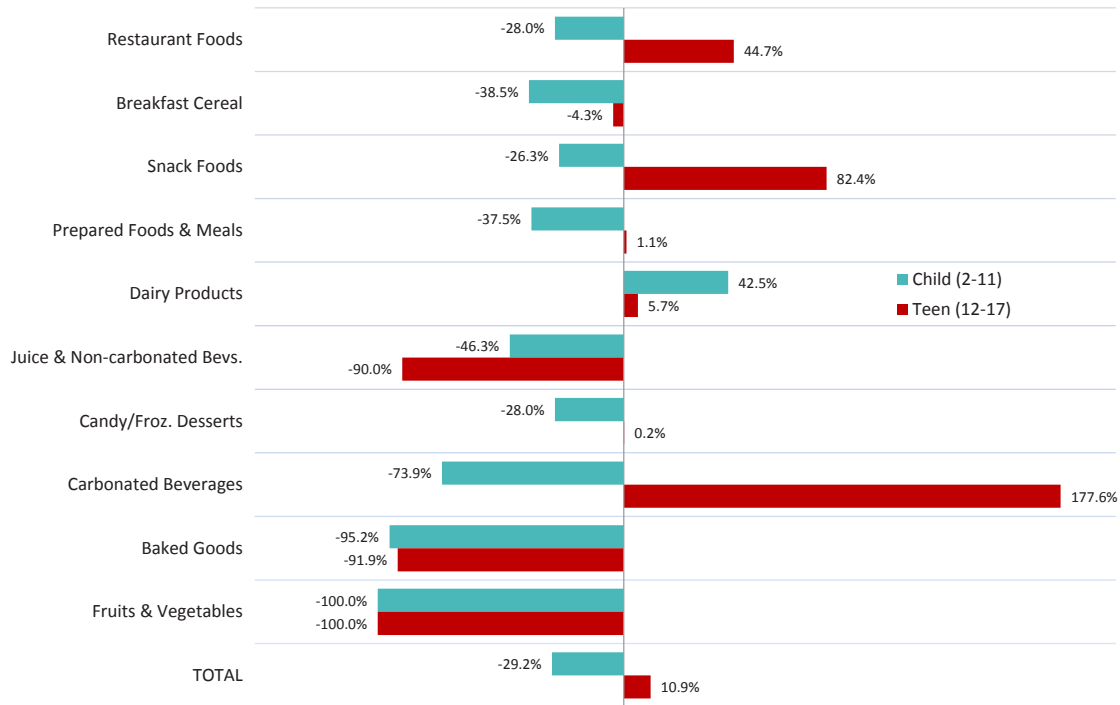
**Table II.6: Reported Child- and Teen-Directed Premiums Expenditures (2009)**

Food Category	Child (2-11) Expenditures (\$1000)	Teen (12-17) Expenditures (\$1000)
Restaurant Foods	341,086	590
Breakfast Cereal	26,012	25,622
Snack Foods	3,208	5,458
Prepared Foods & Meals	2,635	628
Dairy Products	2,379	2,069
Juice & Non-carbonated Bevs.	655	141
Candy/Froz. Desserts	420	1,451
Carbonated Beverages	180	11,642
Baked Goods	140	198
Fruits & Vegetables	0	0
TOTAL	376,715	47,798

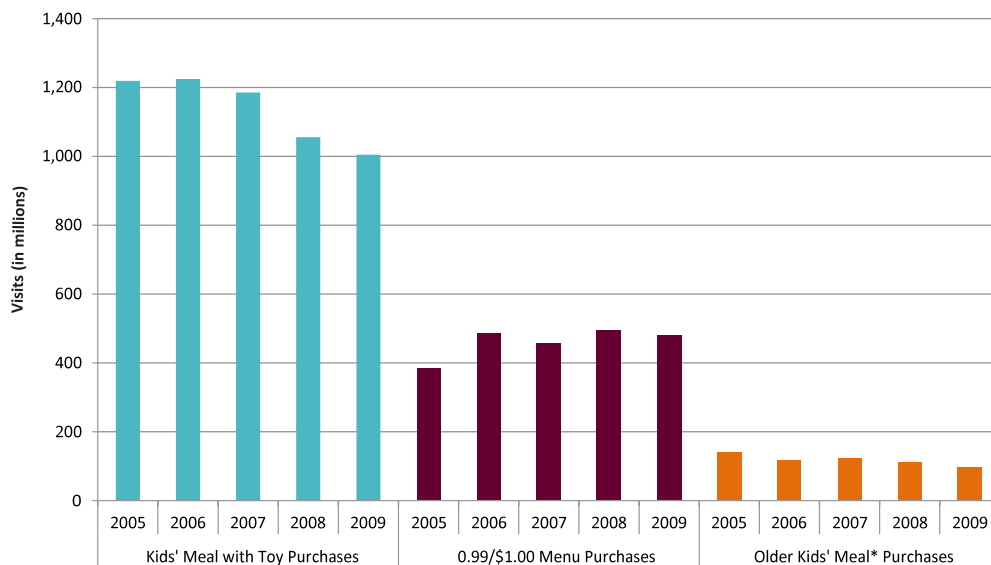
All but one food and beverage category reported steep declines in child-directed premium expenditures compared to 2006.<sup>36</sup> Overall child-directed premium expenditures dropped 29.2%. QSR foods (\$341.1 million) accounted for most of the \$376.7 in child-directed premiums.<sup>37</sup> This amount represents 94.2% of all QSR premium expenditures for the reported products, regardless of age, and 59.3% of child-directed premium expenditures across all food and beverage categories for the reported products.

The decline in QSR premiums was due in part to fewer children visiting QSRs in 2009. In 2009, QSRs sold slightly more than 1 billion children's meals with toys to children ages 12 and under (down from 1.2 billion in 2006), accounting for 18% of all child QSR visits, compared to 19.5% of visits in 2006. *See* Figures II.15 and II.16. Some QSRs also reported that they had incurred lower costs for the toys distributed with kids' meals.

**Figure II.14: Percentage Change in Reported Child- and Teen-Directed Premiums Expenditures from 2006 to 2009, Adjusted for Inflation**

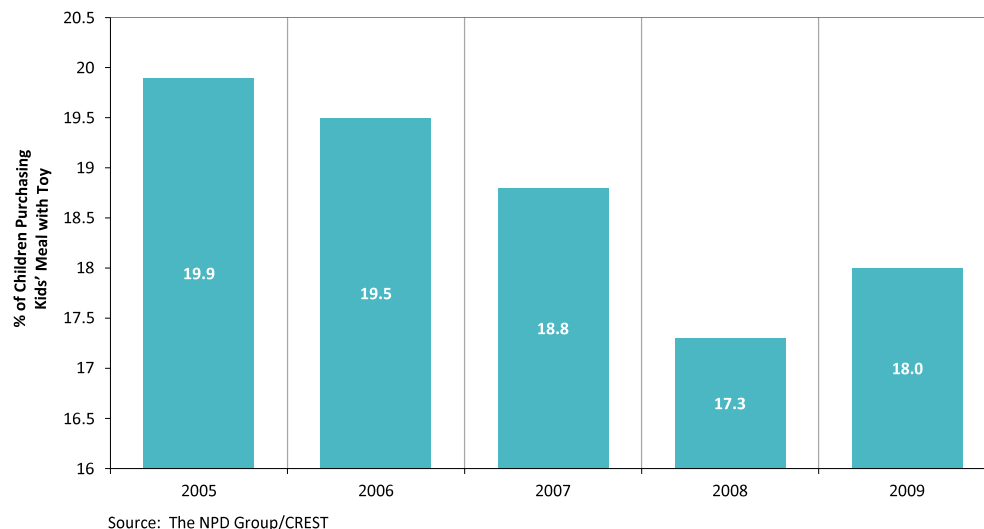


**Figure II.15: Child Visits to QSRs for Kids' Meals with Toys and Other Menu Items (2005-2009)**



Source: The NPD Group/CREST  
 \*Older Kids' Meals may or may not have included a toy.

**Figure II.16: Percent of Children Visiting QSRs Who Purchased Kids' Meals with Toys (2005-2009)**



Teen-directed premium expenditures in the carbonated beverages (+177.6%), snack foods (+82.4%), and QSR foods (+44.7%) categories rose significantly from 2006. Still, the \$47.8 million in teen-directed premiums across all food and beverage categories was a small proportion of all teen-directed expenditures (4.9% versus 3.9% in 2006).

## **5. Other Traditional Promotional Activities: Product Placements, Movie Theater, Video, and Video Game Advertising, Character or Cross-Promotional License Fees, Athletic Sponsorships, Celebrity Endorsement Fees, Events, and Philanthropic Marketing Expenditures**

The companies reported youth-directed expenditures for various other promotional activities for which expenditures are not systematically tracked by commercial data companies. These “non-measured” activities included product placements; ads appearing before or within a video game or preceding a home video or theatrical movie feature; license fees paid to use a third-party character in advertising or for cross-promotional arrangements; sponsorships of sports teams and athletes; fees paid for celebrity endorsements; public events; advertising or other product branding in conjunction with philanthropic endeavors; and other miscellaneous marketing expenditures. Together, these non-measured activities accounted for \$314.9 million, or 17.6% of all reported youth-directed marketing expenditures.<sup>38</sup> Of these activities, only event marketing exceeded 7% of total youth-directed marketing expenditures.

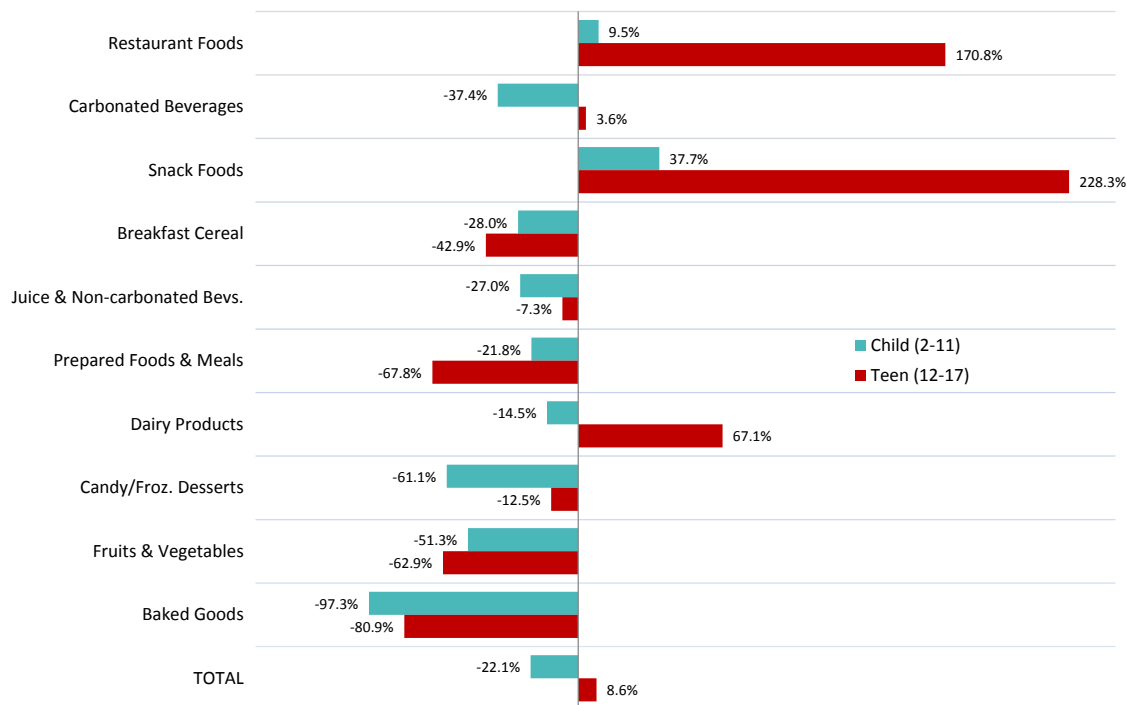
Table II.7 ranks the food categories in terms of total expenditures for other traditional promotions directed to children ages 2-11. Figure II.17 illustrates the percentage change in child- and teen-directed expenditures for other traditional promotions compared to 2006, adjusted for inflation.

Other traditional promotional activities accounted for 11% of all child-directed expenditures and 25.5% of all teen-directed expenditures. Only the QSR foods and snack food categories increased expenditures on child-directed promotions of this kind. Those two food categories plus the dairy category showed similar increases in teen-directed expenditures compared to 2006. In absolute dollars, however, these expenditures were relatively small.

**Table II.7: Reported Child- and Teen-Directed Other Traditional Promotions Expenditures (2009)**

Food Category	Child (2-11) Expenditures (\$1000)	Teen (12-17) Expenditures (\$1000)
Restaurant Foods	36,145	22,530
Carbonated Beverages	23,492	165,292
Snack Foods	16,038	19,632
Breakfast Cereal	12,563	9,183
Juice & Non-carbonated Bevs.	11,986	18,761
Prepared Foods & Meals	5,400	692
Dairy Products	3,652	11,575
Candy/Froz. Desserts	3,390	8,060
Fruits & Vegetables	1,810	910
Baked Goods	200	1,280
TOTAL	114,677	257,914

**Figure II.17: Percentage Change in Child- and Teen-Directed Other Traditional Promotions Expenditures from 2006 to 2009, Adjusted for Inflation**



#### A. PRODUCT PLACEMENTS AND MOVIE THEATER, VIDEO, AND VIDEO GAME ADVERTISING

The companies reported spending more than \$7.4 million on youth-directed product placements, up slightly from 2006. As in 2006, only carbonated beverage companies spent a significant amount on product placements – \$6.7 million for teen-directed placements, which comprised 64% of what the carbonated beverage companies spent in total on product placements for the reported products.



The companies spent \$8.9 million on youth-directed advertising preceding or appearing in video games or preceding movies, reflecting little change from 2006. Only a million dollars of that total were child-directed. The snack foods category (\$3.4 million) reported the largest expenditures on movie theater, video, and video game advertising to reach the teen market, representing 100% of all such expenditures in the snack foods category for the reported products.

#### **B. CHARACTER OR CROSS-PROMOTIONAL LICENSE FEES**

Youth-directed expenditures for character or cross-promotional licensing fees were reported in all food categories, for a total of \$80.6 million, up substantially from the \$7 million reported for 2006. These fees comprised 4.5% of all youth-directed marketing expenditures, although several companies reported that they did not pay fees for many cross-promotional arrangements.

Carbonated beverage companies reported the largest amount of child-directed licensing fees (\$20.8 million), followed by the snack foods companies (\$12.5 million) and QSRs (\$10.4 million). Nearly all of the child-directed licensing fees in the carbonated beverages category were also categorized as teen-directed and involved corporate brand cross-promotions with theme parks. The carbonated beverages category also reported the largest amount of teen-directed licensing fees (\$41.4 million), accounting for 51% of all teen-directed licensing fees in 2009.

The Special Order required the companies not only to report license fees, but also to identify the costs reported in other promotional activity categories associated with implementing the license, such as the cost of television ads or product packaging featuring a licensed character. For an analysis of the overall costs associated with implementation of licensed cross-promotions, see Section II.C.7, below.

#### **C. ATHLETIC SPONSORSHIPS AND CELEBRITY ENDORSEMENT FEES**

As in 2006, several food and beverage categories used athletic sponsorships and celebrity endorsements to reach a youth audience, primarily teens. The Special Order asked the companies to report the fees paid to celebrities to serve as endorsers, which are discussed here. In addition, companies were required to identify expenditures already reported in other promotional categories that represented the use of a celebrity endorsement, such as the costs associated with television ads or an event featuring a celebrity endorser. See Section II.C.7, below, for a discussion of the total costs associated with use of celebrity endorsements.

The companies reported \$29.9 million in expenses for youth-directed athletic sponsorships, representing only 7.6% of total athletic sponsorship expenditures for the reported food products. They spent an additional \$13.6 million on celebrity endorsement fees, mostly teen-directed. The carbonated beverages category accounted for most of the athletic sponsorship dollars (\$25.3 million), nearly all of which were teen-directed. Snack foods led the way for fees paid to celebrities for product endorsements (\$6.2 million), all of which were teen-directed; the carbonated bever-

ages category ranked second in such expenditures (\$3.5 million) – again, all teen-directed. As in 2006, QSRs reported relatively small amounts for youth-directed athletic sponsorships (\$1.6 million) and celebrity endorsement fees (\$2.5 million).

#### **D. EVENTS MARKETING**

The reporting companies spent more than \$130 million on youth-directed events to promote their food and beverages, a substantial increase from the \$99 million spent in 2006, attributable primarily to the carbonated beverages, QSR foods, and juice and non-carbonated beverages categories. QSRs (\$11.3 million) and juice and non-carbonated beverages companies (\$8.8 million) spent the most on child-directed events, whereas carbonated beverages (\$79.2 million) and juice and non-carbonated beverages (\$14 million) companies spent the most on teen-directed event marketing. The carbonated beverages category spent 19.7% of its total youth-directed marketing budget on event marketing, and the juice and non-carbonated beverages category spent 13.1%.

#### **E. PHILANTHROPIC**

All but one of the food and beverage categories engaged in child- or teen-directed advertising or other product branding activities in conjunction with their philanthropic endeavors, totaling \$22.7 million, or about 1.3% of all youth-directed expenditures. The Special Order required the companies to report the costs associated with both monetary and in-kind donations that were conditioned upon or made in combination with the display of trade names, logos, or other branded materials, but not the amount of the donation itself. QSRs (\$12.3 million) and breakfast cereal companies (\$3.4 million) spent the most on child-directed philanthropic marketing. The dairy products (\$1.8 million),<sup>39</sup> carbonated beverages (\$1.7 million), juice and non-carbonated beverages (\$1.5 million), and QSR foods (\$1.4 million) categories spent the most on teen-directed philanthropic marketing.

### **6. In-School Marketing**

The companies spent nearly \$149 million on youth-directed in-school marketing for the reported products, a significant drop from the \$185.5 million reported for 2006.<sup>40</sup> The majority of in-school marketing expenses consisted of payments made or items provided to schools under “competitive” food and beverage contracts, for products sold outside the school meal program. In-school marketing accounted for 8.3% of overall youth-directed marketing expenditures. About 93% of the \$149 million in youth-directed in-school expenditures was reported in the carbonated beverages (\$82.3 million) and juice and non-carbonated beverages (\$55.9 million) categories, and the lion’s share of those amounts was teen-directed. Carbonated beverages (\$12.7 million), juice and non-carbonated beverages (\$10.8 million), and QSRs (\$6.8 million) accounted for most of the \$31.3 million in child-directed in-school marketing. The associated activities consisted primarily of vending machine commissions, front displays on vending

machines, and contracts for exclusive availability within the schools and school districts. For the reasons explained in the 2008 report, the Commission's data likely underestimate in-school marketing expenditures.<sup>41</sup>

## 7. Use of Cross-Promotions and Celebrity Endorsements

### A. LICENSED CROSS-PROMOTIONS

The companies spent \$584 million on youth-directed marketing campaigns that used cross-promotions, a figure that includes both licensing fees paid for and expenditures associated with implementing marketing campaigns incorporating a licensed character or other cross-promotion. *See* Appendix C, Table C.4. These expenditures represented a significant drop from the \$666 million spent in 2006. Cross-promotions accounted for one-third of all youth-directed spending, about the same percentage as in 2006.<sup>42</sup>

Half of all child-directed marketing dollars (\$530.7 million) involved cross-promotions. QSRs (\$428.2 million) accounted for 81% of that amount. *See* Table II.8. The breakfast cereal (\$32.4 million), carbonated beverages (\$21.7 million), and snack foods (\$20.2 million) categories accounted for most of the other child-directed cross-promotion expenditures. These sums far exceed the \$1.5 million

spent by the fruit and vegetable producers to implement child-directed cross-promotions.

Cross-promotional expenditures were a substantially larger proportion of some food and beverage companies' child-directed marketing budgets.

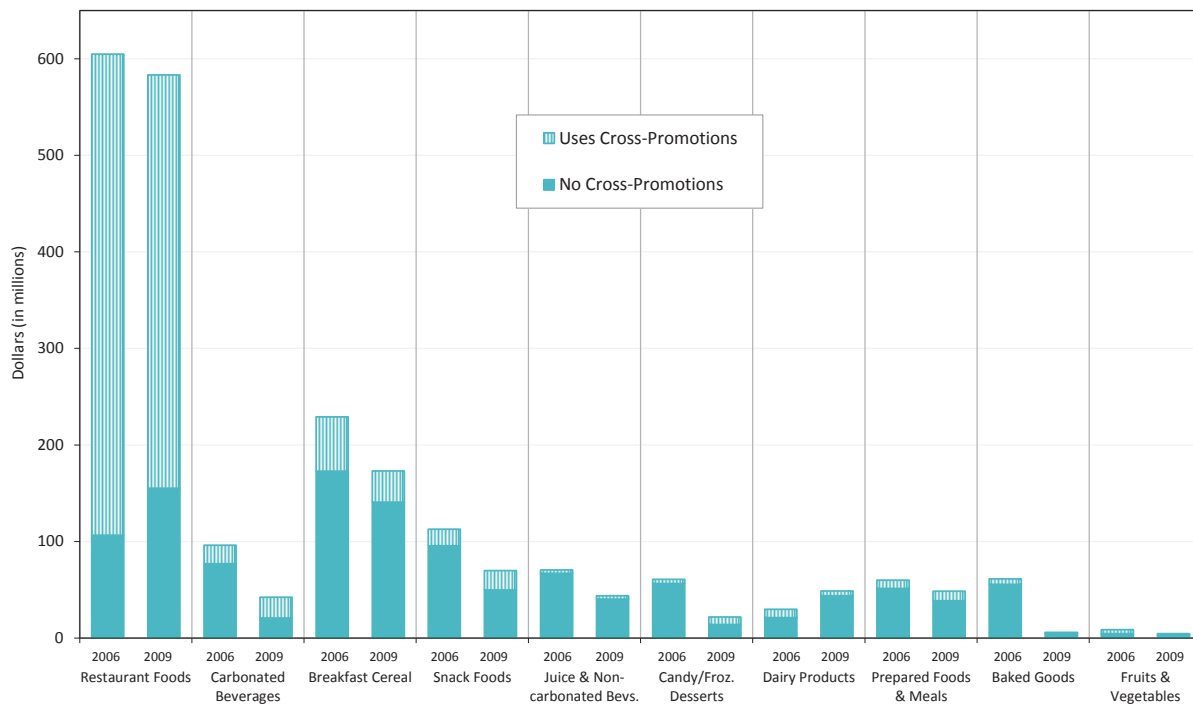
The QSR foods (73.4%) and carbonated beverages (51.4%)

categories spent more than half of their child-directed expenditures on cross-promotions. QSR cross-promotions usually involved tie-ins with popular children's movies, TV programs, and toy brands. Although there was at least one example of a cross-promotion between carbonated beverages and a popular children's movie, most of the cross-promotional dollars involved theme park advertising.

Compared to 2006, the fruits and vegetables, dairy products, and breakfast cereal categories substantially reduced the proportion of their child-directed marketing dollars devoted to cross-promotions, whereas the QSR foods, carbonated beverages, and candy and frozen desserts substantially increased their emphasis on cross-promotions. *See* Figure II.18.

**Table II.8: Reported Child-Directed Marketing Expenditures for Cross-Promotions (2009)**

Food Category	Total Reported Child-Directed Marketing Expenditures (\$1000)	Reported Marketing Expenditures for Cross-Promotions	
		Value (\$1000)	Percentage
Restaurant Foods	583,268	428,247	73.4
Carbonated Beverages	42,263	21,710	51.4
Breakfast Cereal	173,000	32,440	18.8
Snack Foods	69,859	20,164	28.9
Juice & Non-carbonated Bevs.	43,609	3,344	7.7
Candy/Froz. Desserts	21,612	7,630	35.3
Dairy Products	48,559	4,880	10.0
Prepared Foods & Meals	48,394	9,840	20.3
Baked Goods	5,705	970	17.0
Fruits & Vegetables	4,358	1,524	35.0
TOTAL	1,040,625	530,748	51.0

**Figure II.18: Reported Child-Directed Marketing Expenditures and Portion Using Cross-Promotions**

Compared to their efforts to reach children, the companies spent significantly less on teen-directed cross-promotions, both in absolute dollars (\$127.3 million) and relative to total teen-directed marketing expenditures (12.6%). The carbonated beverages category (\$45.8 million) spent the most on teen-directed cross-promotions, followed by the breakfast cereal category (\$28.3 million) and QSRs (\$24.5 million). *See Table II.9.* None of the teen-directed marketing of fruits and vegetables involved cross-promotions. Companies in the breakfast cereal category spent the largest share of their teen-directed marketing budgets on cross-promotions (27.4%).

**Table II.9: Reported Teen-Directed Marketing Expenditures for Cross-Promotions (2009)**

Food Category	Total Reported Teen-Directed Marketing Expenditures (\$1000)	Reported Marketing for Cross-Promotions	
		Value (\$1000)	Percentage
Restaurant Foods	185,280	24,485	13.2
Carbonated Beverages	382,284	45,846	12.0
Breakfast Cereal	103,462	28,334	27.4
Snack Foods	85,099	15,308	18.0
Juice & Non-carbonated Bevs.	95,214	3,904	4.1
Candy/Froz. Desserts	72,228	2,810	3.9
Dairy Products	39,780	3,740	9.4
Prepared Foods & Meals	26,016	1,411	5.4
Baked Goods	15,875	1,477	9.3
Fruits & Vegetables	5,469	0	0.0
<b>TOTAL</b>	<b>1,010,706</b>	<b>127,315</b>	<b>12.6</b>

## B. CELEBRITY ENDORSEMENTS

The companies were asked to provide both the fees paid to celebrities to serve as endorsers, as well as the expenditures for marketing campaigns that involved the use of a celebrity endorsement in other promotional categories, such as in television advertising. As shown in Appendix Table C.4, the companies spent a total of \$99.3 million on youth-directed promotions featuring

celebrity endorsers, representing 5.6% of all youth-directed spending, a substantial increase from the \$26.8 million spent in 2006.<sup>43</sup> Nevertheless, implementation of celebrity endorsements represented a much smaller part of youth-directed marketing compared to implementation of character licenses and other cross-promotions.

The dairy products (\$13.9 million),<sup>44</sup> prepared foods and meals (\$6.9 million), and snack foods (\$3.9 million) categories spent the most on child-directed promotions featuring celebrity endorsements. Together, these three categories accounted for 88% of child-directed promotions with celebrities. The carbonated beverages (\$23.8 million), dairy products (\$22.2 million), and snack foods (\$14.4 million) categories spent the most on celebrity endorsements directed to teens. Those three categories represented 79% of teen-directed promotions using celebrity endorsements. Appendix Table C.4 contains detailed data on expenditures for each age category for marketing using celebrity endorsers.

### III. Nutritional Profile Of Foods Marketed To Youth

#### A. Introduction

The 2008 report did not include a nutritional analysis of the foods marketed to youth in 2006. For the current report, the Commission collected detailed nutrition data for all products marketed to youth in 2009.<sup>45</sup> In addition, companies were asked to submit 2006 nutrition data for the products included in the 2008 report. With data from both years, the Commission has been able to analyze whether and to what extent the nutritional profile of food marketed to youth changed during the early years of self-regulation.

The Commission requested information on the labeled serving size of each food product, as well as the RACC.<sup>46</sup> Companies were then asked for nutrient content by single serving size (or labeled serving size, if smaller than a standard serving) for several nutrients and ingredients, most of which were listed on the Nutrition Facts Panel.<sup>47</sup> Companies also reported the amount of key food groups in their products, such as whole grain, fruits and vegetables, and dairy.<sup>48</sup> In some cases, companies did not report information for nutrients and ingredients not listed on the label and Nutrition Facts Panel, because they claimed the information was not readily available.<sup>49</sup> The Commission has reported nutrition data only where it was able to collect the data for all or nearly all of relevant advertising expenditures in a given food category.<sup>50</sup>

Companies were asked to identify whether a product reported in 2009 was the same product as one the company reported in 2006,<sup>51</sup> whether a product reported in 2006 was off the market or no longer advertised to youth in 2009, and whether a product reported in 2009 was new to the market or newly advertised to youth since 2006. For example, for products for which the Commission received basic nutrition data (excluding QSR foods), a total of 625 products were advertised to youth in 2006 and 2009 combined. Of these 625 products, only 189 were advertised to youth in both years, but these products represent 84.4% of youth-directed marketing expenditures in 2006, and 81.7% in 2009. As shown in Table III.1, of the 189 products advertised in both years, 108 were reformulated for one or more nutrients or food components between 2006 and 2009. For the 243 products for which companies reported

**Table III.1: Number of Products Advertised to Youth in 2006 and 2009 Combined, in Various Product Categories**

Product Type(Number)	Spending* (\$Millions)	
	2006	2009
All Foods Except QSRs (625)	\$1,356.1	\$1,071.7
Advertised Both Years to Youth (189)	\$1,144.5	\$875.7
Reformulated (108)		
Not Reformulated (81)		
Off Market 2009 (80)	\$65.8	
No Longer Advertised to Youth 2009 (163)	\$145.8	
New Product 2009 (82)		\$67.5
Newly Advertised to Youth 2009 (111)		\$128.4

\*These spending totals are based on products for which the companies reported basic nutrition data. As a result, these totals may be smaller than the expenditures reported in Section II. For all foods, except QSRs, the companies provided basic nutrition data for 99.5% of youth-directed spending in 2006 and 100% in 2009.

youth-directed marketing only in 2006, 80 products were taken off the market prior to 2009, and 163 were no longer advertised to youth in 2009. For the 193 products for which companies reported youth-directed marketing only in 2009, 82 products were new to the market since 2006 and 111 products were previously on the market but were newly advertised to youth since 2006.

The Commission has focused its analysis on calories as well as other specific nutrients and food components that relate to key dietary recommendations set out in the 2010 Dietary Guidelines for Americans (2010 DGA).<sup>52</sup> As an example, the analysis looks at the the four nutrients identified in the 2010 DGA as “shortfall nutrients” (fiber, calcium, Vitamin D, and potassium), but does not address other vitamins and minerals that are not deficient in children’s diets. In addition, because the 2010 DGA recommend limiting calories from solid fats and added sugars, the analysis focuses on saturated fat and trans fat, rather than total fat content, and, to the extent possible, attempts to break out the added sugar content of foods. Increasing whole grain content, and decreasing calories and sodium, are also emphasized in the 2010 DGA and are therefore featured in the nutrition analysis. The Commission had also intended to include a discussion of the extent to which foods marketed to youth provide meaningful contributions of food groups, such as fruits and vegetables. The data the companies submitted for these food groups, however, were too incomplete. Table III.2 lists the key food components and nutrients analyzed.

**Table III.2: List of Key Nutrients Analyzed**

<b>Food Components/Nutrients to Increase</b>	<b>Food Components to Reduce</b>
Fiber	Sodium
Whole Grains	Sugar
Calcium	Saturated Fat
Vitamin D	Trans Fat
Potassium	Calories

## **1. Methodology for Computing Nutritional Averages**

For each nutrient and food component of interest, the amount reported is an expenditure-weighted average of all nutritional information reported in a given category (for example, the average sodium content in all foods, excluding QSR foods, marketed to children across all media in 2006 was 185.6 mg per serving; in 2009, it was 171.5 mg per serving). The nutritional averages are derived by weighting the nutritional content of each food product based on the amount of marketing expenditures for the product. Expenditure weighting allows the nutrient content of heavily advertised foods to count more than the nutrient content of lightly advertised foods. In this way, the nutrient levels in this report more accurately depict the overall nutritional profile of youth-directed marketing.



### ***Expenditure Weighting***

To help illustrate expenditure weighting, suppose that just two products were advertised to youth on television: brownies and apples. Then suppose that food producers spent \$9 advertising brownies and \$1 advertising apples. Assume that the brownie has 10 g of fat and that the apple has 0 g of fat. The simple average fat content in foods advertised to youth is 5 g (*i.e.*,  $(10 + 0)/2$ ). The expenditure-weighted average fat content, however, is 9 g (*i.e.*,  $((9 \times 10) + (1 \times 0))/10$ ) – fully 80% higher than the simple average. The expenditure weighting more accurately reflects the fact that young people would be nine times more likely to see a television ad for the high-fat food as for the no-fat food.

## **2. Scope of Nutrition Analysis**

This report examines the overall changes in the average nutritional profile of youth-marketed foods from 2006 to 2009, for both children and teens across all food categories. As part of that analysis, the report looks at marketing by CFBAI pledge companies. The report also provides a more in-depth analysis of food product categories that were most heavily marketed to youth. Those product categories are breakfast cereals, drinks, dairy products, snacks, prepared foods, and candy/frozen desserts, and QSRs. Because of limitations in the available nutrition data for 2006, much of the QSR nutrition analysis is based on television advertising only and does not include other marketing expenditures.

Within each food product category, the report also examines certain nutrient levels in the context of federal nutrition policy and regulations. For example, the report looks at the extent to which 2006 and 2009 cereal marketed to youth met the 2010 Dietary Guidelines for Americans recommendations for whole grain content, or met sodium levels set by FDA for “low sodium” and “healthy” claims.

Where possible, for specific food categories, the report provides a further breakdown of the nutrition data by marketing technique. Specifically, the report compares the nutritional quality of food marketing to children and teens in traditional measured media (*i.e.*, television, radio, and print) with marketing in new media (*i.e.*, company-sponsored websites, Internet, word-of-mouth, and viral marketing). The comparison of traditional measured media with new media is limited to the most heavily marketed food categories to children and teens: cereals, QSR foods, carbonated beverages, and snacks.<sup>53</sup> The report also compares the nutritional quality of foods marketed with licensed characters and other cross-promotions to food marketed without such cross-promotions, in two of the most heavily marketed food categories: cereals and snacks. Although carbonated beverages and QSR foods were also heavily marketed through character licensing and cross-promotions, the Commission was unable to provide a meaningful analysis for these categories.<sup>54</sup> For the QSR category, however, the report does provide a nutritional comparison

of advertising for products specifically identified as “children’s meals” with advertising of other regular menu meals and main dishes to youth. This analysis serves as a close proxy to a comparison of QSR products marketed with and without cross-promotions.<sup>55</sup>

### 3. Average Nutritional Content for All Foods, Excluding Quick-Service Restaurant Foods

Some general observations as to the nutritional content of foods marketed to children and teens can be made by looking at the aggregated nutritional information for all food categories and all promotional categories. As shown in Table III.3, the products marketed to children on average are higher in calories and sodium than those marketed to teens and to all ages, but lower in sugar, for both 2006 and 2009.<sup>56</sup> Based on expenditure data, the lower average sugar content is likely due to the lower amount of child-directed marketing expenditures for carbonated beverages and, to a lesser extent, candy, as compared to teens and all ages. The table also indicates that nutrients to increase, such as fiber, whole grain, calcium, and Vitamin D, are higher in foods marketed to children than those marketed to teens and all ages for both 2006 and 2009.

For child-directed marketing, the overall nutritional profile improved from 2006 to 2009. Calories and the food components to reduce (sodium, sugar, saturated fat, and trans fat) all decreased, while all of the nutrients to increase showed improvements (namely, fiber, whole grain, calcium, Vitamin D, and potassium). The changes for marketing directed to teens and to all ages followed the same pattern, although sodium content for all ages increased and saturated fat levels stayed fairly constant. Again, the companies reported on marketing to all ages only for those food products that were also marketed directly to children or teens. Differences between the

**Table III.3: Average Nutritional Characteristics of All Foods (Except Restaurant Foods) Marketed to Children and Teens, All Marketing, 2006 and 2009**

Product Characteristic <sup>2</sup>	Marketed to Children 2-11			Marketed to Teens 12-17			Marketing of These Foods to All Ages <sup>1</sup>		
	2006	2009	Change	2006	2009	Change	2006	2009	Change
Calories (kcal/serv)	132.68	126.48	-6.20	128.97	115.98	-12.99	124.39	118.00	-6.40
Sodium (mg/serv)	185.60	171.53	-14.08	118.24	113.19	-5.04	134.73	137.39	2.66
Sugar (g/serv)	15.60	13.12	-2.48	24.72	19.22	-5.51	19.93	17.06	-2.87
Saturated Fat (g/serv)	0.84	0.67	-0.18	0.70	0.63	-0.08	0.90	0.94	0.03
Trans Fat (g/serv)	0.03	0.00	-0.02	0.01	0.02	0.00	0.02	0.02	0.00
Fiber (g/serv)	0.73	1.08	0.35	0.27	0.49	0.22	0.58	0.81	0.22
Whole Grains (g/serv) <sup>3</sup>	2.02	3.12	1.09	0.54	1.33	0.79	1.73	2.20	0.47
Calcium (% RDI/serv)	3.24	5.48	2.24	1.96	2.24	0.28	2.76	3.58	0.82
Vitamin D (% RDI/serv) <sup>3</sup>	5.20	7.49	2.29	1.99	3.15	1.16	1.94	3.01	1.07
Potassium (mg/serv) <sup>3</sup>	65.81	97.25	31.43	32.67	52.39	19.72	58.07	98.18	40.11
Spending on All Marketing (\$millions) <sup>4</sup>	\$725.3	\$455.9	-40.8%	\$939.7	\$824.9	-17.3%	\$7,426.2	\$6,683.8	-15.3%

<sup>1</sup> Companies were required to report spending for All Ages only for products marketed to children or teens. Nutrition averages for All Ages reflect total spending to all audiences for the set of products marketed to children or teens.

<sup>2</sup> Nutrition averages are expenditure-weighted and based on the products for which the companies reported basic nutrition data.

<sup>3</sup> Data for these nutrients is not available for all products for which we have other nutrition data: Whole grain data is based on 98% of spending in both years; Vitamin D is based on 65% of spending in 2006 and 72% of spending in 2009; Potassium is based on 75% of spending in 2006 and 82% in 2009.

<sup>4</sup> Percentage change in spending is adjusted for inflation.

average nutritional profile of foods marketed to all ages, as compared to children and teens, are due to the fact that some foods were advertised more heavily than others to each age group, and the exact mix of foods advertised to each age group may differ.

Overall improvements were due to a combination of reformulation of existing products and the introduction of new products in place of products either taken off the market or no longer advertised to youth. As shown in Appendix Table C.9b, of the 525 food products advertised to children in 2006 or 2009, only 146 were advertised in both years, but they represent 74% and 78% of the total marketing expenditures in 2006 and 2009, respectively.<sup>57</sup> For products that were advertised to children in both years, average levels for all nutrients to increase and food components to reduce show improvements. Of these 146 products, 77 were reformulated for at least one of the mandated label nutrients. Appendix Table C.9b shows the number of products that were reformulated for each nutrient and the effects of reformulation on average nutrient content.<sup>58</sup> Appendix Table C.9b also shows that the child-directed products introduced between 2006 and 2009 had a better average nutrition profile than the products taken off the market between those two years. The average sugar level, however, between these two categories of products remained steady. Similarly, existing products that were newly advertised to children by 2009 were generally better than, or comparable to, products that companies had ceased marketing to children since 2006. Calories, sodium, and saturated fat, however, were higher in the newly marketed products than in those products no longer advertised to children. Appendix Table C.9b data for marketing of food products to teens and all ages show similar moderate improvements or stability in nutrient levels.

## **B. Nutritional Profile by Food Category**

### **1. Breakfast Cereals**

Cereal marketing represented a significant segment of overall food marketing to youth in both 2006 and 2009. In 2009, cereal marketing ranked second only to spending on QSR food marketing to children, while for teens it ranked third. Companies submitted nutrition data for a total of 122 cereal products that were marketed to youth in one or both of the reporting years. All of these products were marketed by participants in the CFBAI's self-regulatory program. Of the 122 cereals, 120 were marketed to children, and 111 were marketed to teens.

Only 47 of the 122 cereals were marketed to youth in both 2006 and 2009, although these 47 cereals represented the vast majority of youth marketing expenditures in the product category (79% of marketing in 2006 and 89% in 2009). Of the remaining cereals in this category, 43 were marketed to youth only in 2006 and were either taken off the market prior to 2009 (15 cereals) or were no longer advertised to youth in 2009 (28 cereals); and 32 were marketed only in 2009 either as new products (15 cereals) or as products newly advertised to youth (17 cereals).

Table III.4 shows small but positive changes in average nutritional data for cereals from 2006 to 2009, broken down by marketing directed to children and to teens. For cereal marketing to children, calories fell on average by 1.2 kcal per serving, sugar content by 0.9 g, sodium by 4.9 mg, and saturated fat by less than 0.1 g per serving, while whole grain rose by 1.6 g per serving. For cereal marketing to teens, calories fell on average by 1.7 kcal per serving and sugar content by 1.4 g. The average whole grain content for cereal marketing to teens rose by 1.9 g per serving. The only negative change was a minor 5.3 mg increase in sodium for cereal marketing to teens.

The average improvements from 2006 to 2009 appear small when considered in the context of a child's daily diet and federal nutrition policy. As an example, the 4.9 mg drop in average sodium content of cereal marketed to children represents less than 0.2 percent of the 2,933 mg sodium consumed daily by the average child age 6-11.<sup>59</sup> In addition, the 1.6 g average increase in whole grain content represents one tenth of one of the three daily servings of whole grain that the 2010 DGA recommends.<sup>60</sup> However, an analysis of key nutrition characteristics of children's cereal marketing in the context of various federal nutrition principles and the industry's self-regulatory pledges as part of CFBAI provides a more informative picture of the nutritional shifts from 2006 to 2009.<sup>61</sup> For example, the most dramatic nutritional shift from 2006 to 2009 was the virtual elimination of marketing to children of the most sugary cereals – those with 13 g or more sugar per serving. Marketing in this category fell from \$74 million in 2006 (32% of children's cereal marketing in that year) to under \$3 million in 2009 (1% of children's marketing). At the same time, spending in the 11-12 g category increased from \$91 million (40% of children's marketing) to \$108 million (63% of children's marketing).<sup>62</sup> This shift likely reflects pledges by some CFBAI participants in 2009 to set a sugar limit of 12 g or less for children's cereal marketing.<sup>63</sup> At the other end of the spectrum, only a small percentage of children's cereal marketing in both 2006 and 2009 met the sugar limit established for cereal under the WIC program – 6 g or

**Table III.4: Average Nutritional Characteristics of Breakfast Cereals Marketed to Children and Teens, All Marketing, 2006 and 2009**

Product Characteristic <sup>1</sup>	Marketed to Children 2-11			Marketed to Teens 12-17		
	2006	2009	Change	2006	2009	Change
Calories (kcal/serv)	119.31	118.11	-1.19	122.33	120.62	-1.71
Sodium (mg/serv)	173.11	168.24	-4.88	172.43	177.59	5.16
Sugar (g/serv)	11.52	10.58	-0.94	11.24	9.83	-1.41
Saturated Fat (g/serv)	0.25	0.21	-0.04	0.11	0.24	0.14
Fiber (g/serv)	1.28	1.69	0.42	1.33	1.69	0.36
Whole Grains (g/serv)	6.23	7.79	1.55	6.60	8.53	1.94
Calcium (% RDI/serv)	4.09	4.30	0.21	4.52	4.49	-0.03
Vitamin D (% RDI/serv) <sup>2</sup>	9.84	11.87	2.03	9.92	13.20	3.29
Potassium (mg/serv) <sup>2</sup>	59.77	55.25	-4.52	57.50	66.48	8.97
Spending on All Marketing (\$millions) <sup>3</sup>	\$229.0	\$172.8	-28.9%	\$71.3	\$103.3	36.4%

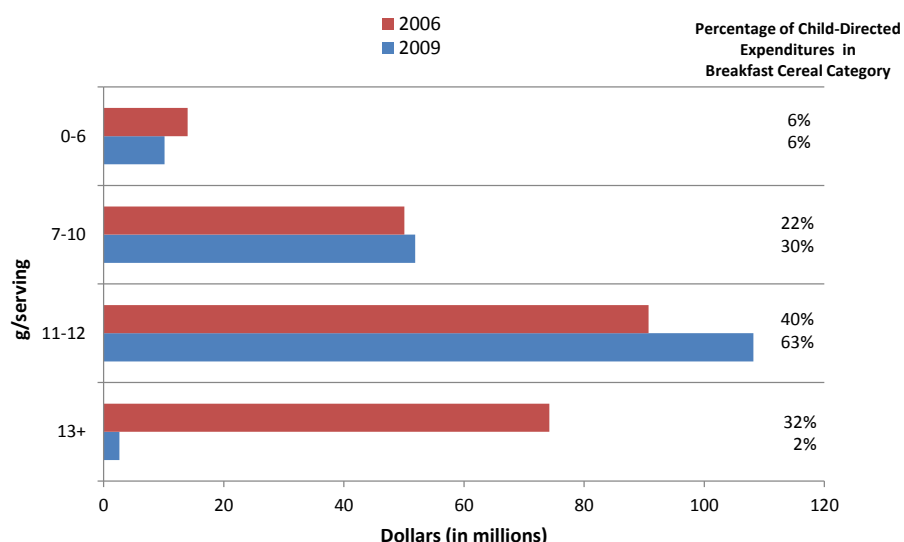
<sup>1</sup> Nutrition averages are expenditure-weighted and based on the products for which the companies reported basic nutrition data (100% of products in this category).

<sup>2</sup> Data for these nutrients is not available for all products in the sample: Vitamin D data is based on 94% of spending in 2006 and 99% of spending in 2009; Potassium data is based on 100% of spending in 2006 and 99% in 2009.

<sup>3</sup> Percentage change in spending is adjusted for inflation.

less per one-ounce serving.<sup>64</sup> In both 2006 and 2009, this low sugar category represented 6% of children’s cereal marketing. Figure III.1 depicts the sugar content of cereal marketing to children in 2006 as compared to 2009. The average sugar content of cereal marketing to teens in 2006 and 2009 followed a similar pattern.<sup>65</sup>

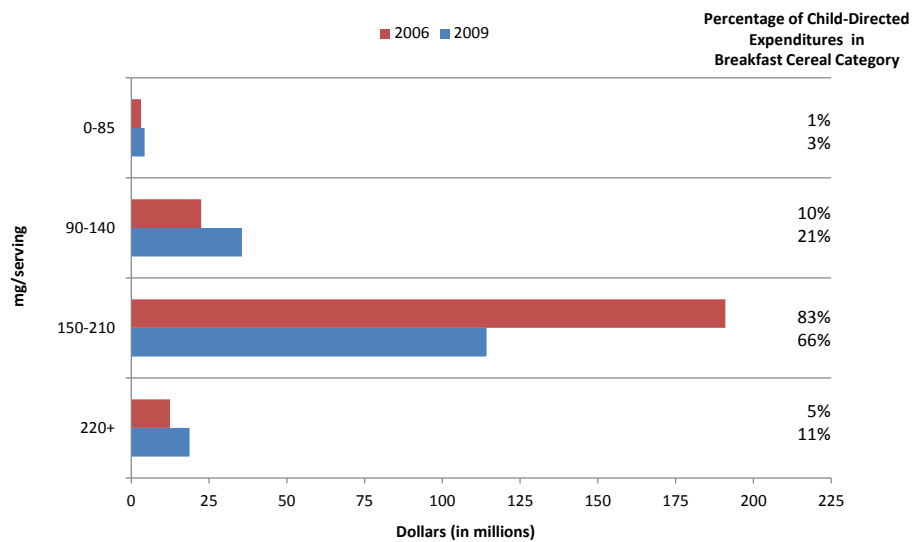
**Figure III.1: Sugar Content of Breakfast Cereal Marketed to Children 2-11 (2006 vs 2009)**



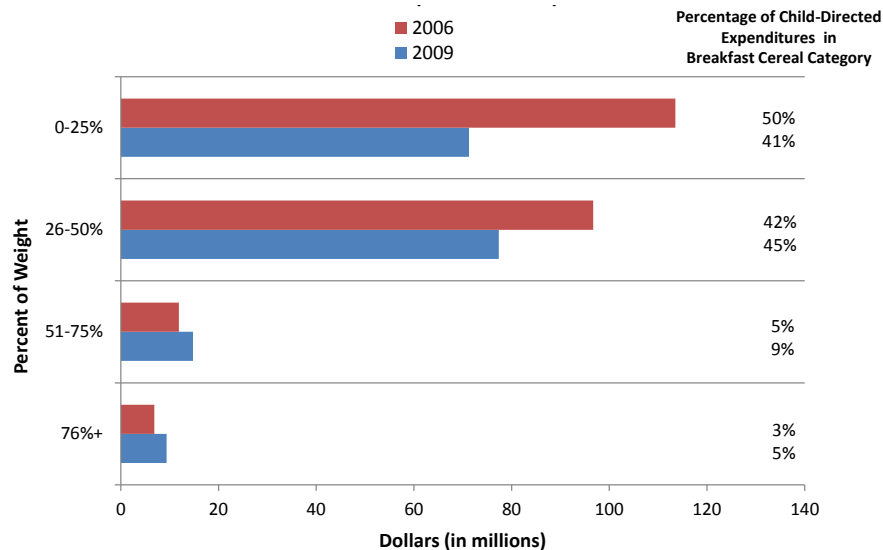
The distribution of sodium content across children’s cereal marketing looks generally similar in 2006 and 2009, with the majority of cereal marketing falling within the 150-210 mg/serving range. In both years, all of the cereal marketing met the qualifying level for sodium established by FDA for “healthy” claims. At the same time, however, virtually no children’s marketing for cereals met FDA’s “low sodium” requirements.<sup>66</sup> In 2006, \$4.1 million, or 1.4% of children’s cereal marketing, was spent on “low sodium” cereal, increasing slightly to \$4.7 million, or 3% of children’s cereal marketing in 2009. Virtually all cereal marketing in both 2006 and 2009 already met the CFBAI 2014 uniform sodium criteria.<sup>67</sup> Based on the nutrition data the companies reported, 97% of 2006 children’s cereal marketing and 99% of 2009 children’s cereal marketing met the CFBAI’s 2014 sodium limit. Figure III.2 depicts the sodium content of cereal marketing to children in 2006 and 2009. The distribution of sodium content for teen cereal marketing was similar to that for children.<sup>68</sup>

The key shift from 2006 to 2009 in the whole grain content of cereal marketing to children was away from marketing cereals that were mostly refined grain, toward cereals meeting the 2010 DGA recommendation of at least 51% whole grain content. Spending on cereals with 50% or less whole grain fell from \$211 million in 2006 to \$148 million in 2009, while spending on cereals with 51% or more whole grain rose from \$19 million in 2006 to \$24 million in 2009. Even

**Figure III.2: Sodium Content of Breakfast Cereal Marketed to Children 2-11 (2006 vs 2009)**



**Figure III.3: Whole Grain Content of Breakfast Cereal Marketed to Children 2-11 (2006 vs 2009)**



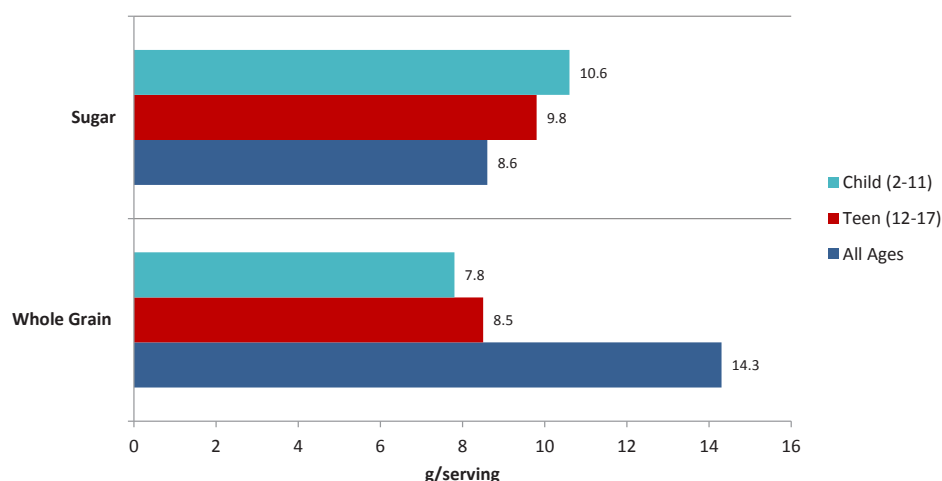
with this increase in whole grain content, however, 86% of cereal marketing to children in 2009 was for cereals containing mostly refined grain.

The whole grain content of cereal marketing to teens similarly showed a modest shift toward more whole grain content. Despite the shift, however, 80% of teen cereal marketing in 2009 continued to be for cereals containing mostly refined grain (compared to 91% in 2006).

The 2009 nutrition data for youth cereals also show that marketing specifically to children is weighted more heavily toward less nutritious cereals – in particular, the cereals with the most sugar and least whole grain – than marketing directed to teens or all audiences. The average

whole grain content for youth-directed cereals marketed across all audiences is 14.3 g per serving, nearly double the whole grain content of marketing specifically to children (7.8 g) and to teens (8.5 g). The average sugar content for cereal marketing across all audiences is 2 g less per serving than the average sugar content for children's marketing and 1 g less than for teen marketing.

**Figure III.3a: Average Sugar and Whole Grain Content of Breakfast Cereal Marketed to Children and Teens (2009)**



There was also some difference in the nutritional profile of cereals marketed to children with or without cross-promotions (*e.g.*, using licensed characters). Most notably, cereal marketing through cross-promotions averaged significantly less whole grain in both 2006 and 2009. In 2009, the average whole grain content of cereal marketing to children using licensed characters and other cross-promotions was 3.8 g per serving, compared to 8.7 g per serving for cereal that did not use cross-promotions.<sup>69</sup> For other key nutrients and food components, the nutritional profile of cereal marketing with and without cross-promotions was similar.

Finally, the Commission compared the nutritional characteristics

**Table III.5: Average Nutritional Characteristics of Cereals Marketed to Children and Teens, 2009: Traditional Measured Media and New Media**

Product Characteristic <sup>1</sup>	2009 Traditional Measured Media		2009 New Media	
	Children (2-11)	Teens (12-17)	Children (2-11)	Teens (12-17)
Calories (kcal/serv)	119.93	125.76	115.25	117.81
Sodium (mg/serv)	165.45	174.72	163.12	181.30
Sugar (g/serv)	10.95	10.10	10.99	10.65
Whole Grains (g/serv)	7.36	7.83	7.57	7.79
Spending on All Marketing (\$millions)	\$102.50	\$49.70	\$21.60	\$10.80

<sup>1</sup> Nutrition averages are expenditure-weighted and based on the products for which the companies reported basic nutrition data (100% of products in this category).



of breakfast cereal marketing in traditional measured media to marketing in new media. The nutritional profile of cereals marketed to children and to teens differed little across these media. This was true in both 2006 and 2009.

## **2. Drinks**

Except where noted, the nutritional analysis of drink marketing to youth includes all products in the carbonated beverages category, as well as all products in the juice and non-carbonated beverage category.<sup>70</sup> In both 2006 and 2009, spending on carbonated beverages alone (not including juices and non-carbonated drinks) was higher than any other food category for teen marketing. Total spending on all drinks (both carbonated and juice/non-carbonated), however, fell from 2006 to 2009 both for children (a 51% drop) and for teens (a 27% drop).

Companies submitted nutrition data for a total of 133 drink products that were marketed to youth in one or both of the reporting years, with 92 products marketed to children and 123 to teens. Only 53 of the 133 total drinks marketed to youth were marketed in both 2006 and 2009, although these 53 products represented the vast majority of youth marketing expenditures (96% in 2006 and 89% in 2009). Of the 53 drinks marketed both years, 24 were reformulated in some way. Of the remaining 80 drinks in this category, 48 were marketed to youth only in 2006 and were either taken off the market prior to 2009 (16 products) or were no longer advertised to youth in 2009 (32 drinks); and 32 drinks were marketed only in 2009 either as new products (15) or as drinks newly advertised to youth (17).<sup>71</sup>

Table III.6 shows average nutritional data for drink marketing from 2006 to 2009, to children and to teens. There were a number of small but positive changes in the nutritional profile for drink marketing.<sup>72</sup> On average, drinks marketed to teens in 2009 were 20 fewer kcal per serving (111 kcal in 2006 to 91 kcal in 2009), 31 mg lower in sodium (96 mg in 2006 to 65 mg in 2009), and 5 g lower in sugar (29 g in 2006 to 24 g in 2009).<sup>73</sup> Similar changes were found in the nutritional profile of drinks marketed to children.

Table III.6 also provides the added sugar content of drink marketing to children and teens. A comparison to the total sugar content shows that most of the sugar in drinks marketed to youth is added sugar, as opposed to naturally occurring sugar from ingredients like fruit or fruit juice.<sup>74</sup> In 2009, 88% of the sugar in drinks marketed to children (21 g/serving) was added sugar and 98% of the sugar in drinks marketed to teens (23.5 g/serving) was added sugar. At these levels, the added sugar content of one youth-marketed drink provides approximately one third of the 2010 Dietary Guidelines' recommended daily limit for calories from solid fats and added sugars.<sup>75</sup>

Table III.6 also provides data on the prevalence of marketing of 100% juice products and 100% water products to youth. In 2009, 9% of marketing expenditures to children was for 100% juice products, up slightly from 8% in 2006. However, spending overall in the drinks category fell, so there was less marketing to children of 100% juice products in 2009.<sup>76</sup> In the teen category,

ry, only 1% of spending was for 100% juice products. Water was also a relatively small part of drink marketing to youth. Approximately 7% of spending for both children and teen marketing in 2009 was for 100% water products, down slightly for children and up slightly for teens.

**Table III.6: Average Nutritional Characteristics of Drinks<sup>1</sup> Marketed to Children and Teens, All Marketing, 2006 and 2009**

Product Characteristic <sup>2</sup>	Marketed to Children 2-11			Marketed to Teens 12-17		
	2006	2009	Change	2006	2009	Change
Calories (kcal/serv)	107.68	89.70	-17.98	111.08	91.18	-19.89
Sodium (mg/serv)	55.50	42.17	-13.33	96.07	65.21	-30.86
Sugar (g/serv)	28.76	23.76	-5.00	29.24	23.88	-5.36
Added Sugar (g/serv) <sup>3</sup>	26.54	20.97	-5.57	28.82	23.49	-5.33
% Spending on						
100% Juice	8.0%	9.0%	1.0%	1.1%	1.3%	0.2%
100% Water	10.0%	6.7%	-3.4%	5.7%	6.8%	1.0%
Spending on All Marketing (\$millions) <sup>4</sup>	\$166.3	\$85.9	-51.4%	\$616.4	\$477.5	-27.1%

<sup>1</sup> Includes all products in the Carbonated Beverages category and in the Juice and Non-Carbonated Beverages category.

<sup>2</sup> Nutrition averages are expenditure-weighted and based on the products for which the companies reported basic nutrition data.

<sup>3</sup> Data for added sugar is available for more than 99% of spending in both years but is not available for all brands for which we have other nutrition data.

<sup>4</sup> Percentage change in spending is adjusted for inflation.

In addition to analyzing the nutritional profile of youth-marketed drinks across all marketing categories, the Commission also looked at the nutritional profile of drinks marketed specifically in the school setting. The drink category represents the vast majority of all in-school youth marketing,<sup>77</sup> and, beginning in 2006, in-school beverage marketing became the subject of a new self-regulatory program created by the Alliance for a Healthier Generation and the American Beverage Association. Under that program, members of the American Beverage Association pledged to shift the sale of drinks in schools to lower calorie options.<sup>78</sup> Table III.7 shows the nutritional profile of in-school marketing of drinks to children and teens.

The nutritional profile of drink marketing in the school setting improved substantially from 2006 to 2009. For in-school drink marketing to children, calories fell from 110 to 71 kcal per serving, a 35% drop. Similarly, sugar content fell from 30 g to 19 g per serving, a 37% drop. Sodium levels were also slightly lower in 2009, down from 39 mg to 34 mg, an 11% drop. In addition, spending for in-school marketing of 100% juice drinks rose from 3% of in-school drink marketing to children in 2006 to 11% in 2009. Spending on 100% water also increased slightly, from 20% of in-school drink marketing to children in 2006 to 24% in 2009. In-school marketing to teens (middle and high school) also improved from 2006 to 2009, with a 32% drop in calories, a 31% drop in sugar, and a 19% drop in sodium content. In-school marketing of 100% juice

**Table III.7: Average Nutritional Characteristics of Drinks<sup>1</sup> Marketed to Children and Teens In-School, 2006 and 2009**

Product Characteristic <sup>2</sup>	Children 2-11			Teens 12-17		
	2006	2009	Change	2006	2009	Change
Calories (kcal/serv)	110.20	71.31	-38.90	105.43	71.34	-34.10
Sodium (mg/serv)	38.79	34.44	-4.35	47.09	38.03	-9.06
Sugar (g/serv)	30.39	19.21	-11.19	29.00	19.56	-9.43
Added Sugar (g/serv)	29.64	16.25	-13.39	28.38	18.63	-9.74
% Spending on						
100% Juice	2.7%	10.5%	7.8%	1.8%	3.4%	1.6%
100% Water	20.3%	23.9%	3.7%	19.3%	25.7%	6.4%
Spending on All Marketing (\$millions) <sup>3</sup>	\$61.0	\$23.4	-63.8%	\$146.6	\$120.9	-22.3%

<sup>1</sup> Includes all products in the Carbonated Beverages category and in the Juice and Non-Carbonated Beverages category.

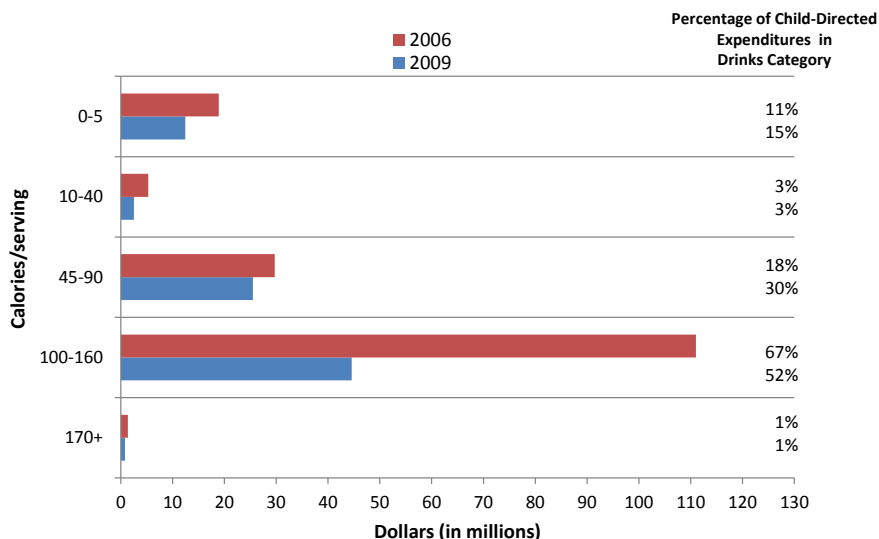
<sup>2</sup> Nutrition averages are expenditure-weighted and based on the products for which the companies reported basic nutrition data.

<sup>3</sup> Percentage change in spending is adjusted for inflation.

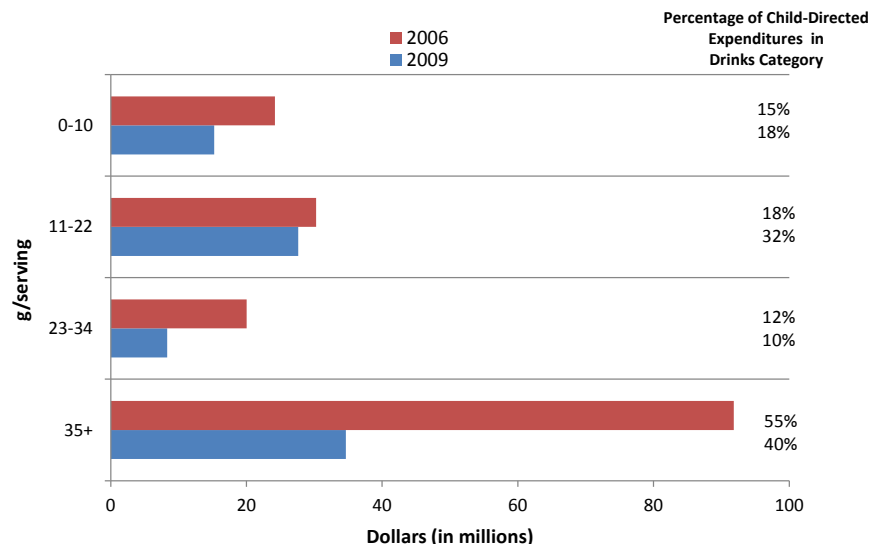
drinks to teens rose only slightly to 3% of spending in 2009 (up from 2% in 2006), and marketing of 100% water increased to 26% of spending in 2009 (up from 19% in 2006).

The Commission also examined key nutrition characteristics for children's drink marketing in the context of federal nutrition principles. This analysis provides a more detailed picture of the nutritional changes from 2006 to 2009 and their significance in the diet. Figures III.4, III.5, and III.6 show the distribution of calories, sugar content, and sodium content for marketing to children in 2006 and 2009.

**Figure III.4: Calorie Content of Drinks Marketed to Children 2-11 (2006 vs 2009)**

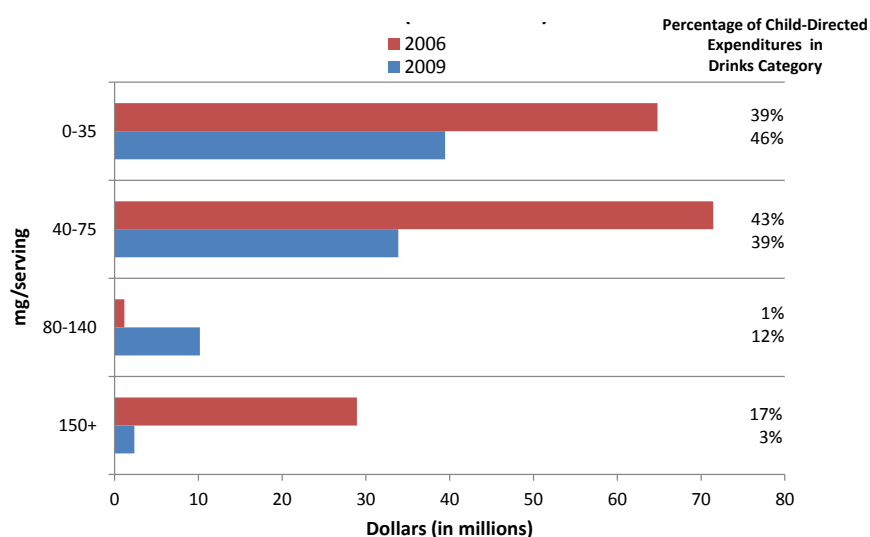


**Figure III.5: Total Sugar Content of Drinks Marketed to Children 2-11 (2006 vs 2009)**



The distribution of spending by calories and sugar content in children's drink marketing is virtually the same, due to the fact that nearly all of the calories in these products come from sugar, primarily added sugar. The most dramatic change from 2006 to 2009 was the decrease in marketing of drinks with more than 100 calories and the most sugar (35+ g per serving).<sup>79</sup> Child marketing of drinks with more than 100 calories fell from \$111 million in 2006 to \$44 million in 2009. Similarly, child marketing of the most sugary drinks (35+ g) fell from \$92 million in 2006 to \$35 million in 2009. Despite the decreases in spending, the bulk of children's marketing continues to fall in the higher calorie and higher sugar categories. In 2009, 52% of children's drink

**Figure III.6: Sodium Content of Drinks Marketed to Children 2-11 (2006 vs 2009)**



marketing was for products with 100 or more calories per serving and 40% was for products with the highest sugar content. At the other end of the spectrum, 17% of 2009 children's drink marketing was for products meeting FDA's "low calorie" or "no calorie" standards.<sup>80</sup> A similar shift occurred in drink marketing to teens.<sup>81</sup>

Both children and teen drink marketing shifted substantially away from drinks with higher sodium content. In children's marketing, drinks with the highest sodium content (150 mg/serving) decreased from 17% (\$29 million) in 2006 to only 3% (\$2 million) in 2009. Children's marketing for drinks in the 80 to 140 mg sodium range correspondingly increased from 1% of spending in 2006 (\$1 million) to 12% of spending in 2009 (\$10 million). As a result of this shift, almost all drinks marketed to children and to teens in 2009 met either the FDA's "low sodium" standard or the "very low sodium" standard.<sup>82</sup>

Comparing the nutritional characteristics of carbonated beverage marketing to teens in traditional measured media with marketing using new media reveals some minor differences across these media in average added sugar content, calorie content, and sodium content.<sup>83</sup> As shown in Table III.8 below, 2006 carbonated beverage marketing in new media averaged 17% more added sugar than beverage marketing in traditional measured media.<sup>84</sup> In 2009, the gap narrowed somewhat, with marketing in new media averaging 10% more added sugar than marketing in traditional measured media.<sup>85</sup> Calorie content differences paralleled the differences in added sugar content, with beverage marketing in new media averaging slightly higher calorie content. Sodium content, in contrast, was slightly lower in both years for teen beverage marketing using new media than for marketing in traditional measured media.<sup>86</sup>

**Table III.8: Average Nutritional Characteristics of Carbonated Beverages Marketed to Teens 12-17, 2006 and 2009: Traditional Measured Media and New Media**

Product Characteristic <sup>1</sup>	Traditional Measured Media			New Media		
	2006	2009	Change	2006	2009	Change
Calories (kcal/serv)	113.80	107.40	-6.40	130.40	115.48	-14.92
Sodium (mg/serv)	79.56	66.79	-12.77	55.55	56.65	1.10
Added Sugar (g/serv)	30.16	28.00	-2.17	35.17	30.83	-4.34
Spending on All Marketing (\$millions) <sup>2</sup>	\$142.4	\$87.2	-42.3%	\$20.5	\$22.6	3.4%

<sup>1</sup> Nutrition averages are expenditure-weighted and based on the products for which the companies reported basic nutrition data (100% of products in this category).

<sup>2</sup> Percentage change in spending is adjusted for inflation.

### 3. Dairy Products

Dairy product marketing was a relatively small segment of overall food marketing to youth in both 2006 and 2009. In 2009, dairy product marketing constituted 4.7% of food marketing to children, and 3.9% of food marketing to teens. Companies submitted nutrition data for 35 products marketed to youth in one or both reporting years, with 29 of those marketed to children and 32 marketed to teens. Ten dairy products were marketed to youth in both 2006 and 2009; they represented 78% of dairy product marketing to youth in 2006 and 59% in 2009. Of the remaining dairy products, 11 were taken off the market or no longer advertised to youth, and 14 were new products or newly advertised to youth.<sup>87</sup>

Spending on the dairy category was primarily for dairy drinks (milk and flavored milk products) and for yogurt products. Only a small portion of dairy marketing was spent on cheese or other miscellaneous dairy products. The nutrition analysis set out below focuses on dairy drinks and yogurt products.

#### A. DAIRY DRINKS

There was substantially less youth-directed marketing of dairy drinks in 2009 than in 2006, especially children's marketing, which dropped 66%. Table III.9 provides the basic nutrition data for youth-directed dairy drinks for 2006 and 2009, broken down by marketing to children and teens.<sup>88</sup> Nutrition data are reported per serving, with a serving size of approximately 8 oz for all of the products in the sample.<sup>89</sup> The levels of nutrients to increase, including calcium, Vitamin D, and potassium remained relatively unchanged from 2006 to 2009, with dairy drinks marketed to children and teens providing approximately 30% of the daily value for calcium, close to 30% of the daily value for Vitamin D, and approximately 11% of the daily value for potassium.<sup>90</sup> The data also show small reductions in calories and sugar content for both children's and teen marketing. Dairy drinks marketed to children averaged 5.2 fewer kcal per serving and 1.3 g less sugar per serving in 2009. Dairy

**Table III.9: Average Nutritional Characteristics of Dairy Drinks Marketed to Children and Teens, All Marketing, 2006 and 2009**

Product Characteristic <sup>1</sup>	Marketed to Children 2-11			Marketed to Teens 12-17		
	2006	2009	Change	2006	2009	Change
Calories (kcal/serv)	111.28	106.06	-5.22	109.12	100.93	-8.19
Sodium (mg/serv)	119.16	129.74	10.57	110.04	105.68	-4.35
Sugar (g/serv)	14.34	13.08	-1.27	14.51	12.17	-2.34
Saturated Fat (g/serv)	1.65	1.63	-0.02	1.64	1.52	-0.12
Calcium (% RDI/serv)	30.15	30.67	0.53	30.94	30.10	-0.84
Vitamin D (% RDI/serv) <sup>2</sup>	28.65	26.66	-1.99	29.51	29.94	0.42
Potassium (mg/serv) <sup>2</sup>	382.53	402.07	19.54	374.57	370.50	-4.07
Spending on All Marketing (\$millions) <sup>3</sup>	\$5.2	\$2.1	-62.1%	\$25.5	\$19.8	-27.0%

<sup>1</sup> Nutrition averages are expenditure-weighted and based on the products for which the companies reported basic nutrition data.

<sup>2</sup> Data for these nutrients is not available for all products in the sample: Vitamin D data is based on 66% of spending in 2006 and 82% of spending in 2009; Potassium data is based on 99% of spending in 2006 and 100% in 2009.

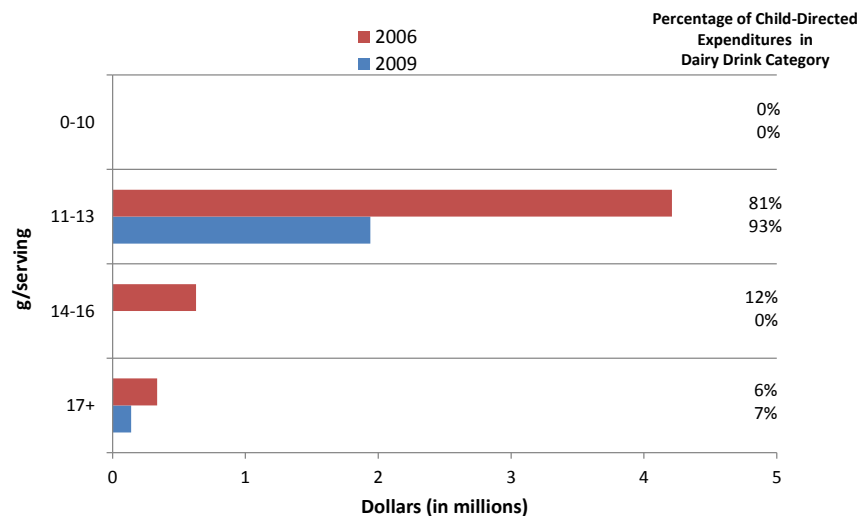
<sup>3</sup> Percentage change in spending is adjusted for inflation.

drinks marketed to teens averaged 8.2 fewer kcal per serving and 2.3 g less sugar per serving in 2009. Sodium content also fell slightly for teen-marketed dairy drinks, down by 4.4 mg per serving, but rose slightly among children's products, with an increase of 10.6 mg per serving.<sup>91</sup> Nearly all dairy drinks marketed to children and to teens were either non-fat or low-fat (1%) in both 2006 and 2009.<sup>92</sup>

Figure III.7 below provides a more detailed picture of the variation in sugar content of dairy drinks marketed to children and the shift from 2006 to 2009.<sup>93</sup> Although overall spending on dairy drink marketing to both children and teens went down, a higher percentage of the 2009 marketing was for unflavored milks, containing no added sugar.

According to USDA data, unflavored fat-free or low-fat milk contains no more than 13 g of naturally occurring sugars per 8-oz serving.<sup>94</sup> In 2009, 93% of dairy drink marketing to children was for products with no added sugar, up from 81% of dairy drink marketing to children in 2006. Flavored milks, with total sugar content of 14 g and above per serving, constituted 7% of marketing to children in 2009, down from 19% in 2006. CFBAI pledge companies accounted for about two thirds of the dairy drink marketing in the sample. A total of 92% of all 2009 children's dairy drink marketing (including non-CFBAI members) met the CFBAI's proposed 2014 sugar limit of 24 g per 8-oz serving (the equivalent of 11 g added sugar).<sup>95</sup>

**Figure III.7: Sugar Content of Dairy Drinks Marketed to Children 2-11 (2006 vs 2009)**



Teen dairy drink marketing reveals a similar shift toward products with no added sugars. Marketing of unflavored milks, that is, dairy drinks with no more than 13 g of total sugar, increased from 90% of teen dairy drink marketing in 2006 to 99% in 2009. As of 2009, only 1% of dairy drink marketing to teens was for products with added sugars.



## B. YOGURT PRODUCTS

Unlike the dairy drinks category, the yogurt category saw a substantial increase in youth marketing from 2006 to 2009.<sup>96</sup> Spending on marketing to children nearly doubled from \$22.3 million to \$43.8 million. Spending on marketing to teens, while much lower than children's marketing, also increased, from \$10.1 million to \$16.5 million. Table III.10 provides the basic nutrition data for youth-directed yogurt products for 2006 and 2009, broken down by marketing to children and teens.<sup>97</sup> Serving sizes for yogurt products marketed to youth vary widely, with products ranging from 2-oz servings up to 6-oz servings.<sup>98</sup> The data set out in Table III.10 are standardized to a 6-oz serving size. The nutritional profile for both children and teens shows overall improvement, with calories, sugar, sodium, and fat content all lower in 2009. As an example, average calories per 6-oz serving fell for children from 184 to 160 calories and for teens from 177 to 158 calories. Average saturated fat content was cut in half from an average of just under two g for both children and teens to less than one g per 6-oz serving. In addition, calcium content increased, particularly for children, going from 22% of the daily value in 2006 to 35% in 2009.<sup>99</sup>

**Table III.10: Average Nutritional Characteristics of Yogurt (6 oz) Marketed to Children and Teens, All Marketing, 2006 and 2009**

Product Characteristic <sup>1</sup>	Marketed to Children 2-11			Marketed to Teens 12-17		
	2006	2009	Change	2006	2009	Change
Calories (kcal/6oz)	183.74	160.07	-23.67	177.01	157.71	-19.30
Sodium (mg/6oz)	96.54	82.75	-13.80	95.16	84.59	-10.56
Sugar (g/6oz)	26.67	24.41	-2.26	25.84	23.76	-2.08
Saturated Fat (g/6oz)	1.95	0.96	-0.99	1.80	0.76	-1.04
Calcium (% RDI/6oz)	21.71	35.06	13.35	21.51	22.46	0.95
Vitamin D (% RDI/6oz) <sup>2</sup>	15.48	18.43	2.95	16.32	15.15	-1.17
Potassium (mg/6oz) <sup>2</sup>	278.43	240.65	-37.78	278.74	250.15	-28.58
Spending on All Marketing (\$millions) <sup>3</sup>	\$22.3	\$43.8	85.2%	\$10.1	\$16.5	54.4%

<sup>1</sup> Nutrition averages are expenditure-weighted and based on the products for which the companies reported basic nutrition data.

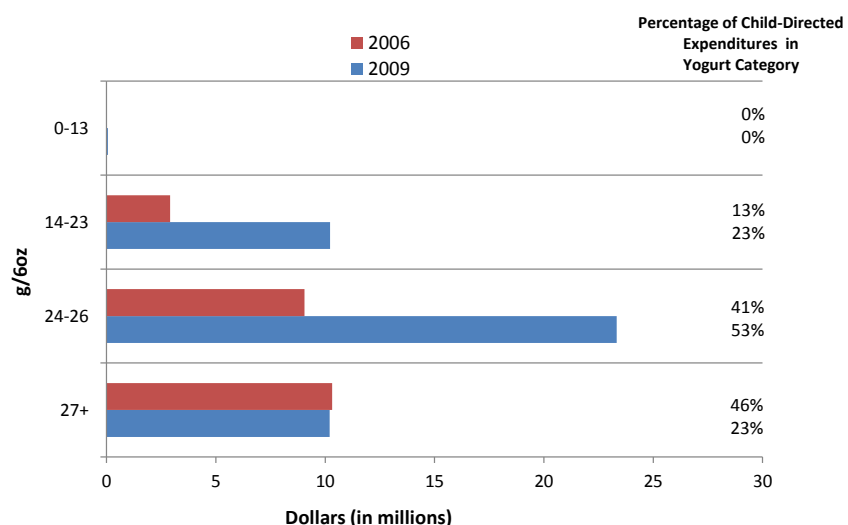
<sup>2</sup> Data for these nutrients is not available for all products in the sample: Vitamin D data is based on 55% of spending in 2006 and 80% of spending in 2009; Potassium data is based on 100% of spending in both years.

<sup>3</sup> Percentage change in spending is adjusted for inflation.

Figure III.8 below provides a more detailed picture of the variation in sugar content of yogurt products marketed to children and the shift from 2006 to 2009. The data for this figure are based on a standard 6-oz serving. According to USDA data, a 6-oz serving of fat-free or low-fat yogurt contains 13.5 g of naturally occurring sugars.<sup>100</sup> Nearly all of the yogurt products marketed to children and to teens exceeded this sugar level, indicating at least some sugar from

added fruit or added sugar. Figure III.8 shows that the increase in children's marketing of yogurt products in 2009 came mostly in the category of yogurts containing between 14 and 23 g of sugar per 6-oz serving and between 24 and 26 g of sugar per 6-oz serving. Children's marketing of the most sugary yogurts, those with 27 g or more of sugar per 6-oz serving, remained steady at just over \$10 million but dropped as a percentage of overall children's marketing from 46% in 2006 to 23% of children's yogurt marketing in 2009.

**Figure III.8: Sugar Content of Yogurt Marketed to Children 2-11 (2006 vs 2009)**



All of the products in the children's yogurt category were marketed by CFBAI pledge companies. The CFBAI's 2014 uniform nutrition criteria set a limit of 23 g total sugar content per 6-oz serving of yogurt.<sup>101</sup> Applying this limit to the 2009 marketing data, 77% of children's yogurt marketing exceeds the cutoff and would be ineligible for marketing to children beginning in 2014 without reductions in sugar content.

Among yogurt products marketed to teens, the greatest increase in spending was for yogurt with 18 to 23 g of sugar, which increased from 12% of marketing (\$1.2 million) in 2006 to 38% of marketing (\$6.2 million) in 2009. The largest share of teen yogurt marketing remains in the highest sugar category. In 2009, 52% of yogurt marketing to teens (\$8.6 million) was for products with 27 g or more total sugar, up from 46% (\$4.6 million) in 2006.

#### **4. Snacks**

As noted in Section II, youth-directed snack food advertising represented just under 7% of total youth marketing in both 2006 and 2009. Snacks were the third highest category of child-directed expenditures in both years (after QSR foods and cereals), but were a lesser category for teens. Between the two years, however, snack food advertising expenditures to children de-

creased 42%, while teen-directed expenditures increased 57%. Almost all of the child-directed snack food advertising was by CFBAI member companies.<sup>102</sup>

The Commission received nutrition data for 124 snack food products that were advertised in one or both of the study years;<sup>103</sup> 97 of these were marketed to children and 96 to teens. There was considerable turnover in this category from 2006 to 2009. Only 21 of the 97 products were marketed to children in both years, although they represented 59% of expenditures in 2006 and 74% in 2009. Of the remaining products marketed to children, 45 were marketed only in 2006 and 31 only in 2009. Within the teen market, only 25 of 96 products were marketed in both years, representing 78% of spending in 2006 and 67% of spending in 2009. Thirty-six products were marketed to teens only in 2006 and 35 only in 2009.

With respect to child-directed marketing, Table III.11 shows minimal nutritional improvements or no change between 2006 and 2009. Average calories per serving dropped by 3 kcal, sodium decreased 26 mg, and saturated fat decreased 0.3 g, while average sugar content was unchanged. Whole grain content increased, from 0.1 to 0.6 g per serving, but remained very low. Nutritional shifts in teen-directed snack marketing were also minimal and mixed. Average calories dropped 4 kcal, sodium increased 3 mg, sugar decreased 0.5 g, and whole grain increased 1.3 g per serving. Saturated fat and fiber content were constant.

**Table III.11: Average Nutritional Characteristics of Snack Foods Marketed to Children and Teens, All Marketing, 2006 and 2009**

Product Characteristic <sup>1</sup>	Marketed to Children 2-11			Marketed to Teens 12-17		
	2006	2009	Change	2006	2009	Change
Calories (kcal/serv)	114.21	111.11	-3.10	130.56	134.47	3.91
Sodium (mg/serv)	156.26	130.30	-25.97	186.35	189.74	3.40
Sugar (g/serv)	6.12	6.09	-0.02	5.02	4.55	-0.46
Saturated Fat (g/serv)	1.13	0.79	-0.34	1.85	1.89	0.04
Fiber (g/serv)	0.36	0.43	0.07	0.96	0.94	-0.02
Whole Grains (g/serv) <sup>2</sup>	0.08	0.58	0.50	0.39	1.72	1.33
Spending on All Marketing (\$millions) <sup>3</sup>	\$112.6	\$69.9	-41.6%	\$51.1	\$85.1	56.7%

<sup>1</sup> Nutrition averages are expenditure-weighted and based on the products for which the companies reported basic nutrition data (100% of products in this category).

<sup>2</sup> Data for these nutrients is not available for all products in the sample: Whole grain data is based on 93% of spending in 2006 and 100% of spending in 2009.

<sup>3</sup> Percentage change in spending is adjusted for inflation.

The nutritional content of snack foods advertised to children can also be examined in the context of various federal nutritional guidelines, as well as government and self-regulatory programs designed to address the nutritional content of snacks (or “competitive foods”) sold in schools. For competitive foods sold in schools, nutritional guidelines have been developed by

the Institute of Medicine, USDA, and the Alliance for a Healthier Generation (Alliance).<sup>104</sup> All of these programs set similar guidelines for competitive foods, including that the foods be limited to a 200-calorie portion as packaged (the Alliance reduces this further to 150 calories for products sold in elementary schools); have less than 10% of calories from saturated fat; and have no more than 35% of calories from total sugars. In 2006, 30% of total child-directed snack expenditures met these three limits.<sup>105</sup> In 2009, this had increased to 36% of child-directed expenditures meeting the three limits.<sup>106</sup>

Applying the FDA's nutrient content claim standards to snack foods advertised to children reveals that none of 2006 and 2009 expenditures would meet the "low" calorie limit; 40% would meet the "low" saturated fat limit in 2006, and 45% in 2009, and 35% would meet the "low" sodium limit in 2006, increasing to 43% in 2009.<sup>107</sup> A much higher percentage of child-directed snack expenditures met the FDA's sodium limit for a "healthy" claim in both years: 87% in 2006 and 99% in 2009.<sup>108</sup> As noted above, whole grain content for snacks advertised to children was very low in both years, and the percentage of expenditures for snacks with 25-50% whole grains by weight increased from essentially zero in 2006 to 2% in 2009; expenditures for snacks with more than 50% whole grains by weight increased from essentially zero to 1%.<sup>109</sup> Moreover, in 2006, one product advertised to children met the FDA standards for an "excellent source" of fiber; in 2009, 1% of expenditures met this threshold.<sup>110</sup> Snacks that were a "good source" of fiber decreased from about 5% of expenditures in 2006 to 2% in 2009.<sup>111</sup>

The Commission also compared the nutritional profile of snack foods advertised to children in traditional measured media to those advertised in new media. Snacks marketed in new media were not systematically better or worse than those marketed through traditional measured media

**Table III.12: Average Nutritional Characteristics of Snack Foods Marketed to Children 2-11: Traditional Measured Media and New Media, 2006 and 2009**

Product Characteristic <sup>1</sup>	Traditional Measured Media			New Media		
	2006	2009	Change	2006	2009	Change
Calories (kcal/serv)	115.51	109.34	-6.17	107.50	111.18	3.68
Sodium (mg/serv)	167.60	148.56	-19.04	143.35	158.13	14.78
Sugar (g/serv)	5.62	5.30	-0.32	6.44	4.60	-1.84
Saturated Fat (g/serv)	1.27	0.72	-0.55	0.83	0.81	-0.02
Whole Grains (g/serv) <sup>2</sup>	0.02	0.98	0.95	0.00	0.11	0.11
Spending (\$millions) <sup>3</sup>	\$70.0	\$28.0	-62.3%	\$9.0	\$10.0	5.0%

<sup>1</sup> Nutrition averages are expenditure-weighted and based on the products for which the companies reported basic nutrition data (100% for the products in this category).

<sup>2</sup> Whole grain data is based on 93% of spending in 2006 and 100% in 2009.

<sup>3</sup> Percentage change in spending is adjusted for inflation.

in either 2006 or 2009. In 2006, snacks marketed in new media were slightly lower in calories, sodium, and saturated fat, but slightly higher in sugar, than snacks marketed in traditional measured media; in 2009, this pattern was reversed. This shift appears to be due primarily to the moderate improvements in all nutrients among products marketed in traditional measured media.

Similar differences were observed when comparing snacks marketed with or without the use of licensed characters and other cross-promotions. Snack foods marketed to children using cross-promotions were lower in calories, sodium, and saturated fat, but higher in sugar, than snacks marketed without cross-promotion. The nutrition gap, however, narrowed from 2006 to 2009. Snack foods marketed to teens using cross-promotions likewise were lower in calories, sodium, and saturated fat than snacks marketed without cross-promotions. This was true in both 2006 and 2009. Sugar content in snacks marketed to teens using cross-promotions was lower in 2006 but higher in 2009 than snacks marketed without cross-promotions.

**Table III.13: Average Nutritional Characteristics of Snack Foods Marketed to Children and Teens, With and Without Cross-Promotions, 2006 and 2009**

Product Characteristic <sup>1</sup>	Marketed to Children 2-11						Marketed to Teens 12-17					
	Uses Cross-Promotions			No Cross-Promotions			Uses Cross-Promotions			No Cross-Promotions		
	2006	2009	Change	2006	2009	Change	2006	2009	Change	2006	2009	Change
Calories (kcal/serv)	90.47	103.39	12.92	118.47	114.24	-4.23	131.60	118.43	-13.16	130.22	137.99	7.77
Sodium (mg/serv)	76.91	87.72	10.81	170.49	147.57	-22.92	157.89	122.01	-35.88	195.71	204.60	8.89
Sugar (g/serv)	9.58	8.25	-1.34	5.50	5.22	-0.28	3.30	5.97	2.68	5.58	4.24	-1.34
Saturated Fat (g/serv)	0.62	0.66	0.04	1.23	0.85	-0.38	1.67	0.98	-0.69	1.91	2.09	0.18
Whole Grains (g/serv) <sup>2</sup>	0.07	0.33	0.26	0.08	0.68	0.60	0.39	0.03	-0.36	0.39	2.10	1.71
Spending (\$millions) <sup>3</sup>	\$17.1	\$20.2	10.9%	\$95.5	\$49.7	-51.0%	\$12.7	\$15.3	13.9%	\$38.5	\$69.8	70.8%

<sup>1</sup> Nutrition averages are expenditure-weighted and based on the products for which the companies reported basic nutrition data (100% of products in this category).

<sup>2</sup> Whole grain data is based on 93% of spending in 2006 and 100% in 2009.

<sup>3</sup> Percentage change in spending is adjusted for inflation.

## 5. Prepared Foods

The prepared foods category was not a top-advertised category either to children or to teens, representing approximately 4.5% of child-directed expenditures, and less than 3% of teen-directed expenditures, in both years. The category is a diverse one, including individual items (typically under a 100 g serving size), entrees (with a serving size ranging from approximately 100 to 300 g), and meals (generally over 300 g per serving).

A total of 84 products were advertised in one or both years to youth (75 of these products were advertised to children and 49 to teens). Only nine products were advertised to youth in both 2006 and 2009, representing 57% of youth-directed marketing in 2006 and 29% in 2009. A total of 14 products were advertised to youth only in 2006 (two products were off the market by 2009 and 12 were no longer advertised to youth in 2009). Sixty-one products were advertised to

youth only in 2009, including 17 products that were new to the market and 44 products (representing 55% of 2009 expenditures) that were newly advertised to youth by 2009.

For the prepared foods marketed to children, average calorie content increased by about 16% between 2006 and 2009, compared to a more modest increase of 4% for teen-advertised products. This is due in part to the fact that more entree and meal-type products were advertised to children in 2009. Average sodium content decreased substantially for youth, dropping from 803 mg to 651 mg per serving in child-directed products, and from 791 mg to 650 mg for teens. Saturated fat levels remained level for children at about 3 g per serving, but decreased for teens from 4.2 to 2.8 g per serving. Sugar content increased for both age groups, with sugar levels in foods advertised to children increasing by about 50%, from 8.4 to 13 g per serving. This resulted primarily from the increased marketing of meals that included a dessert, such as a fruit cup, pudding, or baked item.

In terms of nutrients to increase, fiber and whole grain content increased for children and teens, with more substantial gains seen in products advertised to teens. Despite the increase, however, fiber and whole grain content remained low when considered in the context of the daily diet. In 2009, the average fiber content for child-marketed prepared foods was 3 g per serving (12% of the 25 g daily value for fiber), and the average whole grain content was less than 1 g per serving. For both children and teens, the increased whole grain content was due entirely to products that were either new to the market or newly advertised to those age groups in 2009, rather than reformulated products. The average calcium content of foods advertised to children increased from about 6% RDI to 14% RDI per serving, in contrast to small decreases in products marketed to teens; this is attributable to the cheese content in many of the meals that were new or newly advertised to children in 2009. While potassium data were not available for all products, the reported potassium levels showed improvements, with levels in child-directed products increasing from 215 to 400 mg per serving and teen-directed products from 241 to 479 mg per serving.

**Table III.14: Average Nutritional Characteristics of Prepared Foods Marketed to Children and Teens, All Marketing, 2006 and 2009**

Product Characteristic <sup>1</sup>	Marketed to Children 2-11			Marketed to Teens 12-17		
	2006	2009	Change	2006	2009	Change
Calories (kcal/serv)	250.99	291.96	40.97	281.39	293.61	12.22
Sodium (mg/serv)	803.26	651.32	-151.94	790.92	650.14	-140.78
Sugar (g/serv)	8.44	12.95	4.51	5.61	8.73	3.12
Saturated Fat (g/serv)	3.02	3.13	0.11	4.19	2.78	-1.41
Fiber (g/serv)	2.62	3.11	0.49	2.87	4.40	1.52
Whole Grains (g/serv) <sup>2</sup>	0.00	0.70	0.70	0.01	2.82	2.80
Calcium (% RDI/serv)	5.87	13.65	7.78	7.33	6.90	-0.43
Potassium (mg/serv) <sup>2</sup>	215.17	399.62	184.45	240.61	478.70	238.09
Spending on All Marketing (\$millions) <sup>3</sup>	\$59.7	\$48.4	-23.6%	\$17.8	\$26.0	37.9%

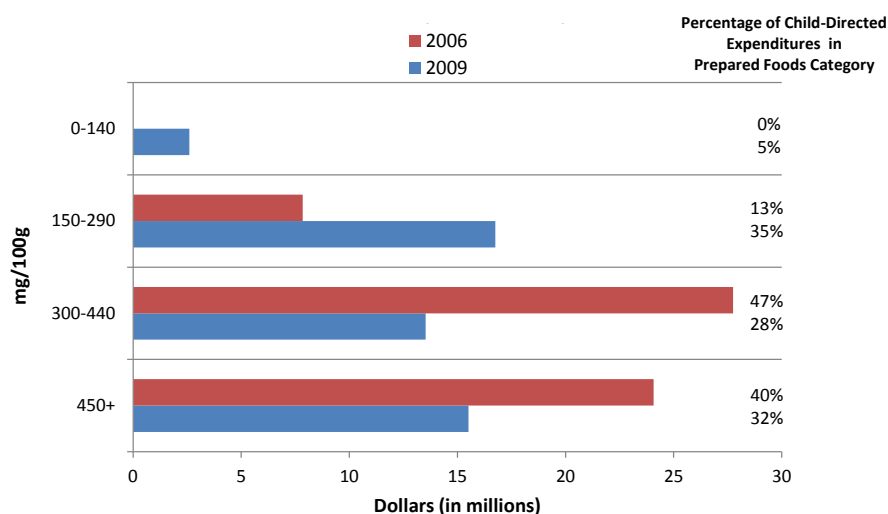
<sup>1</sup> Nutrition averages are expenditure-weighted and based on the products for which companies reported basic nutrition data (nearly 100% of products in this category).

<sup>2</sup> Data for these nutrients is not available for all products in the sample: Whole grain data is based on 100% of spending for both years for children 2-11; Potassium data is based on 67% of spending in 2006 and 80% in 2009 for this age group.

<sup>3</sup> Percentage change in spending is adjusted for inflation.

The prepared foods category can also be examined in the context of various federal nutrition principles for meals and main dishes, although some of the items in this category were individual food items. For example, prepared foods were fairly evenly split between those meeting and those exceeding FDA's calorie limits for a "low calorie" labeling claim for meals and main dishes. For child-directed products, 55% of expenditures in 2006 and 48% in 2009 were "low calorie." For teen-directed products, this trend was reversed, with 45% of expenditures meeting the low calorie limit in 2006, compared to 54% in 2009. Fewer child-directed prepared foods met FDA's "low saturated fat" levels for meals and main dishes in 2009, but more foods, though still only a small percentage, met FDA's "low sodium" levels. Specifically, in 2006, 34% of child-directed expenditures qualified as "low saturated fat"; in 2009, this had fallen to 16%. In 2006, no prepared food products met the FDA's "low sodium" standard for meals and main dishes; by 2009, 5% of spending met this limit.<sup>112</sup> As of 2009, 45% of child-directed spending on prepared foods also exceeded FDA's sodium level for a "healthy" claim.<sup>113</sup> Despite the high percentage of products exceeding both the low and healthy sodium thresholds, Figure III.9 shows that the sodium content for products with the highest levels of sodium nevertheless improved.

**Figure III.9: Sodium Content of Prepared Foods Marketed to Children 2-11 (2006 vs 2009)**



In the case of teen-directed prepared foods, in 2009, the percentage of spending meeting "low saturated fat" and "low sodium" limits both improved. Spending on products qualifying as "low saturated fat" rose from 26% to 41%, and spending on products qualifying as "low sodium" increased from zero to 2%. The percentage of teen-directed spending that met FDA's sodium level for a "healthy" claim increased from 26% in 2006 to 63% in 2009.



## 6. Candy and Frozen Desserts

As noted in Section II above, candy and frozen dessert marketing was a relatively small segment of overall food marketing to youth in both 2006 and 2009. The most notable change in this category was the reduction in the number of products marketed and total spending in the category.<sup>114</sup>

In addition to the overall decrease in marketing, the category showed some nutritional improvement. Table III.15 provides nutrition data for youth-directed candy and frozen desserts, broken down by marketing to children and teens.<sup>115</sup> The primary nutritional features of relevance to the product category are calories, sugar, and saturated fat.<sup>116</sup> Candy and frozen dessert marketing to children averaged 30.5 fewer kcal per serving, 7.1 g less sugar per serving, and 0.6 g less saturated fat per serving in 2009 as compared to 2006. For teen marketing, calorie content fell in 2009 by 18.6 kcal per serving, saturated fat content fell by 0.9 g per serving, while sugar content remained essentially the same, with only a 0.3 g increase in 2009. In both 2006 and 2009, the calorie, sugar, and saturated fat content for teen marketing was significantly higher than for child marketing. This likely reflects the fact that chocolate candies, chocolate bars, and ice cream products, which contain more saturated fat and often come in larger serving sizes than non-chocolate candies, are more heavily marketed to older audiences.

**Table III.15: Average Nutritional Characteristics of Candy and Frozen Desserts Marketed to Children and Teens, All Marketing, 2006 and 2009**

Product Characteristic <sup>1</sup>	Marketed to Children 2-11			Marketed to Teens 12-17		
	2006	2009	Change	2006	2009	Change
Calories (kcal/serv)	137.30	106.78	-30.52	206.26	187.62	-18.64
Sugar (g/serv)	23.63	16.50	-7.13	28.52	28.84	0.32
Saturated Fat (g/serv)	1.63	1.07	-0.56	3.56	2.64	-0.92
Spending on All Marketing (\$millions) <sup>2</sup>	\$60.7	\$17.0	-73.7%	\$99.0	\$67.4	-35.9%

<sup>1</sup> Nutrition averages are expenditure-weighted and based on the products for which companies reported basic nutrition data (100% of the products in this category).

<sup>2</sup> Percentage change in spending is adjusted for inflation

## 7. Quick-Service Restaurant Foods

QSR foods had the highest marketing expenditures directed to children of the food categories surveyed in both 2006 and 2009. This category also had the second highest level of teen-directed spending in both years, second only to carbonated beverages. Detailed nutrition information for this category, however, was somewhat limited, particularly for 2006. In its first report, the Commission allowed QSRs to aggregate 2006 marketing expenditures for all meals and menu items and report total spending by promotional activity category. With the exception of the television advertising category, it was not possible to retroactively break down aggregated 2006 spending data to isolate spending for each specific meal or menu item. For that reason, the com-

parison of 2006 and 2009 nutrition data is limited to products promoted in television advertising for the five companies that reported data in both years (the “fixed panel” of QSRs).<sup>117</sup> Within the television advertising category, the Commission was able to collect specific 2006 and 2009 nutrition data for the vast majority of meals and menu items marketed by the fixed panel companies.<sup>118</sup> In addition to looking at the overall nutritional profile of products advertised on television in 2006 and 2009 by the fixed panel companies, the Commission compared the nutritional profile of menu items those companies specifically identified as “children’s meals” compared to other meals and main dishes they marketed to children.<sup>119</sup>

For 2009, the Commission also obtained data from four additional QSR companies that did not report in 2006<sup>120</sup> and compared the nutritional profile of meals and menu items marketed by these new companies to those marketed by the fixed panel companies.<sup>121</sup> Finally, the Commission compared the 2009 nutritional profile of all QSR foods marketed in traditional measured media to those marketed in new media.

**A. 2006 vs. 2009 TELEVISION ADVERTISING: NUTRITION DATA FOR FIXED PANEL COMPANIES**

The fixed panel of QSR companies reported nutrition data for 175 meals and individual menu items that were marketed to youth on television in one or both of the reporting years. Ninety-five of these products were marketed to children, and 170 were marketed to teens. There was significant product turnover between 2006 and 2009. Of the 175 meals and menu items advertised to youth in the two survey years, only 28 were marketed in both 2006 and 2009.<sup>122</sup> These 28 products, however, represented nearly half of child-directed expenditures (47% in 2006 and 42% in 2009). They also represented 31% of teen-directed expenditures in 2006 and 18% in 2009. Of the remaining meals and menu items, 62 were marketed to youth only in 2006<sup>123</sup> and 85 were marketed to youth only in 2009.<sup>124</sup>

The fixed panel companies spent 54% more on child-directed television advertising in 2009 than in 2006, and 30% more on teen-directed television advertising, with children’s TV advertising exceeding teens’ in 2009. The available nutrition data showed some improvements in 2009. For example, child-directed television advertising by the fixed panel showed an average 81 kcal decrease per serving, a 57 mg decrease in sodium, a 6 g decrease in total sugar, and a 0.5 g decrease in saturated fat. Fiber levels were low in both years, at less than 2 g per serving (*i.e.*, less than 8% of the 25 g daily value for fiber). For teen-directed television advertising, average calorie levels dropped by 43 kcal per serving and sodium levels by 14 mg, while sugar content increased by just under 1 g per serving and saturated fat content and fiber remained constant. There were insufficient data to assess certain nutrients, such as whole grain content, calcium, Vitamin D, and potassium.

**Table III.16: Average Nutritional Characteristics of Restaurant Foods Marketed to Children and Teens on Television by the Fixed Panel of QSRs, 2006 and 2009<sup>1</sup>**

Product Characteristic	Marketed to Children 2-11			Marketed to Teens 12-17		
	2006	2009	Change	2006	2009	Change
Calories (kcal/serv)	431.00	349.61	-81.40	520.5	477.7	-42.82
Sodium (mg/serv)	738.59	682.08	-56.51	1117.0	1103.5	-13.47
Sugar (g/serv)	23.24	17.00	-6.24	10.8	11.6	0.78
Saturated Fat (g/serv)	5.32	4.82	-0.50	8.0	7.9	-0.09
Trans Fat (g/serv)	1.56	0.19	-1.37	1.8	0.6	-1.23
Fiber (g/serv)	1.67	1.38	-0.29	3.0	3.0	0.02
Spending on Television (\$millions) <sup>2</sup>	\$83.2	\$135.7	53.5%	\$77.3	\$106.5	29.7%

<sup>1</sup> Nutrition averages are expenditure-weighted and are based on the restaurant products for which companies reported basic nutrition data. These products represent 91% of child-directed TV spending for fixed panel restaurant products in 2006 (98% in 2009), and 77% of teen-directed spending in 2006 (96% in 2009).

<sup>2</sup> Percentage change in spending is adjusted for inflation.

The positive changes in nutrition in child-directed QSR advertising from 2006 to 2009 were largely the result of significant spending on new, generally more nutritious, meal and menu items. The 24 new products directed to children had lower average calorie, sodium, sugar, saturated fat, and trans fat content than the products that were no longer advertised to children in 2009. This pattern was less pronounced for teens. The 44 products that were newly advertised to teens in 2009, and also accounted for the largest increase in TV advertising spending, had fewer average calories than products no longer advertised to teens in 2006, but showed no consistent improvement in sodium, sugar, and saturated fat content.<sup>125</sup>

The average nutritional profile of QSR products that were marketed in both 2006 and 2009 did not improve. In fact, the 10 products that were marketed to children in both years had a worse average nutritional profile in 2009 than in 2006, with increases in calories, sodium, sugar, and saturated fat.<sup>126</sup> Products advertised to teens in both years had higher average calorie, sodium, and saturated fat content in 2009 than in 2006, but showed slight improvements in sugar and fiber content.

Table III.16 also shows that the average nutrition profile for QSR products in child-directed TV advertising was generally better than for products in teen-directed TV advertising. This was true in both 2006 and 2009. Child-directed products were considerably lower in calories, sodium, and saturated fat. For example, the average 2009 sodium content for products in child-directed advertising was 682 mg per serving. The average sodium content for teen-directed advertising was 422 mg higher, averaging 1,104 mg per serving, or close to half the total daily recommended intake of 2,400 mg. Children's products, however, did have somewhat higher

sugar content, possibly due to naturally occurring sugars in the milk and fruit that accompanied some children's meals. Child-directed products were also slightly lower in fiber content.

**B. 2006 vs. 2009 TELEVISION ADVERTISING: NUTRITION DATA FOR FIXED PANEL COMPANIES ADVERTISING "CHILDREN'S MEALS" VS. OTHER MEALS AND MAIN DISHES TO CHILDREN**

From 2006 to 2009 the fixed panel companies shifted marketing focus away from products they specifically identified as "children's meals" toward other meal and main dish items. Child-directed TV advertising for "children's meals" did increase somewhat from 2006 to 2009, but child-directed TV advertising for other meals and main dishes more than doubled. As a result, "children's meals" represented a smaller percentage of overall child-directed spending, down from 65% of total advertising in 2006 to 47% in 2009. This was due primarily to a much more significant increase in spending by non-CFBAI members than by CFBAI members.<sup>127</sup> Non-CFBAI members spent almost nothing on promoting children's meals, instead promoting general menu meals and other items to children, including pizza, pasta, and chicken dishes, while CFBAI members used virtually all of their child-directed television marketing to promote children's meals.

During that same period, the nutritional profile of "children's meals" improved, while the nutritional profile of other meals and main dishes advertised to children declined. As shown in Table III.17, the 2009 nutritional profile of "children's meals" averaged 169 fewer calories, 298 mg less sodium, 6.6 g less sugar, 2.2 g less saturated fat, and 2 g less trans fat per serving than in 2006. Only fiber content was slightly worse in 2009, down 0.9 g per serving from 2006 levels. In contrast, the 2009 average nutrition profile of other meal and main dish items advertised to

**Table III.17: Average Nutritional Characteristics of Restaurant Meals and Main Dishes Marketed to Children 2-11 on Television by the Fixed Panel of QSRs, 2006 and 2009<sup>1</sup>**

Product Characteristic	Children's Meals Marketed to Children 2-11			Other Meals and Main Dishes Marketed to Children 2-11		
	2006	2009	Change	2006	2009	Change
Calories (kcal/serv)	524.24	355.64	-168.60	255.2	343.6	88.40
Sodium (mg/serv)	803.97	506.21	-297.76	620.8	854.4	233.55
Sugar (g/serv)	33.70	27.13	-6.57	3.4	7.0	3.59
Saturated Fat (g/serv)	5.97	3.74	-2.23	4.1	5.6	1.51
Trans Fat (g/serv)	2.24	0.18	-2.06	0.2	0.2	-0.03
Fiber (g/serv)	1.90	1.05	-0.85	1.2	1.7	0.49
Spending on Television (\$millions) <sup>2</sup>	\$54.52	\$63.32	9.4%	\$27.7	\$68.3	132.3%

<sup>1</sup> Nutrition averages are expenditure-weighted and are based on the products for which the companies reported basic nutrition data. These products represent 91% of all child-directed TV spending for fixed panel companies in 2006 (98% in 2009) and 77% of all teen-directed TV spending 2006 (98% in 2009).

<sup>2</sup> Percentage change in spending is adjusted for inflation.

children declined, with 88 more calories, 234 mg more sodium, 3.6 g more sugar, and 1.5 g more saturated fat per serving than in 2006. Only the fiber content was slightly improved, with an increase of 0.5 g per serving.<sup>128</sup> Despite these shifts, “children’s meals” remained significantly higher in sugar than other meals and main dishes advertised to children in 2009 (20 g more sugar per serving).<sup>129</sup>

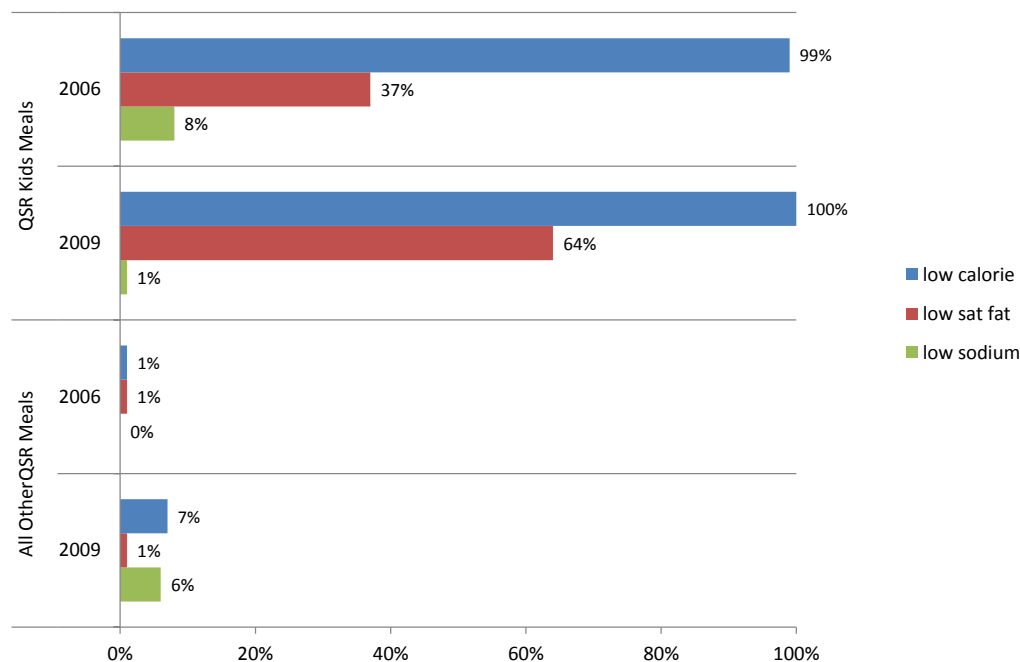
The Commission also analyzed how both “children’s meals” and other meals and main dishes advertised to children fared in the context of federal nutrition standards, specifically FDA labeling thresholds for nutrient content claims for calories, saturated fat, and sodium.

Nearly all “children’s meals” in child-directed TV advertising met FDA’s “low calorie” standard for meals and main dishes.<sup>130</sup> In 2006, 99% of “children’s meals” expenditures met the “low calorie” threshold; by 2009, 100% met the threshold. In contrast, less than 1% of expenditures on regular menu meals and main dishes advertised to children met the “low calorie” threshold in 2006; this increased to just under 7% in 2009.<sup>131</sup>

A similar pattern is evident when examining meals and main dishes in the context of FDA’s “low saturated fat” standard.<sup>132</sup> In 2006, 37% of child-directed advertising for “children’s meals” met the standard; by 2009, this had increased to 64%. For regular meals and main dishes, however, less than 1% of child-directed advertising met the standard in both 2006 and 2009.<sup>133</sup>

Advertising of “children’s meals” was also more likely to meet FDA’s “low sodium” levels than other meals and main dishes. In 2006, 8% of “children’s meal” advertising met FDA’s

**Figure III.10: Percentage of Child-Directed Television Advertising Expenditures for QSR Kids’ Meals and All Other QSR Meals that Met Select Nutrition Thresholds (2006 vs 2009)**



limit for a “low sodium” claim, but by 2009, nearly 100% met the standard.<sup>134</sup> For regular menu meals and main dishes, none of the products advertised to children in 2006 was “low in sodium.” In 2009, 6% qualified as “low sodium.”<sup>135</sup> Much of the child-directed advertising for the regular meals and main dishes also failed to meet FDA’s sodium limit for a “healthy” claim.<sup>136</sup> In 2006, 84% of advertising expenditures for these products met FDA’s “healthy” limit for sodium; in 2009, only 48% met the limit.<sup>137</sup>

### C. 2009 TELEVISION ADVERTISING: NUTRITION DATA FOR FIXED PANEL COMPANIES VS. NEW ENTRANTS

The Commission also looked at the impact of the four new companies reporting in 2009 on its nutritional analysis of QSR advertising to youth. The new QSRs accounted for 11% (\$16.4 million dollars) in child-directed television advertising expenditures by all QSR companies in 2009. The new QSRs also spent \$19 million on teen-directed television advertising (15% of 2009 spending by all companies). Comparing 2009 child-directed nutrition data for all reporting companies to 2009 data for the fixed panel of companies shows that the inclusion of the new QSRs had a modest negative effect on average nutrition levels of QSR foods marketed to children through television. Average calories increased by 14.6 kcal per serving, sodium by 47.9 mg, sugar by 0.8 g, and saturated fat by about 0.2 g. On the other hand, fiber levels increased, although only slightly (0.3 g). For teen-directed television advertising, the only sizable difference resulting from the inclusion of the new QSRs was an increase of 1.8 g sugar per serving. Despite the negative impact of the new entrants, average nutrition levels for all reporting companies in 2009 showed improvements when compared to the 2006 nutrition levels (with the exception of

**Table III.18: Average Nutritional Characteristics of Restaurant Foods Marketed to Children and Teens on Television, Fixed Panel vs. All QSRs, 2009<sup>1</sup>**

Product Characteristic	Marketed to Children 2-11			Marketed to Teens 12-17		
	2009 (Fixed panel only)	2009 (All QSRs)	Difference (i.e., effect of new entrants)	2009 (Fixed panel only)	2009 (All QSRs)	Difference (i.e., effect of new entrants)
Calories (kcal/serv)	349.61	364.24	14.63	477.7	482.5	4.79
Sodium (mg/serv)	682.08	729.97	47.89	1103.5	1114.5	11.07
Sugar (g/serv)	17.00	17.79	0.79	11.6	13.4	1.79
Saturated Fat (g/serv)	4.82	4.98	0.15	7.9	7.7	-0.25
Trans Fat (g/serv)	0.19	0.20	0.01	0.6	0.5	-0.04
Fiber (g/serv)	1.38	1.64	0.26	3.0	3.2	0.16
Spending on Television (\$millions)	\$135.67	\$152.10	12.1%	\$106.5	\$125.5	17.9%

<sup>1</sup> Nutrient averages are expenditure-weighted and are based on the restaurant products for which companies reported basic nutrition data. These products represent 99% of all child-directed TV spending for fixed panel restaurant products in 2006 (98% in 2009), and 97% of all teen-directed spending in 2006 (96% in 2009).



sugar levels for teen marketing).<sup>138</sup> Improvements were, however, more moderate with the new QSRs included in the comparison.

#### **D. 2009 TRADITIONAL MEASURED MEDIA VS. NEW MEDIA**

Finally, the Commission compared the average nutritional profile of QSR foods marketed in traditional measured media to those marketed in new media, for all companies in 2009. Advertising in new media in 2009 was comprised primarily of promotions for children's meals; this was true even for teen-directed marketing.<sup>139</sup> Products marketed to children in new media generally had a better average nutritional profile than products marketed in traditional measured media, with fewer calories, less sodium, and less saturated fat, but more sugar per serving.<sup>140</sup> Marketing to teens in new media, as for children, was better than in traditional media on all nutrients except sugar. For teens, however, the differences between products marketed in traditional measured media and new media were even more pronounced, likely due to the heavy advertising of children's meals to teens in new media.<sup>141</sup>

### **C. Impact of CFBAI Program**

The CFBAI member food companies accounted for 82% of the \$725.3 million<sup>142</sup> spent advertising food products (excluding QSR foods) to children in 2006, and 89% of the \$455.9 million spent on advertising in 2009.<sup>143</sup> Given that nearly all marketing expenditures were for CFBAI-member products, a comparison of the nutritional content of CFBAI-member products to that of non-member products would not be meaningful.<sup>144</sup> Instead, the Commission compared the nutritional content of CFBAI-

member products advertised on television (a medium covered by the member pledges) to CFBAI-member products advertised through product packaging and in-store marketing materials (which fall outside of the pledges), to identify any significant differences between the nutritional profiles of foods promoted in these media.

As shown in Table III.19, the CFBAI-member products advertised on television are not generally better or worse than

**Table III.19: Average Nutritional Characteristics of All Foods (Except Restaurant Foods) Covered by Children's Food & Beverage Advertising Initiative (CFBAI), Marketed to Children 2-11, 2006 and 2009**

Product Characteristic <sup>1</sup>	TV Advertising			In-Store Advertising and Packaging/Labeling		
	2006	2009	Change	2006	2009	Change
Calories (kcal/serv)	140.45	134.92	-5.53	123.12	126.32	3.20
Sodium (mg/serv)	239.79	211.29	-28.50	162.42	161.33	-1.09
Sugar (g/serv)	12.07	10.84	-1.23	10.31	10.54	0.24
Saturated Fat (g/serv)	1.09	0.80	-0.29	0.97	0.72	-0.24
Trans Fat (g/serv)	0.02	0.00	-0.02	0.12	0.01	-0.11
Fiber (g/serv)	1.00	1.48	0.47	0.67	0.72	0.05
Whole Grains (g/serv) <sup>2</sup>	2.55	3.75	1.20	2.58	1.65	-0.93
Calcium (% RDI/serv)	4.08	6.46	2.37	3.27	5.18	1.91
Vitamin D (% RDI/serv) <sup>2</sup>	6.52	9.64	3.12	5.01	7.60	2.59
Potassium (mg/serv) <sup>2</sup>	84.96	115.31	30.35	61.09	125.94	64.85
Spending (\$millions) <sup>3</sup>	\$354.5	\$210.6	-44.1%	\$57.4	\$35.6	-41.7%

<sup>1</sup> Nutrition averages are expenditure-weighted and based on the products for which we have nutrition data.

<sup>2</sup> Data for these nutrients is not available for all products for which we have other nutrition data: Whole grain data is based on 98% of spending in both years; Vitamin D is based on 65% of spending in 2006 (72% in 2009); Potassium is based on 75% of spending in 2006 (82% in 2009).

<sup>3</sup> Percentage change in spending is adjusted for inflation.



those marketed in-store and through packaging. In both 2006 and 2009, the overall averages for all CFBAI products advertised on television are modestly higher in calories, sodium, and sugar than those marketed in-store and through packaging. On the other hand, television-advertised products, in both years, have slightly more fiber, whole grain, calcium, and Vitamin D than those marketed in-store and through packaging. The one notable distinction between media covered by the CFBAI pledges and media not covered, was that covered media showed greater nutritional improvements over the three years. Foods advertised on television and through packaging and in-store displays both improved from 2006 to 2009. Products advertised on television, however, showed greater reductions in calories, sodium, and sugar, and an increase in whole grain content, compared to products marketed in-store and through packaging.

The Commission also examined how the nutritional profile of food marketing to children in 2009 would stack up against the CFBAI 2014 uniform nutrition criteria. The purpose of this analysis was to gauge the extent to which either foods marketed to children would need to be reformulated in order to meet the new standards, or advertising dollars would have to shift to food products with a nutritional profile that met the standards. The analysis set out below is a snapshot as of 2009 based on child-directed advertising on television. The Commission is aware that many products have already been reformulated since the 2009 data were submitted. As an example, the sugar content of many popular children's cereals has been further reduced by 1 to 2 g per serving since 2009.<sup>145</sup> Presumably, a higher percentage of children's food marketing would currently meet the 2014 CFBAI criteria if the advertising dollars shifted to foods meeting the nutritional standards. Table III.20 shows the percentage of food product advertising on television to children in 2009 that did not yet meet the 2014 CFBAI criteria.<sup>146</sup> Both CFBAI member advertising and advertising by all reporting companies were analyzed. With the exception of the QSR category, as noted above, nearly all of the 2009 television advertising was by CFBAI members. In the QSR category, the vast majority of "children's meals" advertising is done by CFBAI members and the vast majority of advertising for "other meals and main dishes"—*i.e.*, those not designated as "children's meals"—was done by non-CFBAI members.

As of 2009, 72% of CFBAI-member food advertising (excluding QSRs) did not meet at least one of the 2014 criteria. A total of 64% of the CFBAI-member food advertising exceeded one or more threshold for nutrients to limit such as sugar, saturated fat, and sodium. By comparison, a much smaller percentage of foods failed to meet the standards for nutrition components to encourage (essential nutrients—either naturally occurring or from fortification, or a contribution of fruit, vegetable, dairy, or whole grain). A total of 20% of CFBAI-member food advertising fell short on the nutrition components to encourage. In other words, the 2014 CFBAI criteria are likely to have a greater impact on reducing the levels of nutrients to limit in the children's marketplace than they will on increasing the levels of nutrition components to encourage. In the

cereal category, in particular, all cereal advertising as of 2009 already met the 2014 criteria for nutrition components to encourage – *i.e.*, the cereal contained either a ½ serving of whole grain, or was fortified with 10% or more of any essential nutrient.

Within specific food categories certain nutrients stand out as requiring the most reformulation to comply with the 2014 criteria. For example, within the cereal category, 63% of advertising exceeded the allowable sugar levels. Within prepared foods, 43% of food advertising exceeded the saturated fat limit, and 63% exceeded the sodium limit. Nearly all of the advertising for both yogurt and juice/non-carbonated beverages – 81% – exceeded allowable sugar levels. Within the QSR category, there was a notable contrast between the children’s meals and other meals and main dishes, with 37% of children’s meal advertising failing on one or more CFBAI standards, and 100% of other meals and main dish advertising failing (most of which was advertising by non-CFBAI members). Almost all of the children’s meals that failed, did so because they were too high in saturated fat. Other meals and main dishes failed most often because they were too high in both saturated fat and sodium.

Table III.20: Assessment of 2009 Marketing Against 2014 CFBAl Uniform Nutrition Criteria, TV Advertising to Children 2-11

		Share of 2009 Spending Not Meeting 2014 CFBAl Guidelines, by Individual Criteria and Overall <sup>1</sup>															
		Spending, 2009 million) <sup>2</sup>		Calories		Saturated Fat		Sodium		Sugar		Any Nutrient to Limit (NTL)		Nutritional Components to Encourage Criteria (NCTE)		Overall CFBAl Criteria	
		CFBAI	All	CFBAI	All	CFBAI	All	CFBAI	All	CFBAI	All	CFBAI	All	CFBAI	All	CFBAI	All
Total, All Foods Except QSRs		\$210.6	\$220.8	6.7%	6.8%	11.7%	11.5%	10.7%	10.4%	52.7%	53.1%	63.7%	64.1%	20.4%	23.5%	72.2%	73.0%
	Breakfast Cereals	\$102.0	\$102.0	0.0%	0.0%	1.4%	1.4%	1.3%	1.3%	63.0%	63.0%	64.6%	64.6%	0.0%	0.0%	64.6%	64.6%
	Prepared Foods and Meals	\$31.6	\$31.6	0.0%	0.0%	42.7%	42.7%	61.7%	61.7%	13.0%	13.0%	65.4%	65.4%	39.8%	39.8%	86.7%	86.7%
	Dairy Products	\$30.8	\$30.8	41.2%	41.2%	17.4%	17.4%	0.0%	0.0%	78.3%	78.3%	78.3%	78.3%	22.0%	22.0%	78.3%	78.3%
	Milk or Milk Substitutes	\$0.9	\$0.9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Yogurt or Yogurt-type Products	\$29.9	\$29.9	42.4%	42.4%	17.9%	17.9%	0.0%	0.0%	80.5%	80.5%	80.5%	80.5%	22.6%	22.6%	80.5%	80.5%
	Snack Foods	\$27.4	\$27.4	0.0%	0.0%	8.9%	8.9%	0.0%	0.0%	16.9%	16.9%	25.9%	25.9%	47.2%	47.2%	66.6%	66.6%
	Fruit Juice and Non-Carbonated Beverages	\$11.8	\$12.4	4.7%	4.5%	4.7%	4.5%	4.7%	9.1%	80.8%	81.5%	80.8%	81.5%	80.8%	81.5%	80.8%	81.5%
Total, QSRs (Meals and main dishes) <sup>3</sup>		\$67.8	\$143.2	0.3%	20.1%	39.9%	59.7%	7.0%	34.2%	0.4%	5.8%	40.3%	71.7%	-	-	40.3%	71.7%
Children's meals		\$63.3	\$64.4	0.0%	0.0%	35.6%	35.0%	0.4%	2.1%	0.4%	0.4%	36.1%	37.2%	0.0%	0.0%	36.1%	37.2%
Other meals and main dishes		\$4.5	\$78.8	4.5%	36.5%	99.8%	79.9%	99.8%	60.3%	0.0%	10.3%	99.8%	100.0%	-	-	99.8%	100.0%

<sup>1</sup>Products may fail in multiple NTL categories. For example, in Dairy Products, 78.3% of all-company spending fails the overall CFBAl Standards, while 17.4% fails the saturated fat limit and 78.3% fails the sugar limit. This implies that 17.4% of spending fails on both criteria. A dash (-) indicates that there is not enough information to reasonably estimate the share of products that fail the criteria.

<sup>2</sup>The 2009 spending totals reported in this table may be higher than those reported in other tables for Section III. This table reflects all products marketed in 2009 with basic nutrition data, not just the set of products with nutrition data for both 2006 and 2009.

<sup>3</sup>The 2009 QSR spending figures reported in this table differ slightly from those reported in Sections II and III in three ways. Spending figures include all products for which companies reported basic nutrition for 2009. The figures here include products marketed by companies new to the sample in 2009. Finally, the figures in this table exclude QSR products that are not meal or entrees.



## **IV. Food Marketing Activities Directed To Youth**

### **A. Introduction**

Analysis of the advertising and promotional activities conducted in 2009 revealed many of the same trends and characteristics as in 2006. Cross-promotions were prevalent, and marketing campaigns typically were integrated across media – including television, the Internet, product packaging, and store or restaurant displays – and employed various popular techniques, such as premiums, sweepstakes, and viral marketing messages. Use of the Internet and other digital media to promote foods and beverages to children and teens has increased since 2006, along with the use of “social” media, such as Facebook, Twitter, and YouTube. One encouraging note is that promotional messages about physical activity and healthy eating appeared more frequently than they did in 2006, particularly on websites and packaging.

Part B of this section of the report describes the child- and teen-directed marketing activities reported for 2009. Part C provides an overview of marketing research undertaken by the companies to gauge the success and impact of various promotional campaigns and techniques directed to youth. Part D describes information reported by the companies with respect to promotional activities that focused on young people of a particular gender, race, or ethnicity.

### **B. How Companies Market Foods and Beverages**

#### **1. Cross-Promotions**

Cross-promotions – whereby food products are tied to popular movies, TV programs, cartoon characters, toys, websites, video games, and theme parks or other entertainment venues – continue to be a major hallmark of marketing to young people, particularly children. In 2009, cross-promotions were used in all of the food categories included in this study, and typically they were integrated across promotional formats.

Films popular with children often had cross-promotional arrangements with multiple food companies. For example, *Ice Age: Dawn of the Dinosaurs*, the *Madagascar* movie series, and *Night at the Museum* were used to promote a variety of food products, including QSR children’s meals, cereals, fruit snacks, yogurt, frozen desserts, candy, carbonated beverages, fruit drinks, crackers, chips, cookies, waffles, pudding, macaroni and cheese, and baked goods. QSR children’s meals, or other menu offerings, were featured in cross-promotions with 15 films appealing to both children and teens in 2009.

Similarly, popular children’s television programs were part of marketing efforts for a broad range of foods. Characters from Nickelodeon’s Nick and nickjr programs were used to pro-

mote vegetables, fresh fruits, cereals, waffles, fruit snacks, crackers, yogurt, canned pasta, soup, lunch kits, prepared meals, macaroni and cheese, juice drinks, milk, frozen desserts, and QSR children's meals. Cartoon Network characters appeared in marketing for cereals, fruit snacks, and QSR children's meals. Disney programs and characters were used in the promotion of fresh fruits and vegetables, fruit snacks, cereals, waffles, crackers, and soup. Sesame Street limited the licensing of its characters, such as *Big Bird*, to fresh fruits and vegetables.

Listed below are the films, television programs, licensed characters, toys, and games that the food companies reported using in cross-promotions to children and teens in 2009:

*Alvin and the Chipmunks: The Squeakquel* (QSR children's meals, candy)

*American Girl* (QSR children's meals)

*Animal Planet* (lunch kits)

*Astro Boy* (QSR children's meals)

*Avatar* (QSR children's meals)

*Baby Genius* (QSR children's meals)

*The Backyardigans* (yogurt)

*Bakugan* (QSR children's meals)

*Banjo-Kazooie: Nuts & Bolts* video game (lunch kits)

*Barbie* (breakfast cereals, fruit snacks, QSR children's meals)

*Batman* (fruit snacks, candy)

*Beanie Babies* (QSR children's meals)

*Beeboy* (breakfast cereals)

*Big Bird*, *Cookie Monster*, and other *Sesame Street* characters (fresh fruits)

*Blue's Clues* (yogurt)

*Build-A-Bear* (QSR children's meals, candy)

*Cabbage Patch Kids* (QSR children's meals)

*Camp Rock* (breakfast cereals, crackers, fruit snacks)

*Care Bears* (fruit snacks)

*Cars* (fresh fruits and vegetables, fruit snacks, crackers, soup)

*Chub City Cars* (QSR children's meals)

*Clever Kids* (breakfast cereals, crackers, frozen waffles, fruit snacks)

*Clifford the Big Red Dog* (fruit juice, water, breakfast cereals)

*Cloudy with a Chance of Meatballs* (QSR children's meals)

*Crush the Villains* (breakfast cereals)

*Dance Dance Revolution* video game (QSR children's meals)

*The Daring Book for Girls; The Dangerous Book for Boys* (QSR children's meals)

*Digi Sportz* (QSR children's meals)  
Disney Fairies (fresh fruits and vegetables)  
Disney Princesses (fresh fruits, fruit snacks, breakfast cereals, crackers, soup)  
*Dora the Explorer; Dora and Diego* (breakfast cereals, fruit snacks, crackers, yogurt, canned/frozen vegetables, canned pasta, soup, frozen desserts)  
*DragonflyTV* (QSR children's meals)  
*Eco-Rangers: Animal Kingdom* DVD games (QSR children's meals)  
*Finding Nemo* (fruit juice, fresh fruits, breakfast cereals, crackers, frozen waffles, fruit snacks)  
*Flintstones* (breakfast cereals)  
*FurReal Friends* (QSR children's meals)  
*G.I. Joe: Rise of the Cobra* (QSR children's meals)  
*Goosebumps* books (QSR children's meals)  
*Guitar Hero* video games (QSR children's meals)  
*Guitar Idol* (QSR children's meals)  
*Halo Knockout* video game (chips)  
*Hannah Montana* (fresh fruits, breakfast cereals, frozen waffles)  
*Hello Kitty* (QSR children's meals)  
*High School Musical* (fresh fruits and vegetables, breakfast cereals, crackers, fruit snacks, yogurt)  
*Hot Wheels* toy cars (breakfast cereals, QSR children's meals)  
*Hotel for Dogs* (candy, QSR children's meals)  
*How to Train Your Dragon* (canned pasta, chips, snack bars)  
*The Hulk* (frozen desserts)  
*I Spy* video games (QSR children's meals)  
*iCarly* (crackers, yogurt, fruit snacks)  
*Ice Age: Dawn of the Dinosaurs* (breakfast cereals, fruit snacks, yogurt, frozen desserts, QSR children's meals, candy)  
*The Incredibles* (fresh fruits)  
John Deere toy tractors (fruit snacks)  
*Jonas Brothers: The 3D Concert Experience* (sliced cheese)  
*Justice League* cartoon heroes (QSR children's meals)  
*Kung Fu Panda* (canned pasta)  
*Kidz Bop* (QSR children's meals)  
*Land of the Lost* (QSR children's meals)



*Leap Frog* toys and games (QSR children's meals, juice)  
*Lego; Lego Racers* (breakfast cereals, QSR children's meals)  
*Little Einsteins* (breakfast cereals)  
*Little Miss Sunshine* (breakfast cereals)  
*Littlest Pet Shop* (QSR children's meals)  
*Looney Tunes* (fruit snacks)  
*Mad Libs* toys (QSR children's meals)  
*Madagascar; Merry Madagascar; Madagascar: Escape 2 Africa* (carbonated beverages, fruit drinks, breakfast cereals, chips, crackers, frozen waffles, fruit snacks, pudding, cookies, baked goods, macaroni and cheese, QSR children's meals)  
*Madden 2010* video game (QSR meals)  
*Magic Tree House* books (QSR children's meals)  
*Marvel Kids* (breakfast cereals, QSR children's meals)  
*Matchbox* toy cars (fruit snacks)  
*Mickey Mouse and Friends* (fresh fruits and vegetables, breakfast cereals, crackers, frozen waffles, fruit snacks)  
*Mistika Bionicle* (QSR children's meals)  
*Monster Jam: Urban Assault* video game (snack food)  
*Monster Jam* toys (QSR children's meals)  
*Monsters, Inc.* (fresh fruits, QSR children's meals)  
*Monsters vs. Aliens* (prepared meals, water, baked goods, QSR children's meals)  
*Moshi Monsters* online games (QSR children's meals)  
*Mr. Messy* (breakfast cereals)  
*My Little Pony* (fruit snacks, QSR children's meals)  
National Geographic Adventure toys (QSR children's meals)  
*Neopets* (prepared meals, breakfast cereals, lunch kits, macaroni and cheese, crackers, juice drinks, frozen desserts, dairy products)  
*Nerf* (QSR children's meals)  
Nickelodeon *Kids' Choice Awards* (QSR children's meals, fruit drinks, breakfast cereals)  
*Night at the Museum: Battle of the Smithsonian* (breakfast cereals, macaroni and cheese, candy, QSR children's meals)  
*Ni Hao Kai-lan* (fruit snacks)  
*Operation* (breakfast cereals, crackers, frozen waffles, fruit snacks)  
*Petz* video games (QSR children's meals)  
*Phineas and Ferb* (breakfast cereals, crackers, fruit snacks)  
*The Pink Panther 2* (QSR children's meals)

*Pirates of the Caribbean* (fresh fruits and vegetables)  
*Planet 51* (prepared meals, QSR children's meals)  
*Pokemon* (QSR children's meals, macaroni and cheese)  
*Power Rangers* (breakfast cereals, crackers, frozen waffles, fruit snacks)  
*The Princess and the Frog* (breakfast cereals, crackers, frozen waffles, fruit snacks)  
*Rock Band* music video game (carbonated beverages)  
*Scooby-Doo; Scooby-Doo! The Mystery Begins* (crackers, frozen waffles, fruit snacks, yogurt, macaroni and cheese, QSR children's meals)  
*Scrabble Jr.* (breakfast cereals, crackers, frozen waffles, fruit snacks)  
*Shrek; Shrek Forever After* (prepared meals, breakfast cereals)  
*Slime* toys (QSR children's meals)  
*The Spectacular Spider-Man* (QSR children's meals)  
*Spider-Man* (fruit snacks, macaroni and cheese, frozen desserts, QSR children's meals)  
*SpongeBob SquarePants* (prepared meals, QSR children's meals, crackers, frozen waffles, fruit snacks, yogurt, macaroni and cheese, canned pasta, soup, frozen desserts)  
*Star Trek* (QSR children's meals, breakfast cereals, crackers, fruit snacks)  
*Strawberry Shortcake* (breakfast cereals, crackers, frozen waffles, fruit snacks, baked goods, QSR children's meals)  
*The Tale of Despereaux* (soup, QSR children's meals)  
*Teenage Mutant Ninja Turtles* (fruit snacks)  
*Terminator Salvation* (snack food, QSR meals)  
*Tonka Trucks* (fruit snacks)  
*Toy Story; Toy Story and Beyond* (breakfast cereals, crackers, frozen waffles, fresh fruits, fruit snacks, soup)  
*The Twilight Saga: New Moon* (chips, QSR meals)  
*Transformers: Revenge of the Fallen* (QSR children's meals)  
*U.B. Funkeys* computer game (QSR children's meals)  
*Winnie the Pooh* (fresh fruits)  
*Wizards of Waverly Place* (breakfast cereals, crackers, fruit snacks)  
*Wonder Pets* (fruit snacks)  
*Word Girl* (QSR children's meals)  
*World of Warcraft* video game (carbonated beverages)  
*Wubbzy* (fresh fruits, QSR children's meals)  
*X-Men Origins: Wolverine* (dairy products)  
*Zoomondo You Gotta Be Kidding!* books (QSR children's meals)

#### **A. MOVIE CROSS-PROMOTIONS**

Movie cross-promotions often included food and beverage television advertising that featured clips or characters from the film, referred children to a website connected to the film, or provided information about a sweepstakes. Ads for QSR children's meals featured toy premiums based on film characters that were distributed with the meals. Television ads, product packaging, and store or restaurant displays directed children to food company or co-branded websites for an opportunity to view scenes, "exclusive" clips, or special effects from the movie or to play games that incorporated both movie characters and food products. For some online games, children could choose characters and invite their friends to play. Banner ads placed on other websites popular with children, such as those linked to children's television programs or channels, also were used to direct or link children to the food company or co-branded website. Codes provided on food packaging, or sometimes on the food itself or on a toy premium included with the food, could be entered on the website for a chance to win prizes. Prizes in movie cross-promotion contests included cash, movie tickets, an overnight stay in a museum, a movie screening party in the winner's hometown, a visit to Universal Studios in Hollywood to meet a film character, a cruise, autographed movie props, an iPod, and Nintendo or Wii games. Other premiums available with codes or product purchase included backpacks, "virtual" characters or pets or icons for use in online games or activities, T-shirts, flash drives, wristbands, plates, cups, movie passes, music downloads, blankets, and alarm clocks. In cross-promoting the movie *Hotel for Dogs*, a candy company enabled children to upload photos of their pets, and in connection with the *Star Trek* film, a packaged food company enabled children to upload their own photos to transform themselves into "Starfleet Officers" and email the photos to friends. Free downloads, such as movie posters, wallpaper, bookmarks, door hangers, or icons to use for instant messaging, were available on food company or co-branded websites.

Some companies created special limited editions of food products in connection with movie cross-promotions, naming foods after movies or their characters. In some instances, the food itself was linked to the movie theme. For example, cereal, pancakes, fruit snacks, pasta, and chicken nuggets were molded in the shape of movie characters or objects or had movie scenes or messages imprinted on the food. Packaging materials incorporated movie characters or themes with games, quizzes, or questions for a child to determine which movie character he or she most resembled.

### ***Ice Age: Dawn of the Dinosaurs***

*Ice Age: Dawn of the Dinosaurs* was a popular, PG-rated children's movie released in 2009 and used to promote a variety of foods including breakfast cereals, fruit snacks, yogurt, frozen desserts, QSR children's meals, and candy. In television ads, a woolly mammoth and other *Ice Age* characters fall through the ice to land in a quick-service restaurant where they grab a kid's meal and run away. In another ad, Scrat (a squirrel-like character) spies a frozen dessert stuck in the snow with an acorn inside. He pulls the frozen treat out of the snow, falls through a hole, and lands on a dinosaur's tail with the dessert still in hand. A print ad in a popular children's magazine gave a quiz, the results of which linked the reader to a movie character. The film was the focus of a QSR children's meal promotion, with eight different toy premiums distributed with the meals. *Ice Age* characters appeared on cereal boxes and packaging for fruit snacks, yogurt, and frozen desserts. Inside food packages were pencil tops, tongue tattoos, cash cards, or a code to enter a sweepstakes for a laptop computer. Movie images were imprinted on fruit snacks. Point-of-sale merchandising units in stores and posters in QSRs featured movie scenes and characters. Co-branded websites offered movie clips and games with *Ice Age* characters, such as "Help Scrat Find the Acorns." Internet banner ads on websites popular with children, such as Cartoon Network, promoted and linked to these co-branded sites.

### ***Night at the Museum: Battle of the Smithsonian***

*Night at the Museum: Battle of the Smithsonian*, a PG-rated movie, was cross-promoted with breakfast cereals, macaroni and cheese, candy, and QSR children's meals in 2009. The primary focus of these cross-promotional campaigns was a sweepstakes that afforded grand prize winners the opportunity for a sleep-over at the Smithsonian Museum. Codes found in food packages enabled children to enter the contest online. Other prizes included dinosaur blankets, DVDs of the film, museum cash cards, and glow-in-the-dark T-shirts. In one television ad, a museum dinosaur skeleton tosses a chocolate candy to an ancient statue, which opens its mouth to accept the confection. Another television ad depicts a dinosaur skeleton moving to grab a QSR kid's meal in its jaws. A collection of eight movie-themed toys were distributed with QSR children's meals. Movie images appeared on packaging for QSR children's meals, macaroni and cheese, and cereals. Cereal boxes offered discounts on the movie DVD and featured other popular characters often associated with cereals, such as the Flintstones and Beeboy, in games with a movie-related theme.

#### **B. OTHER CROSS-PROMOTIONS**

In addition to cross-promotions with feature films, companies promoted their foods in connection with television programs, theme parks, websites, toys, and video games. The most popular television character for 2009 cross-promotions appeared to be Nickelodeon's *Sponge-*

*Bob SquarePants*. Nickelodeon celebrated the program's tenth anniversary that year, and the sea sponge character appeared in marketing for foods in many of the categories surveyed in this study. One QSR used him both in television ads promoting children's meals with *SpongeBob* toys and in ads directed to teens and adults that featured dancing girls, wearing pants made square with phone books, to promote specially priced meals. An extended version of the latter ad was also used in viral marketing. Episodes of *SpongeBob* could be viewed on food company websites, and *SpongeBob*'s own website cross-linked with those of the food companies that licensed him. His image appeared on packaging for fruit snacks, crackers, and macaroni and cheese, and some foods were shaped like him. Packaging also encouraged physical activity by challenging kids to mimic postures and actions demonstrated by *SpongeBob*.

Nickelodeon's *Kids' Choice Awards*, a televised event, was cross-promoted with QSR children's meals, fruit drinks, and cereals. A code found in QSR meals enabled children to vote on the 2009 nominees and on a new category to be created for the 2010 awards event.

Numerous amusement and theme parks were cross-promoted with carbonated beverages. Often a panel on the soda can itself afforded a discount on park admission. SeaWorld was cross-promoted with macaroni and cheese, cereal, and fresh fruit. A fruit grower sponsored a Halloween event at SeaWorld. Packaged foods contained a code to be entered online to win a trip to SeaWorld; other prizes in the contest included beach towels, T-shirts, and beach bags with a SeaWorld theme. Games and activities on a cereal brand website incorporated SeaWorld themes, while games on other children's websites, such as *NeoPets.com*, incorporated both SeaWorld images and the cereal brand. Advertisements and games co-branded with *NeoPets* were also used by marketers of prepared meals and lunch kits.

The ever-popular Disney characters appeared on packaging for fresh fruits and vegetables, cereal, fruit snacks, soups, and crackers. Disney doll premiums were found inside cereal boxes, and a Disney disposable camera was available with tokens from specially marked packages.

Popular video games were cross-promoted with carbonated beverages, QSR children's meals, and lunch kits. For example, *Rock Band*, a music video game, was cross-promoted with carbonated drinks in a multi-faceted marketing campaign directed to both teens and young adults. A rock song used in television and radio advertising explained that codes under bottle caps enabled consumers to go to a co-branded website and enter to win an Xbox console, music, or games, or to download iPhone and iPod applications. In addition, amateur rock bands could choose a song from the website and upload a video of themselves playing it. Others could vote on the competition entries, and the winners would attend the MTV Video Music Awards to receive a "Moonman" prize. The cross-promotion was featured on packaging and in point-of-sale materials. An interactive video game display was utilized in some stores.

*Banjo-Kazooie: Nuts & Bolts*, a Nintendo action and adventure video game, was cross-promoted with lunch kits. Packages included 3-D mobiles of boats, helicopters, bi-planes, or tanks, as well as the opportunity for “instant win” of the video game and an Xbox console. The grand prize winner was also awarded a party for up to 20 friends.

## **2. Other Marketing Activities**

### **A. TELEVISION**

Television advertising of foods and beverages to children may be less prevalent than it once was. Nevertheless, it remains a staple, and the largest marketing expenditure, for many of the categories of food products marketed to kids. For some cereals and breakfast foods, company-created icons, or “spokescharacters,” serve as the lynchpin for television and other media activities. These animated or cartoon characters – some of which have been known to generations of children – may be based on animals, people, mythical creatures like elves, or ingredients of the food itself. Advertisements often feature stories about them and show them interacting with the food.

Other ads simply incorporate animation to portray the food as fun and interesting. Animated characters appeared, for example, in vignettes resembling popular musical, science fiction, horror, or animal movies. Children – real or animated – were shown modifying the advertised foods in interesting ways, such as by adding fruit or making a breakfast item into a dessert. Referral to a food company website was incorporated into television ads whenever a contest was made part of a promotional campaign.

Snack food advertising often featured real or animated children engaging in athletic or other physical activities. The food itself was sometimes incorporated into these activities in creative ways, such as cracker and cheese combinations shaped like soccer balls. Some ads urged children to engage in outdoor games and to visit a website to view games, submit ideas for games, vote on games, and log hours spent playing outdoor games.

In ads for prepared meals, children were shown requesting particular meals after engaging in vigorous activity, such as athletic competitions. Animated advertisements depicted a ravioli entering a stomach and passing through a scanner so a security agent could see what was inside. In other pasta ads, parents tried to hide the vegetable content of the meal from their children. Soup ads featured animated kids managing to foil an evil scientist who stole all of the soup. Dancing young people, animals, or stick figures were used to promote various beverages and candy, with one such ad encouraging kids to add their own moves. A popular singing group was shown in concert singing about a brand of candy.

Television ads for QSR children’s meals focused on the toy premiums included in the meals and showed the meals and toys as family activities – at home, on a picnic, in the backyard, or



on a beach. Other QSR ads showed families engaged in games, sports, arts and crafts or musical activities, or portrayed children performing household tasks to convince parents to take them to the restaurant. Advertisements for snacks and beverages directed to a teen audience showed young people engaged in sports, music, or dancing, camping, at amusement parks, or heading out for late-night activities.

## **B. INTERNET AND DIGITAL**

Internet promotional activities have become an anchor for food marketing to young people. Thirty-eight of the companies, representing the vast majority of those reporting for 2009, engaged in youth-directed online promotional activities. Other forms of food company advertising, such as television, radio, print, or packaging, often referred the target audience to a company website on which television commercials could be viewed, stories about brand “spokescharacters” were relayed, games could be played, contests could be entered, and the opinions of young people on where and how to eat a branded product were solicited. A few ads urged children to ask their parents before going online.

Sellers of packaged foods, including cereals and breakfast pastries, prepared meals or entrees, and various snack foods, frequently dedicated portions of their websites, or separate branded websites, to content designed to appeal to children or teens. Advergaming – or games designed to promote a particular product – were often a key focus of child- or teen-oriented websites. Games were sometimes based on television commercials, using similar or expanded storylines, and tended to use animated depictions of the food or proprietary characters associated with particular brands. Animated cereal flakes or nuggets, crackers, and pasta were utilized as game pieces for online games. Some games allowed players to choose or create their own playing pieces. The object of the game could be a quest for food, putting food into an eating utensil, feeding a character, immersing a character into a food, or saving food from being stolen by an “evil” character. Some games created a school setting, while others involved simulated sports activities, such as basketball, golf, bowling, hockey, or snowboarding. Games sometimes offered multiple levels of play, with points accumulated by players – or codes found in or on food packages – enabling them to advance to higher levels. Some games also incorporated a social networking aspect, allowing the player to “invite a friend” to participate in the game. In one case, children were directed to hold a cereal box up to a webcam in order to interact with an advergaming. Some food companies encouraged children to take a break and go outside after a certain amount of game playing, making suggestions of things to do or games to play outside.



### ***Anatomy of an Advergame***

A cereal brand offers multiple advergames on its website. As the child enters the site, a pop-up tells him or her to get some physical activity and return in 15 minutes. However, the child can proceed to the game page without waiting. Each game corresponds to a storyline from one of the brands's TV commercials. The cereal mascot is on a quest and asks the child to aid in the quest. In one game, the child chooses a colored vehicle for the mascot and helps him escape a villain by collecting cereal pieces on a pathway strewn with both obstacles and cereal. The unseen villain is heard close behind the mascot. By collecting cereal pieces of the same color as the vehicle, the player can speed away from the villain. Hitting obstacles, on the other hand, slows the player down. Special icons can be picked up and thrown at the villain to slow him down. After the child completes the first level of the game, a scene of a dramatic escape ensues, and a screen pops up to tally the score, which is based on the time remaining, how much cereal was collected, and how many special icons remain unused. The child is then given a choice to continue to another level, which repeats the first except for design of the map and difficulty, or to return to the main screen and choose another game.

Another popular activity on websites targeted to young people is the creation of a personal character, or avatar. Children can select food to feed their character and personalize a virtual "space" for the character. Virtual spaces ranged from a bedroom to a remote tropical island. Creation of art work – either online or by downloading pages – is another popular web activity, sometimes enabling the child to send finished work to a friend. A marketer of yogurt offered virtual blocks that enabled children to "build" houses and a virtual jukebox that encouraged children to sing along.

QSRs, particularly those offering children's meals, also use websites dedicated to children, sometimes characterizing them as "Clubs" for kids. Toy premiums offered with children's meals were generally the focus of these sites, with games and activities tied to the current premium. Other games focused on athletic activities such as soccer, skateboarding, and racing. Television ads could be viewed on websites. Some QSRs offered birthday emails and free or discounted meals for kids celebrating a birthday. (For children under 13, parents were generally required to register.) Codes placed on or in children's meal packages, or on toy premiums included with these meals, could be entered online to redeem prizes – both real and virtual. Activities included puzzles, trivia questions, polls (*e.g.*, vote for your favorite flavor), ecards, arts and crafts, and creating and "shopping" for avatars.

Online marketing for carbonated beverages and snack foods was more often targeted to teens than to children under 12. Advergames (some with age restrictions for players) involved multiple players, connecting through Facebook and using Skype for voice and video conferencing, and prizes for winners. One marketer of snack foods invited those age 18 and over to submit

new ideas for a video game inspired by a snack food. Teens age 13 and older could play the games and vote on the semi-finalists and finalists and, in the process, enter a sweepstakes to win a game console or games (with some of the game prizes restricted to those 17 or older). Voting on viewer-created ads was also open to teens. Websites for beverages featured competitions for artwork to be used on cans and bottles. Codes on beverage packs or under bottle caps could be entered online for prizes or to build points toward acquiring items in a catalog. Late night web events – including concerts and games – were also a feature of teen-directed promotions.

Websites for sports and energy drinks, generally targeted to teens, featured celebrity athletes and rock or hip hop artists, sometimes singing or rapping about a beverage brand. A producer of energy drinks, which ties its promotional activities to extreme sports, hosted websites devoted to surfing, soapbox racing, air racing, and motor sports, as well as individual athlete endorsers. The company also produces its own sports video games, which can be downloaded for free through a video game console connected to the Internet.

One carbonated drink sponsored a competition to join a group of spokespersons for the brand. Other beverage sites offered links to athletes or sports events, training tips, music videos, live concerts, comedy routines, and behind-the-scenes interviews related to new movies. A website promoting milk consumption to teens featured celebrities with milk mustaches, an online personal trainer program, an online skateboarding game, sweepstakes with prizes tied to celebrity athletes, and a contest to produce a music video.

Websites geared to children and teens offered a variety of downloads: trading cards, flash cards, screen savers, wallpaper, door hangers, logos, “buddy” icons, “emoticons,” instant messaging icons, music, ring tones, iTunes gift cards, coloring and activity sheets, coupons, games, videos (including those designed for small screens on mobile devices), and iPhone and other mobile device applications. Downloaded icons could also afford the user immediate access to a favorite game.

In addition to operating their own websites, the companies included in this study marketed foods and beverages to children and teens through other Internet sites popular with young people and through the digital devices that are now owned by many pre-teens and teens. Thus, banner ads appeared on sites operated by Nickelodeon, Neopets, Cartoon Network, and Disney, as well as on popular game and sports sites, and social media sites such as Facebook, MySpace, and Twitter. Companies using celebrity or athlete endorsers in their marketing frequently placed these individuals in their Internet ads, and users could “click through” to “meet” or obtain further information about the endorsers. Banner ads could provide a link to the company website, while expanded banner ads were interactive, taking the Internet user directly into a branded game or a sweepstakes opportunity. Food and beverage marketers sponsored advergames, “webisodes” (part of a web series), videos or other activities featuring their products on third-party websites,

including Nicktropolis and Neopets, and also sponsored sessions on game sites, such as WildTangent. Snack food marketers and QSRs sponsored “mash-up” rooms – sites that allow children to create their own videos by mixing stock footage – on Cartoon Network and Nickelodeon websites. QSRs placed ads on websites linked to toys offered as premiums with children’s meals. In addition to banner ads, companies sponsored pre-roll video ads – that is, the video ads appeared, unavoidably, prior to the content the user had selected on a third-party website. Companies marketing fruits and carbonated beverages to young people also posted promotional videos on YouTube.

Digital marketing to young people on mobile devices has increased with the proliferation of these devices, and much of what was formerly available only on a computer has become readily available on mobile devices. For example, a candy marketer engaged in a teen-directed promotion whereby words could be typed into a mobile device to view “webisodes,” play games, and download ring tones. Mobile ads and email were employed to promote new cookie products with an offer of free ring tones. Radio ads for snack chips urged mobile device users to send a text to an address that included the word “chips” for a chance to win prizes or receive points toward the purchase of online game content. Downloads offered on company websites sometimes included iPhone or other mobile device applications, including those for games and images of popular athletes. Promotional video downloads included those specially configured for the small screens of mobile devices.

### **C. VIRAL MARKETING, SOCIAL MEDIA, AND WORD-OF-MOUTH**

Much of food and beverage Internet marketing, particularly that directed to teens, now has a social media or viral component. Marketers of carbonated and non-carbonated beverages and breakfast pastries reported having Facebook and/or MySpace pages, links to WeeWorld, Twitter accounts, or dedicated portions of YouTube where consumers were invited to upload videos. Other social media sites used by a few companies included: BuzzFeed, Reddit, Friendfeed, Dlisted, PLURK, Gizmodo, Digg, and Del.icio.us.

Website activities promoting crackers, cookies, cereals, fruit snacks, macaroni and cheese, lunch kits, prepared meals, beverages, candy, and flavored milk incorporated “invite a friend,” “send to a friend,” “tell a friend,” “share with a friend,” “warn a friend,” “refer a friend,” or “forward to a friend” features or chat functions. The content to be shared with friends included photos, videos, artwork created on the website, or product information. Friends could be invited to join multi-player advergames. In one snack chip promotion game – described as a hybrid horror advergame and web film directed to teens – players could enlist their friends, through Facebook and Skype, to help them escape a situation of entrapment by yelling into the microphone. Marketers also solicited consumer input, including through uploaded videos, on how to alter their products or eat them at unusual times or places. A marketer of breakfast toaster pastries,

for example, encouraged teens to vote in a flavor tournament on Facebook, MySpace, Addicting-Games, and Photobucket, and also to upload photos and videos.

Word-of-mouth activities generally involve the recruitment of a group of consumers – referred to as “ambassadors” or “connectors” – who share promotional messages about brands with their peers. Reporting companies recruited mothers of children rather than children directly. In 2009, a company that markets lunch kits promoted nearly 1,000 “house parties” targeted to mothers and children ages 6-12. The hosting mothers were given coupons for free products and invited friends and their children to come to sample the lunches and participate in games. A restaurant encouraged pizza pajama parties by making gift cards available to “mom” bloggers. The word-of-mouth technique was more widely directed to teens. A candy company recruited teens and young adults at concerts to receive “gold cards” that entitled them to free candy products to share with others. A seller of sports drinks established a presence at parks and venues for skateboarding and snowboarding to recruit advocates for the brand by giving out sweat bands and towels. An energy drink company sent sampling teams in branded vans and buses to distribute products at places where teens congregate – beaches, ski venues, sports events, music festivals and concerts, summer camps, college fairs, and SAT prep courses.

#### **D. PACKAGING AND IN-STORE MARKETING**

Packaging for cereals, snacks, and other prepared foods commonly displayed licensed characters, characters from cross-promoted films, cross-promoted toys, the company’s own spokespersons, or other cartoon figures. Packaging often directed children to the company website for advergames, activities, videos, and contests. Cereal boxes provided games on the box itself, and those games sometimes produced a code or message to be entered on the website for more games or to win prizes. For one cereal brand, the game on the box ended with a code to provide “an extra burst of energy” in an online advergame. Some cereal boxes encouraged physical activity – for example, challenging kids to do push-ups and sit-ups during television commercials, directing physical movements at certain points in a game, or encouraging participation in athletic events sponsored by the company. Other packages promoted nutrition education, for example, featuring a game to find nutrients hidden in the picture. Another cereal box suggested ways to play with the cereal pieces themselves.

Additional features on or in various kinds of food packages included collectible cut-out cards; collectible posters; hidden words or messages; stories about featured characters; tokens to acquire premiums, such as a Disney camera or games; and DVD discount coupons. In one instance, cut-out cards from the box could be “brought to life” on the website by using a code inside the package. One box could be assembled into a rocket when emptied, while another box claimed that an image would “appear” if the child stared at the box.

Packaging frequently promoted contests or sweepstakes, usually entered via the website with a code provided on or in the box, and prizes often included cash cards. Lunch kit packaging encouraged children to submit a “creative” entry about being an action hero or an artist to win a prize of a family vacation in Orlando. Other contests offered the opportunity to attend a sports camp with professional athletes or a trip to an animal park.

Packaging promoted limited edition foods, such as pasta in Halloween shapes, dinosaur chicken nuggets, basketball crackers, cereal in bat and baseball or football shapes, and cereal that turned milk green for Halloween. Holiday theme packaging – particularly for Halloween and Christmas – was used for various kinds of packaged foods and drinks. One carbonated beverage can portrayed ghosts that changed color when the can was chilled.

QSR children’s meal packaging and point-of-sale materials portrayed the current toy premiums and/or film cross-promotions, as well as trivia, games, and activities. A celebrity singing group was featured in one instance to promote a healthy option menu item for children’s meals. Packaging for fruits and vegetables featured Big Bird and other Sesame Street characters, while Disney characters were used for packages and store displays of bagged or bulk produce. Vegetables with dips, cheese, or pretzels were sold in a container shaped like Mickey Mouse’s head.

Carbonated beverage packaging tended to be directed to teenagers, featuring video game promotions and various contests. One soft drink, for example, offered a sweepstakes to win athletic gear and clothing, as well as a contest to create art work for cans and bottles with winning entries to appear on limited edition containers. Another had codes under caps, whereby teens could win scholarships. Packaging for energy drinks featured athletes, including snowboarders, ski racers, and BMX riders. One energy drink pack instructed consumers to enter a code online and hold the drink pack up to a webcam to activate a video clip of a ski racer. Carbonated beverage cans or neck hangers on bottles offered discounts for amusement and theme parks, fairs, museums, zoos, and athletic events. Special cups were created for the sale of beverages in some of these venues. Packages of a snack chip marketed to teens promoted video game tournaments and competitions and late night website concerts. Teens 13 and older were encouraged to vote on consumer-generated ads and video games, as well as on athletes to be featured on limited edition packages. Packaging for various candies promoted sweepstakes to teens, with prizes of cash or cell phone service.

In-store marketing tended to track promotions on packaging – highlighting current premium offers, cross-promotions, or contests and sweepstakes. QSRs displayed posters depicting current toy premiums or cross-promoted movies. A seller of macaroni and cheese partnered with a store chain to select a child to be featured on packages. Foods that might be included in school lunches were promoted with back-to-school displays featuring school bus or soccer images. Store displays also provided information about programs whereby consumer purchases of certain

products could raise money or provide supplies for local schools. Energy and sports drink and carbonated beverage displays featured pictures of athletes or promoted various kinds of athletic opportunities for young people. Beverage companies sponsored store events to meet and greet professional athletes, and one store chain co-sponsored a contest for children to bring an athlete to school. Another chain co-sponsored back-to-school party events with prizes for kids, rock band contests, and school supply give-a-ways.

#### **E. PREMIUMS**

Premiums continued to be a common feature of food marketing to children and teens. They were found in food packages, served with QSR children's meals, available with redemption of tokens found in or on packages or other proof of purchase, or awarded as prizes in contests or sweepstakes. They ranged from trinkets or small toys to prizes of cash or expensive products such as video game consoles. Beverage companies offered points with purchases (using codes under bottle caps, for example) that could be accumulated and redeemed for merchandise from an online catalog. Individuals could also donate their points to schools, which could redeem them for classroom supplies or athletic equipment. Recipient schools could then enter to win prizes, such as a private film screening or a new playground.

In 2009, premiums included Disney mini dolls and cameras and a wide variety of *Star Trek* merchandise, including dinner plates, movie passes, flash-drive wristbands/bracelets, T-shirts, and badges. Other items included cereal-to-go cups; beverage cups and sippy cups; alarm clocks; cash cards; children's books and audiobooks; toy cookware sets; costumes based on brand spokescharacters; Lego toys; NASCAR toy race cars and other model cars; Shrek squirters and highlighters; pencil toppers; T-shirt iron-ons; stickers; tattoos; fortunes (printed on fruit snacks); music downloads; ring tones; horoscopes; discounted DVDs and movie-related merchandise; children's magazines; T-shirts with various logos, such as Little League teams; soccer jerseys; soccer balls; sweat bands; towels; frisbees; basketballs and hoop stands; water bottles; key chains; whistles and noisemakers; backpacks; trading cards; flash cards; flash drives; magnets; stuffed animals; Halloween trick-or-treat bags; coloring and activity books; "fan-zines" (in connection with movie promotions); free food rewards for reading programs; discounts for theme and amusement parks; discounts for electronic games; school supplies; free birthday meals at QSRs; and numerous small toys and games – many connected to current movies – packaged with QSR children's meals. Downloadable items – available for free or with a code obtained on or in a product package – included desktop "buddy" icons, e-cards, wallpaper, screen savers, games, activities, printable images, bookmarks, door hangers, videos, behind-the-scenes interviews from new movies, and iPhone and other mobile device applications.

Contests and sweepstakes could usually be entered online. Sometimes "instant win" cards or codes were provided in product packaging. In a few instances, contest entrants were required



to create something, such as writing an essay or making a video. Prizes awarded in contests or sweepstakes in 2009 included family vacations (*e.g.*, SeaWorld, San Diego, Hollywood, Orlando, Boston, Alaska, Las Vegas, the Caribbean, and an “adventure” cruise); trips to sports events (such as the NBA All-Star game), celebrity concerts, or live television shows; meeting television stars; autographed movie props; laptop computers; gift or debit cards; cash – up to \$1,000,000; \$10,000 scholarships; hybrid cars; camcorders; bicycles; skateboards; snowboard equipment; scooters; inline skates; other athletic gear and apparel; Super Bowl tickets; a baseball skills program for children; admission to video game tournaments; a museum sleep-over; dinosaur blankets; SeaWorld-themed beach towels, T-shirts, and beach bags; flat screen televisions; iPods; Kindles; video game consoles, such as Nintendo Wii, PlayStation, and Xbox, as well as game software; a video game party; music downloads; a year’s worth of movie tickets; a movie screening party in the winner’s home town; a rock band party; a year’s worth of candy or snacks; cell phones with pre-paid minutes; opportunities to appear in future advertisements or promotions; an MTV award in a music video competition; sports camps or clinics; and opportunities for children to participate in professional sports events as a “sideline kid,” “ball delivery kid,” or “kick-off kid,” or to meet players or take a player to school.

#### **F. EVENTS AND ATHLETIC SPONSORSHIPS**

Promotional activities geared to children and teens were conducted through a variety of events and venues – particularly athletic ones. A number of companies, including producers of cereal and snack crackers, sponsored events or activities to increase health and fitness among children of all ages. One cereal company, for example, used its popular mascot for a multi-focused campaign to encourage kids to get physically fit, eat right, and work hard. Star athletes teamed with the mascot in a “Tips from the Pros” program focused on sports activities. Young people were challenged to complete various physical activity accomplishments and earn rewards. The company also sponsored the NFL Play 60, a youth fitness campaign in which contestants pledged to be active for 60 minutes each day. Prizes included a trip for the winner and family to the Super Bowl, and the winner was pictured on cereal boxes. In addition, the company sponsored Girls on the Run, a program encouraging young girls to run, as well as soccer and Little League events. At these events, the company provided on-site children’s games and activities, as well as souvenirs and photo opportunities with the mascot. A marketer of snack crackers used its website to encourage kids to find games to play in the backyard. Children 6-12 could submit ideas for games and vote on the submissions, with finalists having an opportunity to go to the NBA All-Star Jam Session. The company also co-sponsored an NBA basketball skills competition for children ages 7 to 12.

Marketers of cereal, snack foods, beverages, lunch kits, baked goods, and candy sponsored Little League baseball and a Little League World Series; baseball camps, clinics and training



academies; basketball, hockey and football camps; Special Olympics training camps; NCAA camps; summer training programs where high school and college teams practiced together; weeks at action sports and gymnastics camps; events for children at minor league baseball parks; youth soccer tournaments, clinics and other soccer programs for children and teens; beach soccer youth tournaments; youth hockey and skating training rinks; golf youth events; NFL Punt, Pass & Kick Competitions (for boys and girls ages 6 to 15); MLB Pitch, Hit & Run Skills Programs (for children ages 7 to 14); high school athlete and player of the year awards; dads and kids football at local parks; the YMCA Healthy Kids Day; Boys and Girls Clubs events; workshops on healthy eating; a healthy kids fair and safety expo; video game events; paintball events; and special children's events at Disney World. Beverage bottlers sponsored numerous high school or other teen athletic teams. In general, sponsorship involves branded signs, banners, or scoreboards, and sometimes branded merchandise or equipment and product samples.

QSRs sponsored All-American High School Girls and Boys Basketball Games; three-on-three basketball tournaments; soccer clinics for children; soccer exhibitions; kids' relay races and triathalons; a family pavilion at Asian Pacific American Festivals around the country; an essay contest for 10 winners (ages 7 to 11) to attend the Vancouver Winter Olympics; concerts and music events; a Little League World Series; and the MTV Video Music Awards. One QSR brought a mobile kitchen to local events, where it sponsored games, activities, live entertainment, and prizes. In partnership with a packaged food company, the restaurant also sponsored a "Play With Your Food Tour" at shopping malls to increase awareness of healthier kids' meal options. Another QSR joined with Nickelodeon to sponsor a Worldwide Day of Play; Nickelodeon suspended its programming for three hours in the middle of the day and encouraged children to go outdoors to play.

Some companies, including QSRs and beverage companies, sponsored events for young people in connection with their sponsorship of professional sports teams, games, or stadiums. For example, in connection with World Cup Soccer, a QSR sponsored a player escort program, where children escorted players onto the field, as well as a week-long soccer program for teenage girls. Another QSR and a beverage company sponsored various activities in the grassy area outside of a major league soccer stadium; these included high school soccer games and youth soccer tournaments, community events, concerts, and a lacrosse tournament for high school and college students. A water bottler sponsored pre-game events where children could make signs to cheer on their favorite players. In a "Steal 3<sup>rd</sup>" event during professional baseball games, a child was given 25 seconds to run to third base, steal it, and bring it to home plate. Beverage companies sponsored a Ball Delivery Boy/Girl at professional basketball games; a "Kids' Zone" in a basketball arena to give children drill experience during home games; a Bat Boy/Girl for the first three innings of baseball games; a "Kick-Off Kid" or "Honorary Coin Toss Kid" for football games;

and a “Stick Kid” for hockey games. Some of these activities were directed to children of lower income families. A beverage company also sponsored a fan club – for children 13 and younger – for a major league baseball team. The child fans received ticket vouchers, a birthday card from the team mascot, and invitations to events to meet players.

Action sports and extreme sports, such as snowboarding, freeskiing, skateboarding, inline skating, surfing, wakeboarding, base jumping, motocross racing, BMX biking, and bicycle stunts were sponsored by snack foods, QSRs, and beverages, particularly energy drinks, in marketing campaigns directed to teens and young adults. Amateur sports events, as well as art and music entertainment, were also sponsored in connection with these action sports competitions. Many of these events included both product and premium distribution. Individual snowboarders, skateboarders, surfers, and BMX athletes were sponsored by sellers of snack foods and carbonated beverages, especially energy drinks. They wore branded clothing or used branded equipment, and sometimes appeared in television advertisements for the sponsor’s product.

A marketer of toaster pastries conducted a summer tour – targeted at teens – with a traveling improvisational group in a “wrapped” mobile van.<sup>147</sup> Samples were given away and teens could interact with the improv players and enact character roles on video. Carbonated beverage companies conducted sampling events directed to teens, sent a teen correspondent to the American Music Awards, and provided entertainment at Hispanic festival events. A juice drink company sponsored “Hip Hop Stops” at major local events and youth recreation centers during a 14-week cross-country tour.

Food companies conducted promotions at local fairs, festivals, music events, and theme parks. A cereal company, for example, provided branded tabletop games, trampoline and bungee jumping, a digital video interaction that turned kids into Beeboy, and product sampling. A marketer of lunch kits created an adventure studio, where kids could create a sports video, scale a climbing wall, or enter a pizza toss game. Various product spokescharacters appeared at public festivals, sometimes offering children opportunities to be photographed with them. Sesame Street’s Cookie Monster appeared at a cycling race to promote strawberries and healthy eating to kids. Candy companies sponsored Easter egg hunts, Halloween events, Girl Scout events, concert tours, and outdoor advertising at Six Flags Amusement Parks. A fruit producer sponsored outdoor family movie nights, as well as cabanas at family events in major markets, where it distributed samples and promotional items.

#### **G. CELEBRITY ENDORSEMENTS**

Food and beverage companies sometimes used celebrity athletes, singers, musical groups, and actors to appear in advertisements, on packages, or at promotional events for their products. This promotional technique was often directed toward teens and older children, or “tweens.” Basketball player Dwyane Wade appeared on packages of basketball-shaped crackers, encourag-

ing everyone to “get active.” Olympic Gymnast Shawn Johnson and BMX racer Dennis Enarson appeared in television and online ads, and in person at local events, promoting lunch kits. Shawn Johnson also appeared at events promoting a QSR and served as the QSR spokesperson for a program to give selected children an opportunity to attend the Olympics. A cookie marketer promoted the opportunity to “meet” the Williams sisters (tennis stars Venus and Serena) and the Manning brothers (football stars Peyton and Eli) through branded advergames. Various extreme or action sports athletes appeared in advertisements for energy drinks. Other carbonated beverages were promoted by snowboarder Danny David, skateboarder Paul Rodriguez, pair skater Keauna McLaughlin, and basketball star LeBron James. James appeared at events held in conjunction with the Boys and Girls Clubs, and presented scholarships during the weekend of the NBA All-Stars game.

Celebrities from the entertainment world were less prevalent in 2009 than athletic endorsers. However, a few made appearances in promotions targeting young people. The Jonas Brothers Band – which was featured in 2009 in both a concert tour and a movie – appeared in television, radio, and Internet ads for cheese slices; a free download of their music was available by purchasing the product. In addition, the band promoted a healthy option offered by a QSR for its children’s meals. Another QSR utilized the rock band Boys Like Girls to promote ice cream cones. Reverend Run, star of an MTV reality program titled *Run’s House*, served as the ambassador for a beverage product’s participation in the KaBOOM initiative to build playgrounds. A candy company sent purple cards to various celebrities, encouraging them to order free products to share with others. Another candy maker featured popular teen singers Clique Girlz and Tiffany Giardina for television, print, and Internet advertising. Finally, Disney channel stars Dylan and Cole Sprouse promoted yogurt products, while various music, film, and athlete celebrities – including Chauncey Billups, Chris Brown, Demi Lovato, Diana Taurasi, Jordin Sparks, Taylor Swift, and Ryan Sheckler – appeared in milk mustache ads to encourage milk consumption.

#### **H. PRINT AND RADIO ADVERTISING**

Food and beverage companies continue to use these traditional media to market to children and teens, though not extensively. Cereal companies used both print and radio advertising to promote physical fitness programs for children and teens, as well as to promote cash sweepstakes. Cereal radio ads also promoted advergames or other features of company websites. Radio Disney ads promoted yogurt – with the help of SpongeBob – as well as soup. The Jonas Brothers were featured on radio ads for processed cheese, with the ad directing listeners to a food company website to download their music.

A print advertisement for fruit snacks shaped like Spiderman appeared in *Marvel Comics*. Ads in *Nickelodeon Magazine* promoted contests and websites for lunch kits and a fruit drink. Print ads for a snack cracker directed children to the Nicktropolis website for games and mash-

ups. The same product also used a cover wrap for *Sports Illustrated Kids* that described an opportunity to win a trip to the NBA All-Star event. In other print ads, athlete Dwyane Wade, celebrity endorser for the snack cracker, urged children to get outside and play. Ads for a frozen treat, and its cross-promoted movie, *Ice Age: Dawn of the Dinosaurs*, appeared in *National Geographic Kids* magazine, while a cover wrap for the magazine promoted children's meals and toy premiums at a QSR. Ads for bananas appeared in a Boy Scout publication.

Ads in magazines that appeal to "tweens" and teens, including *ESPN*, *M*, *J14*, *Twist*, *Game Informer*, *Thrasher* (a skateboarding magazine), and other action sports publications, promoted pizza products, candy, and beverages. Print ads for milk displayed "milk mustache" photos of actors, athletes, and musicians popular with teens. A print ad for snack chips promoted a company website advergame for teens. Other forms of print advertising included posters or flyers promoting local sponsored events; yearbook ads placed by beverage bottlers; and direct mail campaigns from marketers of sports drinks to high school athletic coaches and trainers, emphasizing the importance of hydration for athletes.

Radio ads directed to teens were predominantly for carbonated and non-carbonated beverages, including sports and energy drinks. Many radio ads were broadcast in both English and Spanish. Ad messages included story variations on fairy tales, cross-promotion with the *Rock Band* video game, tips on how to impress a girl, downloads available on company websites, and promotions of local sports events sponsored by beverage companies. Radio ads for snack chips encouraged listeners to text the word "blast" to "chips" to enter a contest.

#### **I. PRODUCT PLACEMENTS; ADS IN MOVIE THEATERS, VIDEOS, OR VIDEO GAMES**

Food and beverage products were sometimes integrated into the storylines of movies or television programs appealing to children or teens or both. This was accomplished by showing a character eating or drinking the product, displaying the relevant package or container, or – in the case of a QSR – having a screen shot of the restaurant or its sign. The vast majority of placements were for carbonated or non-carbonated beverages.

Placements reported in movies rated PG or PG-13<sup>148</sup> included *17 Again* (cereal, baked goods, snack bars), *2012* (carbonated beverage), *The A Team* (QSR), *Aliens in the Attic* (carbonated beverage), *The Blind Side* (carbonated and non-carbonated beverages), *The Curious Case of Benjamin Button* (cereal), *Dance Flick* (carbonated beverage), *Fame* (carbonated beverage, bottled water), *Fired Up* (non-carbonated beverage), *Forever Strong* (non-carbonated beverage), *Hotel for Dogs* (cereal), *I Love You Beth Cooper* (carbonated beverage), *The Invention of Lying* (QSR), *Knowing* (cereal), *Land of the Lost* (QSR), *Old Dogs* (baked goods), *The Open Road* (non-carbonated beverage), *Post Grad* (carbonated beverage), *The Stepfather* (carbonated beverage, bottled water), *Surrogates* (carbonated beverage), *Transformers: Revenge of the Fallen*

(carbonated beverage), *Twilight Saga New Moon* (carbonated beverage, fruit juice), and *Whip It* (carbonated beverage). No product placements in G-rated movies were reported.

Carbonated beverage placements were reported as teen-directed for the following television programs: *The Big Bang Theory*, *Celebrity Apprentice*, *Daisy of Love*, *Dexter*, *Entourage*, *The Hills*, *How I Met Your Mother*, and *Weeds*. Bottled water was placed in *From G's to Gents*; cereal was placed in *Head Case*; and QSR food containers appeared in *Crash*. Chocolate milk was integrated into webisodes of *The Ride*, a web series about eight high school quarterbacks competing for a spot on the U.S. Army All American Team. In addition, cookie placement occurred in teen-directed “featurettes” on the TV Guide Channel.

Food and beverage advertising prior to a feature film in movie theaters or on DVDs is another technique used to promote products to children and teens, as well as to general audiences. According to the food companies, movie theater chains have discretion in selecting the films before which advertisements are placed. Therefore, companies could not list the movies with which their ads appeared. However, they could report on the ads that were created to appeal to children or teens.

Several cereal companies used child- or teen-directed movie theater ads to promote certain brands. In one such ad – a take-off on Alfred Hitchcock’s *Psycho* – zombies came after a female cereal nugget taking a shower. Another movie theater cereal ad was done in the style of a film preview, featuring a car chase followed by an announcement that something new with the brand would be happening soon. A third cereal brand used a movie theater ad to promote the “Sleep-over at the Smithsonian” contest in connection with *Night at the Museum*. A producer of snack chips used a cinema ad to promote its advergame. Other movie theater ads were reported by a candy company. In addition, an energy drink company that sponsors action and extreme sporting events produces and sells its own DVDs that feature its sponsored athletes and events and include teen-directed product promotion.

Food and drink products also were incorporated into a few online or console-based third-party video games.<sup>149</sup> Most of these placements were reported as teen directed, although a few were directed to both children and teens. Carbonated beverage signs, bottles, or cans were placed in the *DJ Hero* and *Guitar Hero* games. Fruit drinks appeared in a shopping cart in *Rabbids Go Home*, while sports drinks were displayed in a basketball video game. Signs promoting candy, a QSR, and a pizza product were placed on the ski slopes a player must navigate in the *Shaun White Snowboarding* video game, and a candy-branded snowboard and parka were offered as rewards for this game.

## **J. PHILANTHROPIC**

Companies were asked to report on branded materials used in conjunction with donations to non-profit organizations, programs, or events. Many of these philanthropic activities involved



efforts to encourage children and teens to engage in physical activities or promoted messages about healthy diets. A cereal company, for example, sponsored renovations of athletic fields, while another packaged food company participated with KaBOOM to sponsor community-built playgrounds. Another cereal company contributed to a project to protect endangered animals. Advergaming on the company website were tied to this theme, and by playing the games, children could help decide where the money would go. Other philanthropic activities that used branded signs or program materials included sponsorship of children's theater productions, exhibits at a museum or aquarium, literacy programs, Boys and Girls Clubs of America, Big Brothers/Big Sisters, Boy Scouts, Girl Scouts, Junior Achievement, after-school tutoring programs, holiday toy distribution, school supplies for children from low-income families, and donations of food to camps and other summer programs or family events.

Many athletic programs were the recipient of company donations – including soccer programs, Special Olympics, YMCA programs, Girls in the Game, ski racing competitions, and dance programs. One sports beverage company participated in an anti-hunger program by recruiting teen athletes to collect food donations from family and friends.

Other companies honored teens for community projects or helping others, awarded scholarships or other recognition to high school scholars and athletes, and sponsored events to raise money for childhood diseases. A QSR and a packaged food company partnered in a Feeding America project in connection with the film *Cloudy with a Chance of Meatballs*. Web games and other activities were tied to the charitable initiative. Fruit and vegetable companies participated in Produce for Kids, an initiative to support the Children's Miracle Network and provide educational materials for kids on the benefits of eating fruits and vegetables. Branded materials in connection with Produce for Kids appeared both in retail stores and online.

#### **K. IN-SCHOOL MARKETING**

Advertising or promotional activities in or around schools – including pre-schools and elementary, middle, and high schools – were included in this category of marketing activities. QSRs and other companies participated in school reading programs, whereby elementary school children were rewarded with coupons for food (including pizza and dessert treats) for reading a certain number of books. Another restaurant rewarded honor students with children's meals. A candy company sponsored the Reading Is Fundamental program, with distribution to schools of books with branded book plates.

Food and/or drinks were provided to high school events by companies including a QSR and a baked goods producer. A fresh fruit grower gave samples to elementary schools. Various companies provided nutrition information for use in schools. For example, a QSR supplied branded posters describing the “Go/Slow/Whoa” foods,<sup>150</sup> as well as “Random Acts of Fitness” kits with

activity calendars, stickers, and posters. A spokesperson for the restaurant made school appearances to promote physical fitness and healthy eating.

Another QSR partnered with the National Association for Sport and Physical Education to promote physical activity to elementary school children. A Latino music program and other Latino festival events in schools were sponsored by both a QSR and a packaged food company.

QSRs gave college scholarships and cash grants to schools. Fundraisers for schools, whereby schools received a percentage of proceeds on a particular day or evening, were also sponsored by QSRs. Other companies afforded parents and children the opportunity to redeem product labels or otherwise build points toward books or classroom supplies.

School vending machines displayed names and logos for flavored milk, juice, water, carbonated beverages, and sports drinks. Banners and posters to promote milk consumption, including the Milk Mustache ads, were placed in high schools. Beverage bottlers sponsored scoreboards, yearbooks, and athletic programs; distributed branded classroom calendars, signs and banners for gymnasiums, as well as discount coupons for adventure parks; and supported athletic teams, booster clubs, and bands. One bottler sponsored an essay contest, with the winning high school awarded the services of a professional football player as coach for a day. Sports drink samples were made available for high school athletic practices, together with hydration information and branded coolers, water bottles, cups, ice chests, towels, table covers, and staff apparel. Other food companies also provided support for high school athletic programs, including branded equipment for sports teams, as well as support for booster clubs and bands. A candy company sponsored a safe driving program for high school students.

## **C. Market Research on Youth Audiences**

The Special Order asked companies whether they had sponsored, conducted, or commissioned any marketing research studies regarding the appeal of particular advertising or promotional techniques to children and teens. About half of the companies reported that they had done so.<sup>151</sup> Generally speaking, these companies used an array of methods – including focus groups, online surveys, mall intercepts, and other in-person interviews – to determine the appeal of both specific ad campaigns and general promotional techniques. Most, if not all, of the research was qualitative rather than quantitative, but many companies nonetheless indicated that they used the results in making decisions about advertising. In addition, some companies conducted consumer profile research to better understand the needs and behaviors of their target consumer, and collected general consumer research, such as media usage rates for children and teens, that might bear on advertising strategies.

One theme that emerged from the research was that children play an important role in purchasing decisions when it comes to food and beverages. Some general research noted a shift



in family buying habits away from mothers as the decision-makers toward more collaborative family decision-making. More specific research indicated that purchase of a particular product, or the choice to eat at a particular quick-service restaurant, was often driven by a child's request. For example, one company's research indicated that a child seeing an advertisement or seeing the product on the shelf was a key factor in purchase: 75% of purchasers surveyed said they bought the product for the first time primarily because their child requested it. Along similar lines, another company submitted research showing that in-store advertising programs using child-targeted character-based themes outperformed those using mom-targeted themes, and child-targeted television ads were more effective than mom-targeted campaigns. Yet another company found that children are most influential in the purchase decisions for snacks. These findings are relevant in light of other research submitted showing that for children, good commercials and websites are the key drivers of food appeal.

### **1. Brand Awareness and General Advertising Appeal**

A number of the reporting companies conducted general research testing brand equity, brand awareness and awareness of particular ad campaigns, as well as whether particular advertising campaigns appealed to, and drove an intent to purchase, among children and teens. Several themes emerged from this research.

Among children, uniqueness and humor seemed to be the most appealing characteristics in the advertisements tested. For example, children liked the idea of being the first to have a new food item or product. They also favored ads that were fun and funny, as well as ads featuring words such as "cool" and other fun language, or friendly, fun, and "cool" characters. Similarly, ads that were "exciting" and "different" grabbed children's attention and drove purchase intent. Children also enjoyed ads with captivating or compelling storylines, and ads that tapped into their creativity, or involved competition. Younger children particularly liked super heroes and action. Children also favored ads featuring "real" kids engaged in "real" activities, such as dancing and playing games. This technique created believability, so long as the children depicted were "cool," fun, or someone with whom the viewers would want to "hang out." Longer ads seemed to be more effective with children.<sup>152</sup>

For older children and tweens, action, humor, energy, and competitive fun were well liked in advertising. For example, research conducted for one company showed that kids were engaged by ads featuring skillful athletic acts such as diving catches and basketball players dribbling between their legs. Tween audiences also responded positively to messages about reaching for one's goals and striving to achieve one's personal best.

Among teens, research showed that the "uniqueness" of an ad or of a new product or variety contributed to both recall and purchase intent. Ads employing the concepts of imagination and the imaginary world were also highly compelling. Consistent with the research regarding young-

er children, some research on teens showed that they prefer products and advertising that are fun and “cool.” They also respond to ads that trigger their emotions.

## **2. Specific Marketing and Promotional Techniques**

In addition to general research on appealing themes and content for advertising, the companies submitted research on particular advertising techniques.

**Product packaging:** Product packaging was one of the primary promotional techniques that companies studied, and the research indicated that packaging is important to children and teens. One company found, for example, that teens preferred packaging that was consistent with the underlying product, such as by reflecting or matching its taste. Another marketer found that teens preferred designs consistent with, or reminiscent of, the familiar, classic designs for the products at issue.<sup>153</sup> Branding on packaging also matters: proposed new packaging that lacked branded labels did not test well with kids in one study, while other research indicated that teens rely heavily on branding as a means of expressing who they are.

Graphics are key to brand identification for many tweens, according to research by one marketer. Not surprisingly, some companies focused research on the graphic and aesthetic aspects of packaging. One non-carbonated beverage company testing redesigned packaging found that eye-catching colors and shapes were most appealing to kids, as were designs that conveyed “energy,” “fun,” and imagination, or had a “story” behind them. Similarly, a packaged food company found that kids liked designs that grabbed their attention and allowed them to see the product through the packaging. By contrast, packaging that was perceived as “plain,” “ordinary,” “boring,” or not “cool,” was not appealing. Boys in one study were especially drawn to labels featuring a super hero or comic-book elements, as well as sports themes or similar depictions.

Companies also tested potential new shapes for product packaging, to determine what would appeal to children and teens, including new beverage bottle design, various packaging options for a drinkable product, and packaging for new snack products in different shapes and sizes. Kids were drawn to packaging that they considered “cool” and fun.

Children also preferred packaging that was age appropriate or even geared toward slightly older kids. For example, elementary school children in one set of focus groups viewed certain beverage packaging designs as too “babyish” or better suited for younger children, and therefore not appealing. By contrast, some of the children were drawn to “sleek” and “sporty” designs that looked like they were intended for older kids. Comparable findings appeared in research submitted by other companies.

**Characters and celebrities in advertising:** Another promotional technique that many companies studied is the use of popular characters and celebrities in advertising. Overall, the research submitted was consistent with previous research and common knowledge that this technique can be very effective with child and teen audiences.

With respect to celebrities, one marketer found that using athletes and celebrities in advertising had a strong impact on awareness and ad recall. The effect appeared to be somewhat stronger for younger children, who seemed to be more impressed with athletes and celebrities than were older children, but the effect was pronounced for both groups. Other research showed that the use of superstars in advertising was appealing to teens. Still other research confirmed that the use of celebrities enhanced product appeal, but also found that the appeal varied based on which celebrity was used and whether the target audience was boys or girls.

Several companies also examined the appeal and efficacy of popular characters in advertising directed to children and teens. Some of these characters were associated with a particular brand and/or product being advertised – so-called “spokescharacters” – while others were third-party characters from popular television shows or movies. As with celebrities, the research affirmed that using familiar and popular characters in advertising generates strong appeal if the characters are well-liked; conversely, use of characters or tie-ins with programs that are not well-liked can have a negative impact on advertising appeal.<sup>154</sup> Kids who responded positively to company spokescharacters indicated they liked that the characters were fun, nice, silly, friendly, and “cool.” Notably, kids often view a company spokesperson as synonymous with the brand or product promoted.

**Website advertising:** Several companies conducted research relating to website advertising, including company-owned websites and advertising on third-party sites. As noted in Section II above, the reporting companies spent substantially more on new media advertising directed to youth – including company websites and other Internet advertising – in 2009 than they did in 2006. According to information submitted by one company, online activities are worthy investments because they facilitate children’s engagement with the company over time, which (presumably) contributes to brand loyalty. Other research was consistent with this view, indicating, for example, that child-themed websites (such as those for television channels directed to children) should be used for advertising because they are frequently visited by the company’s consumers. One company also tested an interactive branded website, targeting teens, that was designed to increase brand awareness and purchase intent among brand loyalists.

A number of companies tested new ideas for their websites to determine what would appeal to children and teens and why. Testing by one marketer, for example, revealed that girls and boys ages 9 to 11 liked the current website because it was age appropriate, required skill, and had “cool” graphics. Kids also like online games, but only if they win often enough. Other testing indicated that “new” ideas on websites need to be constantly updated to ensure that kids do not get bored seeing the same content each time they visit the site. For teens, streaming video and interactive icons were found to be particularly effective tools for generating further engagement with one company website.

***Social media:*** A few companies submitted research materials touching on the use of social media in advertising. For example, a candy company sought to determine who follows candy on Facebook, and what the rates were among boys and girls of various ages. Another marketer, seeking to increase purchase intent among older teens, leveraged a social networking site by partnering on a concert series to engage the brand with music fans. Yet another beverage marketer examined the appeal of mobile applications and the use of Twitter for teens.

***Contests and promotions:*** Contests and promotions are another common marketing technique used to target youth. Company research demonstrated that, for both children and teens, two key aspects of a contest were the odds of winning and the ease of participation. Promotions that were simple and easy to access, or offered instant gratification, such as using a code to play a game online, were appealing to kids, as were easily attainable prizes. Similarly, teens in one survey indicated that they preferred contests that entailed meaningful but easy action on their part. One beverage marketer found that an under-the-cap prize program – whereby consumers texted a code found on the underside of the bottle cap – was very popular among teens.

Companies also explored what specific themes, prizes, and other characteristics make contests or promotions appealing to youth. Research from one company indicated that children favored promotions that were “unique” and “fun,” and whose theme generated “creative excitement.” By contrast, an online sweepstakes involving an unfamiliar celebrity was not appealing to kids. Promotions involving in-box prizes and mail-in offers both appealed to children. Movie passes and cash cards also generated high appeal among children and teens, as well as their parents. Teens also liked contests that allowed them to select their own prizes.

***Other promotional techniques:*** Research on other promotional techniques indicated, among other things, that providing a toy with a children’s meal continues to be very popular among children (and mothers) and is inherently likely to generate interest in eating at the restaurant. Another marketer found that certain kinds of advertising in shopping malls, known as “mallscapes” and “backlits,” as well as “wild postings” (advertising in urban locations), were effective in increasing recall of overall ad campaigns among teens and young adults, positively affected brand favorability and purchase intent, and increased word-of-mouth recommendations. Another company found that word-of-mouth marketing for a new product increased brand awareness and likelihood of purchase.

***Healthy messages in advertising:*** Several companies submitted research relating to the use of healthy messages in advertising, some of which suggested that such messages can be appealing to children. For example, in focus group testing by a beverage marketer, some elementary school aged boys thought an “Immunity” version of a familiar product was appealing; by contrast, some older girls were skeptical that food products could provide the health benefit. Another company found that some children were interested in the health benefits of the “real

fruit” contained in one product. Similarly, some teens who were asked about packaging claims indicated that they liked the idea of a candy containing real fruit juice. Other research suggested a more tempered view, however. One snack food company found that for kids, a food that appears to be “healthy” is not necessarily appealing. Although not wholly consistent, these results contrast somewhat with research submitted for the Commission’s 2008 report, which suggested that children and teens generally did not find appealing advertising that implied that a product is healthy or nutritious.<sup>155</sup>

### **3. Other Consumer Research**

In addition to exploring the appeal of specific promotional techniques, a number of companies also conducted consumer profile research to better understand their consumers. Some companies sought to determine which demographic groups found their products most appealing, such as boys or girls, their age range, and where they lived (*e.g.*, rural versus urban areas).

Other companies examined specific demographic groups more in depth. One company looked at teen spending habits, and found that food is the most common item purchased. A snack food company surveyed teen (and young adult) male video gamers – a core demographic for the product at issue – and sought to determine when gamers typically snack. Other research looked at teens’ snacking needs and habits generally, including what types of snacks are most popular (fast foods, frozen foods, ice cream) and what factors affect choice of snacks (convenience, ease of preparation, degree of hunger). One general finding about consumers’ overall snacking behaviors was the importance of branding as an assurance of quality and taste.

Several companies also submitted research regarding media usage by children and teens – including print, audio, and online – and the implications for advertising strategy. For example, one company provided research indicating that tweens spend the most time with media – even more than teens – and that most of that time is spent watching screens. This research also indicated that boys between ages 8 and 18 spend more time with media than girls in that age range, primarily because they play more video games. Other findings concluded that the use of audio increases as children get older, and that girls listen to music more than boys.

According to some of the research, older kids spend significant time on social networking sites and video sites (such as YouTube). One notable statistic was that children’s use of social networking sites jumps substantially between the ages of 11 and 14 – from 18% to 42% – and that girls spend more time on such sites than boys. Another company submitted Nielsen statistics about American teenagers’ typical daily media consumption – including the amount of time spent watching television, using the computer, sending or receiving text messages, and playing console games.

Research also indicated that younger kids like to visit websites associated with popular television shows, where they can play games or watch episodes, and they also like to visit virtual world sites.

#### **4. Research Targeting Sub-Populations**

Finally, several companies submitted research that addressed specific sub-populations of consumers, such as Hispanic and African-American youth. Some of the research was general in nature. One marketer, for example, looked at purchasing patterns among Hispanic consumers and identified families with children as accounting for the biggest growth in sales for that company. This research also observed that Hispanic children are the primary drivers of acculturation within their families and are reached effectively through a typical kids' media buy. Similarly, another company researched consumption patterns for some of its child-targeted food products, including among Hispanic consumers. A snack food company interviewed Hispanic teens, among others, to discern what drives their purchase and consumption of a particular product line.

Other companies examined the appeal of specific advertising campaigns or promotional techniques among sub-populations. For example, a beverage marketer tested potential new packaging on Hispanic teen males, among other groups, and a snack food company conducted focus groups on Hispanic teens, among others, to gauge their "takeaway" from particular advertising. Other companies tested television commercials and other advertising with both Hispanic and African-American consumers, including teens specifically. One company tested potential advertising and promotional methods on Hispanic children, and found that older boys were interested in website-based advertising (*e.g.*, downloadable images and games), whereas younger boys and some girls were more interested in collectible items.

One marketer explored gender differences among teens. In developing a new direction for its advertising, this marketer looked at how female teens responded to male-oriented advertising – such as dark colors, male athletes, and female celebrities – and how male teens responded to female-oriented advertising. The research concluded that advertising based on male preferences was likely to be more efficacious overall.

### **D. Marketing by Gender, Race, Ethnicity, or Income Level**

Fewer than half of the companies reporting 2009 marketing expenditures directed to children or teens targeted any of those marketing activities by gender, race, or ethnicity. No companies reported targeting promotions based on income level. However, several companies sponsored activities – such as athletic opportunities – intended to benefit lower income, inner-city young people.

Marketers of carbonated and non-carbonated beverages, energy drinks, snack foods, yogurt, cereals, canned pasta, and candy, as well as QSRs, aired ads on Spanish-language radio or tele-



vision stations or networks. Most of these were aimed at a general Spanish-speaking audience, with some ads meeting the criteria to be considered teen-directed. A few Spanish-language ads were specifically child-targeted.

Marketers of carbonated beverages and energy drinks placed some ads on television programming with a high viewership among teen African-Americans. One company sponsored a summer promotion that afforded teens the opportunity to win tickets to the BET Hip-Hop Awards show.

Digital marketing for carbonated drinks, energy drinks, and snack foods were directed to Hispanic and African-American teens. One Spanish-language snack food promotion encouraged viewers of outdoor advertising to text codes to the company. A carbonated beverage brand used website and Internet advertising to promote a fictitious musical group that included members of the targeted ethnic groups. The promotion featured contests to win a spot in the musical group or to win a vacation, and consumers were able to download promotion-related ringtones, videos, and wallpapers.

Packaging and in-store displays for snack foods, cookies, and candy were targeted to Spanish-speaking consumers, including teens. Store displays for yogurt were designed to appeal to Spanish-speaking children. A specialty brand of Mexican candies was marketed in particular to Hispanic teenagers, while a brand of cookies was targeted to Hispanic children and teens.

QSRs, carbonated beverages, and packaged food companies sponsored fairs, festivals, and music tours celebrating the cultural heritage of particular groups, including Asians and Hispanics. Workshops on healthy eating for Hispanic parents and children were sponsored by a non-carbonated beverage company, while town-hall meetings on college applications and scholarship opportunities for Hispanic teens were sponsored by a QSR.

Some athletic events or sponsorships were used to target food marketing by race, ethnicity, or gender. For example, soccer events for Hispanic young people were sponsored by non-carbonated beverages and QSRs, while soccer themes were employed for promoting other beverages and cookies to Hispanic children and teens. A QSR also sponsored a sports awards program for Hispanic youth. Programs providing athletic opportunities for girls were sponsored by a packaged food company and a QSR, while a basketball camp for boys was sponsored by a non-carbonated beverage.

A marketer of energy drinks selected athletes for sponsorship based on their appeal to various racial or ethnic groups. A milk promotion campaign, on the other hand, selected male and female athletes, as well as singers and actors, in order to target advertising to young people by gender. In addition to using print advertising and in-school banner ads, the milk campaign featured web banner ads that included links to videos, options to download widgets and fan kits, and the ability to create your own advertisement.



Gender-based marketing to children was employed by cereal and other packaged food companies. Particular licensed characters – *Barbie*, *Hannah Montana*, *Strawberry Shortcake*, and Disney Princesses and Fairies – were featured in cross-promotions to appeal to girls. *Power Rangers*, on the other hand, as well as toy vehicles made by John Deere and Matchbox, were used to target boys. A candy company made both “boy” and “girl” versions of its television advertisements to garner appeal to both genders.

## **V. Assessment Of Food Company Initiatives**

The Commission's Special Order asked the reporting companies to provide information about any policies, plans, and directives they had in place on or after January 1, 2009, relating to food marketing to children and teens. The Order also sought descriptions of company programs or initiatives to encourage healthy eating and lifestyle choices by young people that were undertaken or implemented during the same time period. These requests were designed to enable the Commission to report on any changes in companies' policies and initiatives since the 2008 report, and, in particular, to determine the extent to which the companies have implemented that report's recommendations. In addition, the Commission requested information from nine media and entertainment companies regarding their policies on youth-directed food advertising. Finally, the Commission purchased consumer data to analyze whether and to what extent youth food consumption has shifted over the last decade.

### **A. Developments Since the 2008 Report**

The 2008 report set forth a number of recommendations for the food and beverage industry, as well as the media and entertainment industry, for strengthening and expanding existing self-regulatory efforts and otherwise improving the nutritional profile of products marketed to children. In the three years since the report's release, the food and beverage companies have responded to several of the Commission's recommendations, as well as to First Lady Michelle Obama's *Let's Move!* campaign and other initiatives in this area.<sup>156</sup> For example, the Children's Food and Beverage Advertising Initiative has expanded its membership to include four new participants, broadened its scope to apply to some additional forms of marketing not previously covered, and, most recently, announced new uniform nutrition standards for foods marketed to children. Food and beverage manufacturers have continued to reformulate some of their products to reduce the amount of saturated fat, sodium, and sugar, as well as to increase the amount of beneficial nutrients, such as whole grains, fiber, and essential vitamins and minerals.

#### **1. Children's Food and Beverage Advertising Initiative**

As discussed in the 2008 report, the Council of Better Business Bureaus established the Children's Food and Beverage Advertising Initiative (Initiative or CFBAI) in 2006 as a self-regulatory effort designed to change the mix of foods and beverages advertised to children under 12 to encourage healthier eating and lifestyles.<sup>157</sup> The Initiative was built around five original Core Principles, which required participating companies to:

- Devote at least 50% of their child-directed television, print, radio, and Internet advertising to "better for you" products and/or healthy lifestyle messages;

- Reduce their use of licensed third-party characters in child-directed advertising that does not promote “better for you” products or healthy lifestyles;
- Not pay for or actively seek product placement in editorial and entertainment content directed at children under 12;
- Limit products depicted in child-directed interactive games to healthy dietary choices, or incorporate healthy lifestyle messages into the games; and
- Not advertise food or beverage products in elementary schools.<sup>158</sup>

Pursuant to the Initiative’s terms, each participating company would submit its own pledge setting forth how it would comply with the Core Principles, including what nutrition standards the company would use to define “better for you” products or “healthier dietary choices” and “advertising primarily directed to children under 12.”<sup>159</sup> Notably, some of the founding members pledged to restrict their advertising to children even beyond the Core Principles, such as by devoting a full 100% of their child-directed advertising to healthier products. Most of the companies also pledged not to target advertising to children under age six,<sup>160</sup> and four companies – Cadbury Adams,<sup>161</sup> Coca-Cola, Hershey, and Mars – pledged not to direct advertising to children under age 12 in any of the covered media.<sup>162</sup>

The Commission’s 2008 report recognized the significant development of the CFBAI and the important role it can play in the effort to address childhood obesity. Nonetheless, based on its assessment of both the Initiative’s Core Principles and the member company pledges, the Commission also made a series of recommendations to strengthen and expand the program, including that the CBBB and participating companies:

- Expand the scope of “advertising to children” to encompass all advertising and promotional techniques;
- Require that 100% of food advertising directed to children under 12 promote healthy dietary choices;
- Work toward standardizing the nutrition criteria for “healthy dietary choices” that may be marketed to children; and
- Work toward developing meaningful, standardized definitions for what constitutes advertising “directed to children under 12.”<sup>163</sup>

Since the Commission issued the 2008 report, the Initiative has had several significant developments. First, four additional companies have joined the CFBAI, bringing the total number of participants to 17. The new members are: Nestlé USA,<sup>164</sup> The Dannon Company,<sup>165</sup> Post Foods, LLC,<sup>166</sup> and Sara Lee Corp.<sup>167</sup>

Second, the CFBAI has enhanced its Core Principles. Specifically, as of January 1, 2010, participants must now commit that:

- 100 percent (up from 50%) of their child-directed advertising is for healthier dietary choices or “better for you” products.<sup>168</sup>

In addition, the Initiative expanded the scope of advertising activities to which the Core Principles apply to include:

- Child-directed interactive games that are provided free or at nominal charge (*e.g.*, advergames);
- Video and computer games rated EC or Early Childhood, and other video games that are labeled for children under 12;
- DVDs of G-rated movies and other non-rated DVDs that are primarily directed to children under 12;
- Cell phone or other mobile media marketing that is primarily directed to children under 12; and
- Word-of-mouth advertising that is primarily directed to children under 12.<sup>169</sup>

The licensed character principle has also been expanded, such that child-directed advertising using celebrities and movie tie-ins – not just third-party licensed characters – must comply with the companies’ pledge commitments.<sup>170</sup> A few CFBAI participants have restricted their child-directed advertising even beyond the Initiative’s Core Principles.<sup>171</sup>

Third, a number of participating companies have revised their standards for what constitutes “advertising primarily directed to children under 12,” such that the participants now incorporate a threshold of 35% or less audience share of children 2-11.<sup>172</sup> These revisions make the pledges significantly more consistent on this issue.

Fourth, several companies have improved their nutrition standards since the 2008 report, such as by adding or lowering sodium limits, lowering sugar limits, and switching to 1% low-fat or fat-free milk in children’s meals.<sup>173</sup> In addition, a number of Initiative members have reformulated products to either meet or exceed their existing nutrition criteria for advertising to children, such as by reducing the sugar content in ready-to-eat breakfast cereals,<sup>174</sup> and reducing sodium and/or fat content in soups, canned pastas, and snack crackers.<sup>175</sup> Other companies have developed new products to meet their “better for you” standards for advertising to children.<sup>176</sup>

Fifth, in July 2011, the CFBAI announced a major revision to its program, unveiling uniform nutrition standards that all its member companies have pledged to adopt. The new nutrition criteria apply to ten different food categories: juices; dairy products; grain and fruit and vegetable products; soups and meal sauces; seeds, nuts, and nut butters and spreads; meat, fish, and poultry products; mixed dishes; main dishes and entrees; small meals; and meals.<sup>177</sup> The standards for each of the food categories include specific limitations on calories, saturated fat, sodium, and total sugar, as well as requirements for nutritional components such as a half-serving

of fruit, vegetable, dairy, or whole grain, or at least 10% daily value of certain essential nutrients. According to the CFBAI, approximately one-third of products currently advertised to children by member companies do not meet the new standards, which are scheduled to take full effect by December 31, 2013.<sup>178</sup>

## **2. “Better for You” and Reformulated Food Products**

In its 2008 report, the Commission found that many food and beverage companies had developed new or reformulated products designed to provide consumers – including children and teens – with more nutritious or “better for you” options.<sup>179</sup> The Commission commended those efforts and encouraged the companies to continue them.<sup>180</sup> The Commission also noted, however, that “better for you” does not necessarily mean “good for you,” and urged the companies to strengthen their nutritional criteria for what constitutes “better for you” products.<sup>181</sup>

It is apparent from Section III of this report that, since 2006, the reporting companies have continued their efforts to improve the nutritional profile of the products they market to children and teens, through both reformulation of existing products and development of new ones. As discussed in the Commission’s 2008 report, many food companies also have developed and now offer portion-controlled packages of products, designed to help consumers – including children and teens – limit their caloric intake. This practice has continued, and some companies have expanded their efforts. For example, a number of beverages – both carbonated and not – are now available in eight-ounce or other smaller, single-serving sizes containing fewer calories than standard versions. One company added a 100-calorie, no-sugar-added beverage for children to an existing product line. Reporting companies also offer child-sized or “100-calorie” portions for a number of snack products, single-serve vegetable products, fruit snacks, and yogurts.<sup>182</sup>

The 2008 report also noted that some produce companies were using product packaging to encourage children to eat fresh fruits and vegetables – for example, by displaying popular licensed characters on the packaging. The Commission urged companies to continue and expand their efforts to package nutritious products in ways that appeal to children. However, it appears that this practice has decreased rather than increased. For this report, only one company reported efforts to use packaging to promote produce to children. On a positive note, one QSR, in connection with two major movie tie-in promotions, specifically limited its use of licensed characters on product packaging to only the “better for you” components of children’s meals (1% milk products and fruit sides).

## **3. Healthy Lifestyle Initiatives by Food Companies**

The Commission’s 2008 report found that food and beverage companies had engaged in a variety of outreach efforts to promote good nutrition and exercise to children.<sup>183</sup> These efforts consisted of individual companies’ own initiatives, as well as partnerships with local and national

organizations, and they involved a wide range of techniques, including providing information to families and schools via printed materials or online resources and sponsoring sports and fitness programs. Some of these efforts were aimed specifically at African-American and Hispanic populations, which have higher rates of childhood obesity.

The Commission recommended that the companies expand their efforts to educate children and teens about the importance of healthy eating and exercise, especially among minority populations that are disproportionately affected by the problem of childhood overweight and obesity.<sup>184</sup> In addition, the Commission encouraged companies to research the effectiveness of their outreach campaigns.

In connection with this follow-up report, the Commission again asked the reporting food and beverage companies to provide information about their programs, initiatives, or other activities, from January 2009 forward, to encourage healthy eating and lifestyle choices by children and teens. As described below, the companies have continued to engage in outreach and support in this area, using a broad array of techniques.

As in the past, a number of the reporting companies indicated that they have partnered with various national and local organizations and government entities on initiatives promoting healthy lifestyles for children, teens, and families generally. Some of these include:

- Partnering with the “Fuel Up to Play 60” program promoting healthy nutrition and physical activity among elementary and middle school children;<sup>185</sup>
- Participating in First Lady Michelle Obama’s *Let’s Move!* initiative;<sup>186</sup>
- Partnering with the President’s Council on Fitness, Sports and Nutrition that challenges one million youth to earn the President’s Active Lifestyle Award;
- Partnering with the National Institutes of Health to promote “We Can!,” a national childhood obesity prevention program;<sup>187</sup>
- Partnering with KaBoom! to sponsor the building of playgrounds and National Play Days initiative;<sup>188</sup>
- Participating as a member of the Ad Council’s Coalition for Healthy Children, producing public service messages about the importance of a healthy lifestyle;<sup>189</sup>
- Supporting the United Fresh Foundation’s “A Salad Bar in Every School”;<sup>190</sup> campaign;
- Sponsoring YMCA Healthy Kids Day;<sup>191</sup>
- Supporting Boys and Girls Clubs of America Triple Play and after-school activities; and
- Partnering with the American Heart Association’s Jump Rope for Heart and Hoops for Heart.<sup>192</sup>

Many of the reporting companies highlighted their efforts to provide nutrition and healthy lifestyle information to children, teens, and their families. This information was conveyed in numerous ways, including through in-store materials, online resources, school-based programs, and public events. For example, one QSR partnered with the USDA to incorporate the MyPyramid program into an in-store and online advertising campaign targeted to children that promoted the restaurant's "better for you" menu options, and provided nutrition information on posters near the counters of its U.S. restaurants.

Companies also used their websites to provide information on nutrition, healthy living, healthy recipes, and child-related health and wellness. Some companies had child-directed areas on their websites that provided information on healthy lifestyles as well as interactive games, puzzles, and other fun activities. Some games featured a company spokescharacter engaged in various physical activities, while others incorporated fruits and vegetables or "better for you" products. The games on one kids' site included a forced "break" after 30 minutes.

Several companies reported school-based efforts to teach children about nutrition and physical activity, including the dissemination of materials for use by teachers. For example, a snack food company supported a program for third grade classrooms that teaches about the food pyramid, the importance of physical activity, and other tools to help children live healthier lifestyles.<sup>193</sup> Another company partnered with the Afterschool Alliance to develop a tool kit promoting healthy lifestyles, proper nutrition, and physical activity for youth participating in afterschool programs across the country. A dairy board sponsors a multi-media campaign promoting the health and other benefits of drinking milk, including in-school posters, a teen-targeted website, print advertising, and promotional programs.

Beyond the school setting, other companies used public forums, including retail stores, shopping malls, and local events, to promote good nutrition. Examples included appearances by produce company spokescharacters and the provision of samples of "better for you" menu items by a QSR. A few companies also cited their participation in or collaboration with entities that work to promote healthy lifestyles, address the problem of overweight youth, and respond to growing public concerns about sodium content in foods.

In addition to communicating information about good nutrition, many of the reporting companies promoted physical activity among children and teens, by sponsoring or otherwise supporting sporting and other athletic events, programs, and activities.<sup>194</sup> See Sections IV.B.2.d, f, j, and k. A few companies reported that they had developed and implemented healthy lifestyle initiatives specifically directed to Hispanic families. For example, a cereal company offered a Spanish-language "app" for the iPad providing links to healthy, Latin-inspired recipes, and a snack food company partnered with the National Latino Children's Institute to develop a healthy-lifestyle course for Latino families. A juice company developed a program targeted to Hispanic



families that promoted good nutrition and physical activity through lectures and activities. This program held events in four major cities across the country. None of the reporting companies submitted information regarding initiatives targeting African Americans, another group with high childhood obesity rates. Overall, the companies reported fewer initiatives targeting minority populations than they had for the 2008 report.

In sum, many companies reported public outreach efforts to educate children and teens about the importance of healthy eating and exercise similar to what they reported in 2006. In addition, a few companies responded to the Commission's recommendation to research the effectiveness of these educational campaigns and other healthy lifestyle initiatives. For example, one marketer explored the appeal and impact of a youth-directed initiative promoting physical activity and healthy eating and found that the program built awareness but had not changed behavior substantially at the time of their survey. Similarly, another marketer examined the impact of an online campaign encouraging play time among children. A third company conducted research to assess the impact and efficacy of various healthy initiative programs funded by the company that focused on increasing physical activity and healthy eating for children and found increased awareness and modest behavioral changes.

With respect to other healthy lifestyle initiatives, several companies conducted research on the appeal and consumer acceptance of reformulated or potential new "better for you" products that are popular with or geared toward children. These include products from snack food marketers, packaged goods companies, and QSRs. In many cases, the research was conducted on both children and parents with mixed results on both appeal and acceptance.

Several reporting companies also explored the product performance of particular promotional techniques that highlighted "better for you" products or otherwise focused on the nutritional content of foods. For example, a packaged goods company evaluated the impact of a new front-of-package nutrition labeling scheme to determine whether it increased awareness of the nutritional content of the products and assisted consumers in making informed food choices for their families, as well as how it compared to other nutrition labels in the marketplace. Other marketers tested the appeal of television advertisements and product packaging designs for reformulated products to determine their appeal to children and again saw mixed results. Another marketer submitted consumption research that showed increased sales due, in part, to various promotional techniques such as posters, contests or promotions, and product sampling with children and teens.

## **4. Media and Entertainment Company Initiatives**

### **A. LICENSED CHARACTERS IN CROSS-PROMOTIONS**

As described in Sections II and IV above, a substantial amount of food and beverage marketing to children and teens in 2009 involved cross-promotions with third-party licensed characters, movies, television shows, and other media properties. This marketing technique was used extensively in 2006 as well.<sup>195</sup> As noted in the Commission's 2008 report, the use of popular characters in advertising can be very effective in generating appeal among children.<sup>196</sup>

Given the impact of this marketing technique, the 2008 report reviewed media and entertainment company policies relating to the licensing of their properties for food and beverage marketing, as well as other efforts by those companies to encourage healthier eating and healthier lifestyles by children. At that time, four companies – Disney, Sesame Workshop, Discovery Kids, and Cartoon Network – had adopted policies limiting the licensing of their popular characters for use in marketing foods that met specified nutritional standards, and Nickelodeon had pledged to do so in 2009.<sup>197</sup> In addition, Warner Brothers had partnered with a grocery store chain to license certain characters for healthier children's products only.<sup>198</sup> Disney restricted sponsorship of its programming to companies meeting certain nutritional guidelines, and other companies had begun to incorporate healthy messaging into their programming and other content, and to fund healthy lifestyle initiatives.<sup>199</sup>

After reviewing these efforts, the Commission recommended that more media and entertainment companies limit licensing of their characters to healthier foods and beverages marketed to children, so that cross-promotions with popular children's movies and television characters would favor more nutritious, rather than less nutritious, foods and drinks.<sup>200</sup> Similarly, the White House Task Force on Childhood Obesity recommended in its 2010 report that "[a]ll media and entertainment companies should limit the licensing of their popular characters to food and beverage products that are healthy and consistent with science-based nutrition standards."<sup>201</sup>

In connection with the current report, the Commission sought to evaluate whether and to what extent its recommendations have been implemented by requesting information from nine media and entertainment companies – including both television programming providers and movie studios – regarding their cross-promotional activities and policies. With respect to the licensing of characters, there is little progress to report.

Among the companies contacted, those that had policies reported in the 2008 report have retained them. Nickelodeon has not adopted its own nutrition standards for limiting use of its characters on food and beverage products, but since 2009 has relied instead on its licensing partners to develop and apply standards based on government dietary guidance. With one exception – The Walt Disney Company – none of the movie studios surveyed has nutritional standards

for food or beverage products that are cross-promoted with its media properties targeted to, or designed to appeal primarily to, children, teens, or both.<sup>202</sup> Among the other companies, three indicated that they evaluate each cross-promotional partner on a case-by-case basis, and noted that several of their cross-promotional partners are CFBAI members.<sup>203</sup> Some of the companies further explained that they do not have expertise in nutrition and have no contractual obligation to implement nutrition standards.

All nine of the media and entertainment companies surveyed engaged in cross-promotional activities during 2009. The cross-promotions involved many different food categories, including QSRs, breakfast cereals, prepared foods, snack foods, candy and frozen desserts, dairy products, fruits and vegetables, and more. A list of cross-promotional activities with the reporting companies is set forth in Section IV, above.<sup>204</sup>

#### **B. MEDIA SCREENING OF TELEVISION ADVERTISING**

The Commission also recommended that media companies consider adopting uniform, objective standards to limit advertising placements on programs “directed to children” to healthier foods and beverages.<sup>205</sup> Although the CFBAI has now unveiled a set of uniform nutrition standards to be implemented by its member food companies by the end of 2013, the media companies have not indicated that they would also adopt these standards, or other uniform nutrition standards, and apply them to advertising placement on their children’s networks.

One media company, however, has announced that it will apply its own nutrition standards to screen the placement of food advertising on its child-directed networks. In June 2012, The Walt Disney Company became the first and only major media company to take this step. Disney announced that it has updated the nutrition guidelines it currently applies to cross-promotions and that, by 2015, all food advertising on its child-directed networks and on family and child-oriented online sites would have to meet these updated guidelines.<sup>206</sup>

### **5. Competitive Foods and Beverages in Schools: The Alliance for a Healthier Generation School Beverage and Competitive Food Guidelines**

Many children consume a substantial proportion of their meals and snacks at school. Therefore, the nutritional quality of foods and beverages sold in schools is an important component of the childhood obesity issue. The Alliance for a Healthier Generation (“Alliance”) has worked with the food and beverage industry to address this component.<sup>207</sup> In 2006, the Alliance developed two sets of guidelines designed to improve the nutritional quality of foods and beverages sold in schools outside of the school meal program: the Competitive Foods Guidelines and the School Beverage Guidelines.<sup>208</sup>

These voluntary guidelines set forth specific nutritional, caloric, and portion limitations. Competitive foods must meet specific nutrition criteria depending on the type of food, such as snacks, low-fat and fat-free dairy, nuts and nut butters, or soups, and in some respects varying by whether the food is sold in elementary, middle, or high school.<sup>209</sup> Beverages must meet limitations on calories and portion size, and the types of beverages that may be sold vary depending on the type of school.<sup>210</sup> For example, only water, non-fat or low-fat milk, and 100% juice may be sold in elementary schools, whereas no- or low-calorie beverages such as diet soft drinks, flavored water, and some sports drinks may be sold in high schools.

Many food and beverage companies, including all three major beverage companies, as well as the American Beverage Association (ABA), signed on and began implementing the guidelines in 2006. The beverage guidelines had a three-year implementation plan. According to a final progress report by the ABA, the vast majority of schools and school district contracts were in compliance with the beverage guidelines by the end of the three years, at the start of the 2009-2010 school year.<sup>211</sup> The ABA reported a decrease of 88% in total beverage calories shipped to schools between 2004 and 2009, and shipments of full-calorie carbonated soft drinks were 95% lower during the same time frame.<sup>212</sup> To illustrate the latter point, the Alliance has stated that whereas the average high school student consumed one 12-ounce can of full-calorie carbonated beverage at school per *week* in 2004, the average student consumed one and a half cans at school per *year* in 2009.<sup>213</sup>

Progress on the competitive foods front has not been quantitatively assessed. The Alliance's goal in this area has been to accelerate the shift to lower calorie and more nutritious competitive food options for children in school, with a focus on fruits and vegetables, fat-free and low-fat dairy products, and other foods low in calories, fats, sugar, and sodium.<sup>214</sup> To achieve this goal, participating companies, including a number of companies surveyed for this report, have committed to offering products to schools and school districts that meet the guidelines.<sup>215</sup> Although many of the signatory companies have reported reformulating, resizing, and/or developing new products to comply with the guidelines,<sup>216</sup> it is not clear the extent to which schools have availed themselves of these options and/or reduced their reliance on foods that do not meet the guidelines.

## **6. Other Initiatives**

### **A. KIDS LIVEWELL**

In July 2011, the restaurant industry announced a new, voluntary initiative called “Kids LiveWell.” Participating restaurants – reportedly more than 15,000 locations nationwide – have committed to offering children's meals that meet specified nutrition criteria. Specifically, qualifying breakfast, lunch, or dinner meals will include an entree, side, and beverage and will contain

a total of no more than 600 calories, 35% of calories from fat, 10% of calories from saturated fat, 0.5 g trans fat, 35% of calories from sugar, and 770 mg of sodium.<sup>217</sup> In addition, the entree and side portions of the meals must provide certain amounts of fruit, vegetable, whole grains, lean protein, or low-fat dairy. Many of the qualifying meals will be identified on restaurant menus with a red apple icon. A number of major restaurant chains have joined this initiative, including Au Bon Pain, Burger King, Chevy's Fresh Mex, Cracker Barrel, Denny's, Friendly's, and IHOP.<sup>218</sup>

#### **B. HEALTHY WEIGHT COMMITMENT FOUNDATION**

Another industry initiative involving nutrition and children is the Healthy Weight Commitment Foundation (HWCF), which was launched in October 2009 by food and beverage manufacturers, retailers, and other companies and organizations. The initiative's stated goal is to help reduce obesity – including childhood obesity – by 2015.<sup>219</sup> To do this, the HWCF funds and supports programs designed around three core pillars – the marketplace, the workplace, and schools – to help people achieve a healthy weight by balancing healthy dietary choices and physical activity. For children in grades K-6, the HWCF provides resources for use in schools, including a curriculum that promotes lifelong physical activity and positive nutrition habits.<sup>220</sup>

### **B. Trends in Youth Food and Beverage Consumption Compared to Trends in Food Marketing Directed to Youth**

Although it is difficult to correlate shifts in youth-directed food marketing with corresponding shifts in consumption/sales, as noted above a few companies have undertaken such analysis for their brands. For this section, the Commission examined consumption data along with marketing trends to look for signs that children and teens are changing their diets as the major food companies shift their expenditures or the nutrition content of the food marketed to youth. Evidence that children and teens are choosing to eat more or less of certain foods may inform the discussion of where self-regulation should focus its efforts.

The National Health and Nutrition Examination Survey (NHANES) is the leading governmental survey on the health and nutritional status of children and adults in the United States. Trained interviewers conduct in-person 24-hour dietary recalls of a nationally representative sample of 5,000 people, including children.<sup>221</sup> The CDC releases NHANES survey data in two-year increments (*e.g.*, NHANES 1999-2000, NHANES 2001-2002). According to those data, over the past decade, children and teens have reduced their average daily caloric intake, as well as their consumption of total fat, sodium, and sugar. *See* Table V.1. The decrease in reported calories also holds for overweight or obese<sup>222</sup> youth, even though the percentage of overweight or obese youth ages 2 to 19 has increased slightly since 2000.<sup>223</sup> At the same time, children and teens increased their intake of fiber and calcium.

**Table V.1: Average Daily Total Intake of Calories and Nutrients by Children, Teens, and Overweight/Obese Youth**

		1999/2000	2001/2002	2003/2004	2005/2006	2007/2008	2009/2010
<b>Total Energy (kcal)</b>	Children 2-11	1,860	1,854	1,956	1,811	1,752	1,732
	Teens 12-17	2,227	2,207	2,300	2,315	2,099	2,137
	Overweight or Obese Youth 2-17	2,007	2,034	2,065	2,005	1,878	1,914
<b>Total Fat (g)</b>	Children 2-11	68	67	72	67	65	62
	Teens 12-17	81	80	86	87	78	79
	Overweight or Obese Youth 2-17	75	74	76	76	70	70
<b>Sodium (mg)</b>	Children 2-11	2,925	2,834	2,901	2,751	2,622	2,696
	Teens 12-17	3,409	3,270	3,503	3,645	3,420	3,514
	Overweight or Obese Youth 2-17	3,240	3,131	3,148	3,109	2,993	3,095
<b>Sugar (g)</b>	Children 2-11	--	137	140	126	122	118
	Teens 12-17	--	160	155	151	134	136
	Overweight or Obese Youth 2-17	--	148	143	134	123	126
<b>Calcium (mg)</b>	Children 2-11	870	965	1,023	968	969	1,041
	Teens 12-17	929	978	1,045	1,051	1,003	1,099
	Overweight or Obese Youth 2-17	905	978	1,024	987	967	1,035
<b>Fiber (g)</b>	Children 2-11	11.9	11.7	12.2	12.1	12.0	13.1
	Teens 12-17	13.0	13.2	13.5	14.1	13.8	14.5
	Overweight or Obese Youth 2-17	12.1	12.1	12.4	12.5	12.6	13.3

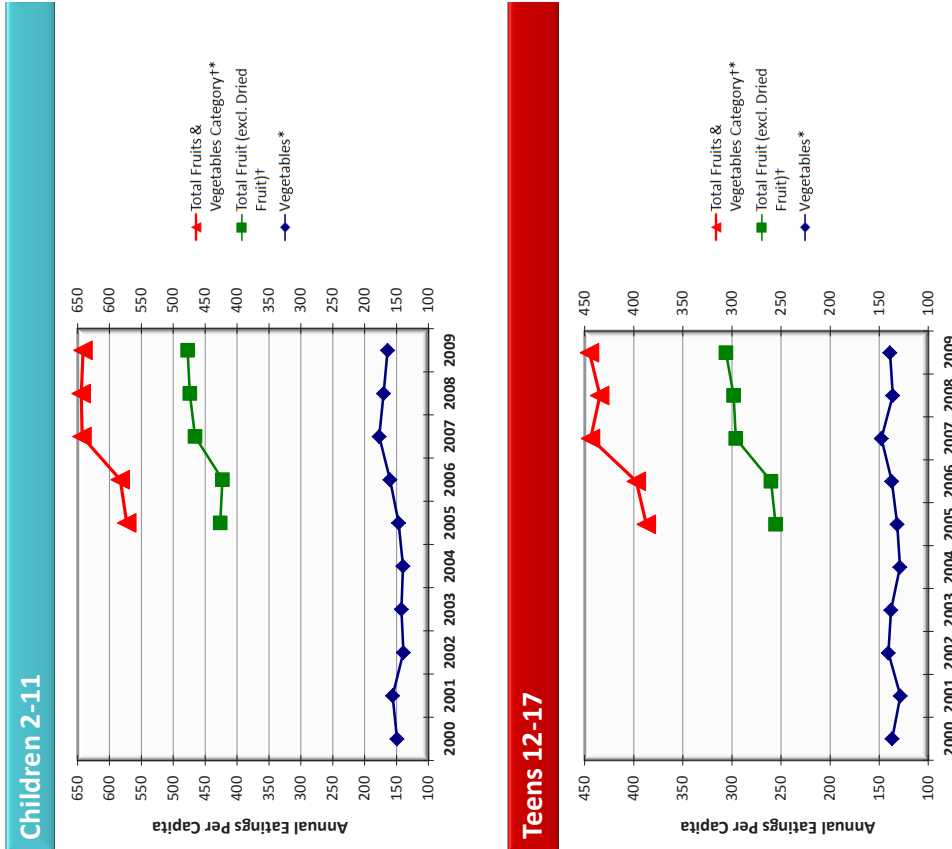
Source: NHANES. Statistics describe food intake from all sources. Sugar was not identified in the 1999-2000 NHANES survey.

In addition to looking at NHANES data, the Commission purchased youth food consumption data from The NPD Group. NPD provided data from three of its syndicated surveys – the National Eating Trend (NET) service,<sup>224</sup> SnackTrack,<sup>225</sup> and Consumer Reports on Eating Share Trends (CREST).<sup>226</sup> The NET and SnackTrack data are reported as the number of annual eatings per capita (AEPC) of the given food or beverage by children 2 to 11 or teens 12 to 17. The subsections below present AEPC consumption data along with observations of companies' youth-directed marketing trends for fruits and vegetables, dairy products, breakfast cereals, beverages, and restaurant foods. Although instructive, the AEPC data are an imperfect measure of consumption because they represent the average number of eating occasions for the food or beverage, not the average quantity consumed during each occasion. Accordingly, the final subsection discusses some limited quantity data that NPD was able to cull from its surveys and correlate with youth BMI levels.

## 1. Fruit and Vegetables

The companies spent little on youth-directed fruit and vegetables marketing compared to the other categories in both 2006 and 2009. In 2006, only \$11.5 million of the \$2.1 billion in youth-directed expenditures (0.6%) was for fruits and vegetables. In 2009, that figure dropped in both absolute (\$7.2 million) and relative terms (0.4%). *See* Table II.1.<sup>227</sup> Nevertheless, children and teens have been increasing their fruit consumption since at least 2005; by contrast, their vegetable consumption has remained relatively flat. *See* Figure V.1. Further, compared to 2006, children and teens ate more fruits and vegetables at home and at school in 2009, with the exception of a decrease in teen vegetable consumption at school. *See* Figure V.2. This may demonstrate the impact of healthy eating initiatives and the increased youth awareness of healthy eating that a few of the companies observed in their own research.

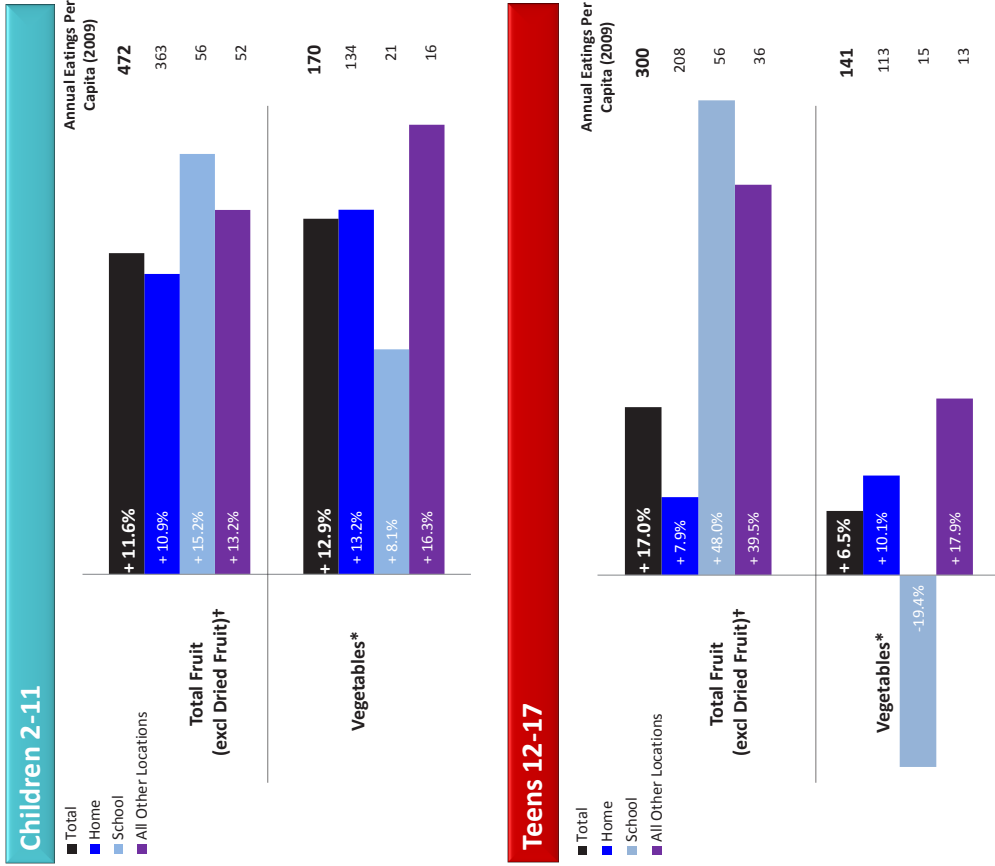
Figure V.1: Trend in Fruits & Vegetables Consumption (2000-2009)



†Source: The NPD Group/SnackTrack.

\*Source: The NPD Group/National Eating Trends (NET).

Figure V.2: Change in Fruits & Vegetables Consumption from 2006 to 2009, by Location



† denotes that the reported figures are annualized averages based on 2 years of The NPD Group/SnackTrack data ending 12/09.

\* denotes that the reported figures are annualized averages based on 3 years of The NPD Group/NET data ending 11/09.



## **2. Dairy Products**

Dairy product marketing to youth increased from \$54.5 million in 2006 to \$78.5 million in 2009. *See* Table II.2. These increases reflect the spending on marketing yogurt to youth, which nearly doubled from \$22.3 million (2006) to \$43.8 million (2009) for children and also increased for teens from \$10.1 million (2006) to \$16.5 million (2009). During roughly this same time period, children's and teens' overall consumption of dairy products increased and consumption of yogurt increased modestly. *See* Figure V.3. In both years, the companies spent relatively little on marketing dairy drinks. For example, in 2009, they spent \$2.1 million on child-directed promotions (a 66% drop from 2006) and \$19.8 million to reach teens (a 31% drop). *See* Table III.10. From 2000 through 2009, children's milk consumption remained relatively flat, although an increase was observed for 2007, which then dropped in 2009; they drank more milk at home (where they drink most of their milk) but slightly less at school in 2009 when compared to 2006. *See* Figure V.7. Teen milk consumption trended slightly downward over the same period. *See* Figure V.3. Like children, teens drank slightly more milk at home but significantly less at school in 2009. *See* Figure V.7.

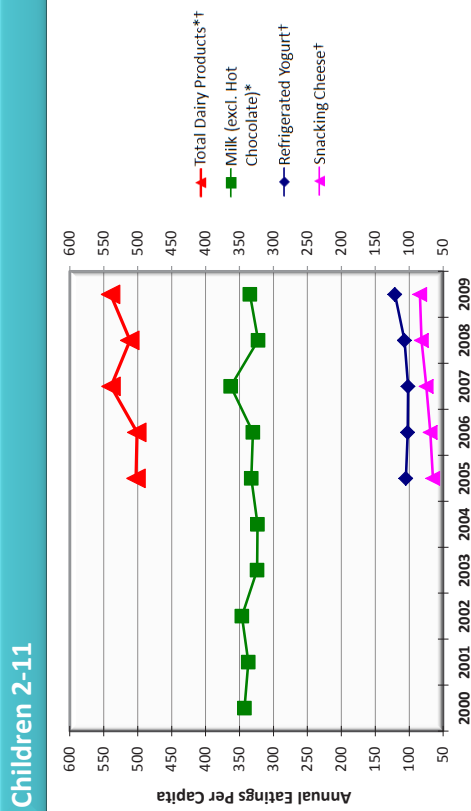
## **3. Breakfast Cereal**

In 2009, 17% of the child-directed food marketing (\$173 million) and 10% of the teen-directed food marketing (\$103.5 million) was spent on breakfast cereal. *See* Figure II.4. Notably, breakfast cereal marketing directed to children dropped 29% from 2006 to 2009, whereas teen-directed cereal marketing increased by 37%. Although child-directed marketing expenditures dropped in the three-year period, children ate slightly more breakfast cereal in 2009 than in 2006. Interestingly, between 2000 and 2009, children's consumption of pre-sweetened breakfast cereals remained relatively flat, but non-pre-sweetened cereal consumption rebounded from a low in 2004. Advertising for cereals with 6 g or less of sugar remained at 6% of all child-directed cereal marketing from 2006 to 2009.<sup>228</sup> Since 2000, teens have steadily reduced their consumption of breakfast cereal, although their consumption levels remained relatively flat between 2006 and 2009, the period when companies increased marketing expenditures directed to them. *See* Figure V.4.

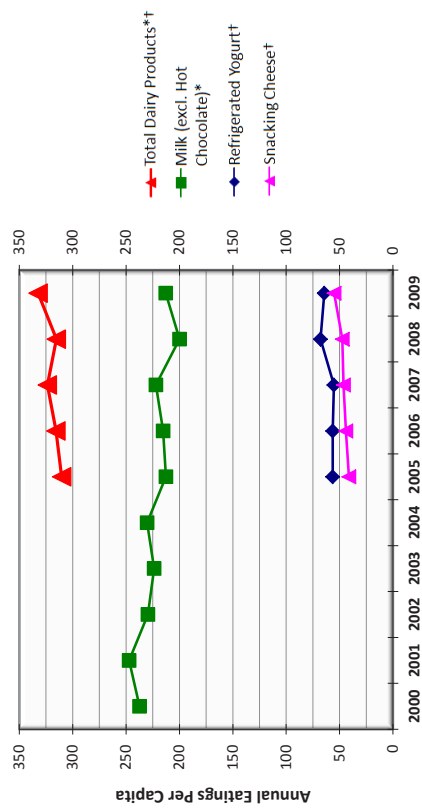
## **4. Beverages**

The companies' child- and teen-directed marketing expenditures for juice and non-carbonated beverages dropped significantly in 2009, relative to 2006 (down 42% for children and 17% for teens). *See* Figure II.4. These drops, however, do not clearly correlate with consumption shifts. Children showed a very slight decline in overall consumption in this category while teens showed an increase in overall consumption between 2000 and 2009. *See* Figure V.5. By comparison, although the companies reduced their youth-directed marketing expenditures for carbon-

Figure V.3: Trend in Dairy Products Consumption (2000-2009)



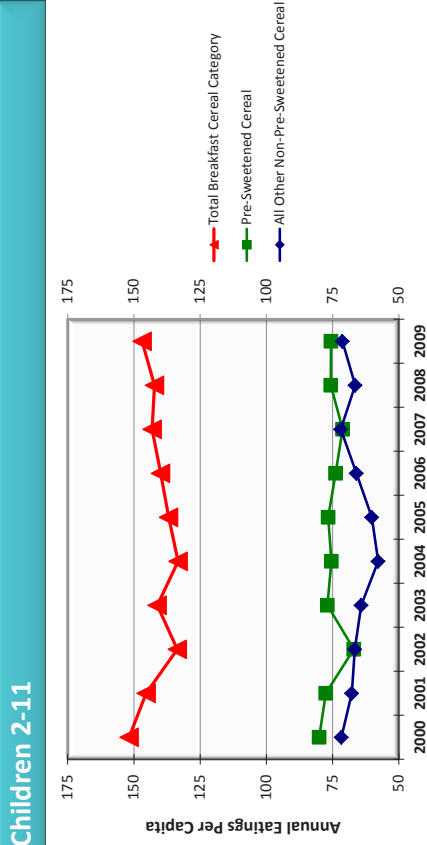
**Teens 12-17**



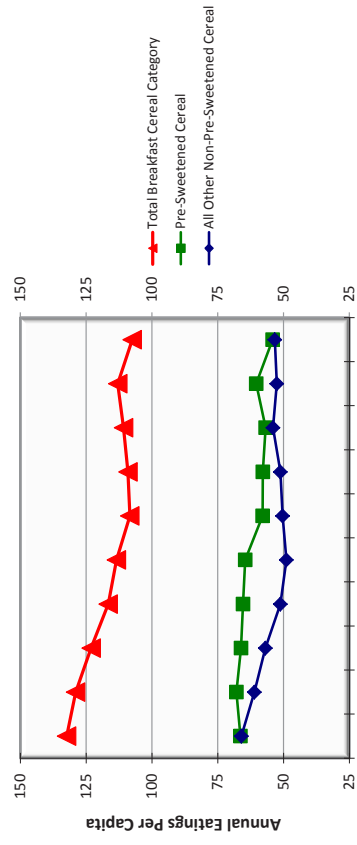
\*Source: The NPD Group/NET.

†Source: The NPD Group/SnackTrack.

Figure V.4: Trend in Breakfast Cereal Consumption (2000-2009)



**Teens 12-17**



Source: The NPD Group/NET

Figure V.5: Trend in Fruit Juice & Non-Carbonated Beverage Consumption (2000-2009)

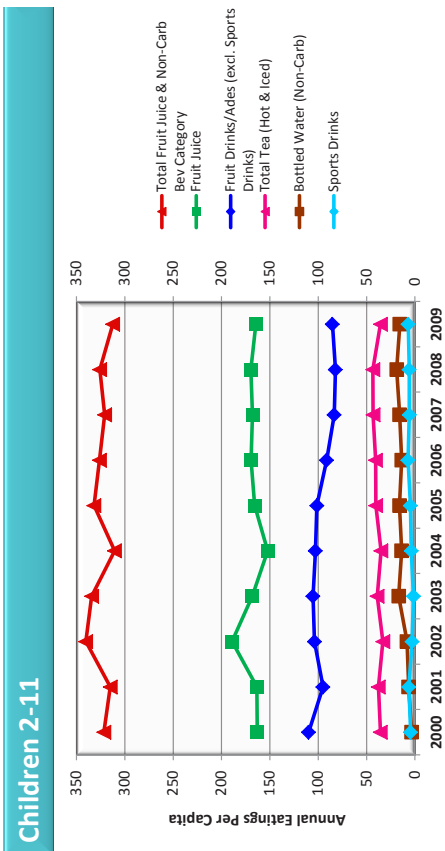
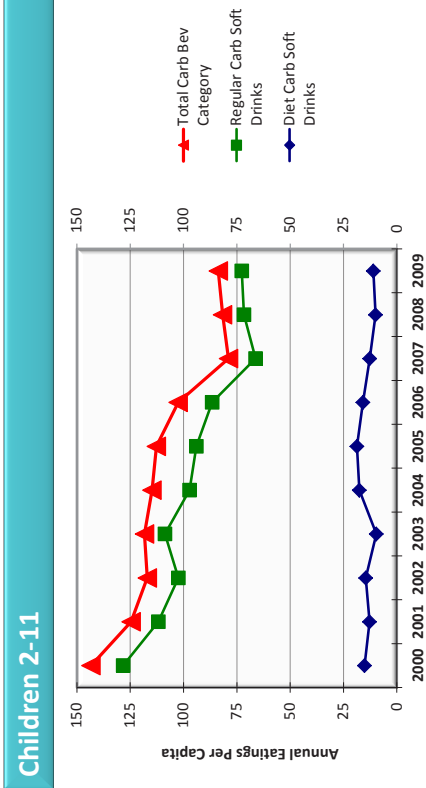
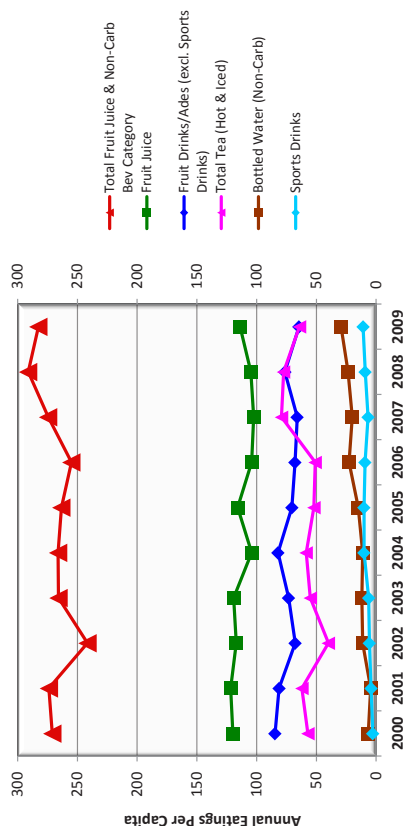


Figure V.6: Trend in Carbonated Beverage Consumption (2000-2009)

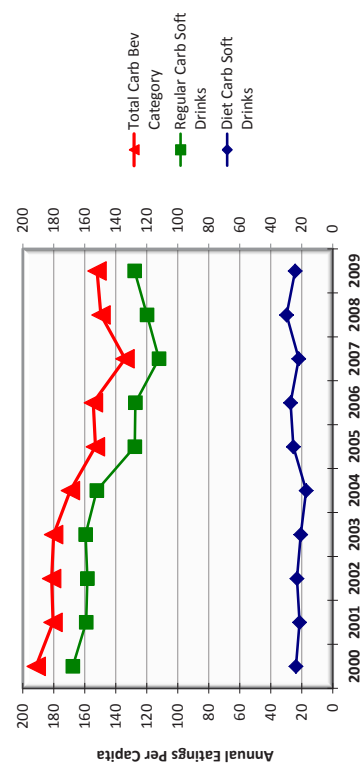


Teens 12-17



Source: The NPD Group/NET

Teens 12-17

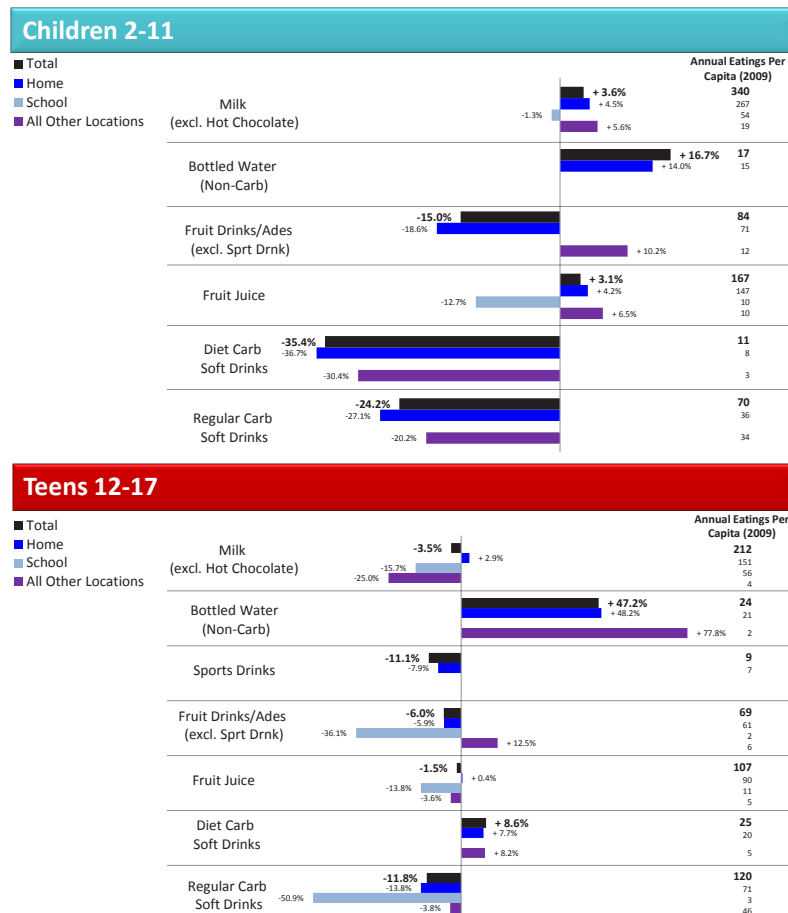


Source: The NPD Group/NET

ated beverages between 2006 and 2009, there was a slight uptick in youth consumption over the same period. *See* Figure II.4. Trend data over ten years, however, reveal that children and teens have sharply reduced their intake of carbonated beverages, particularly regular (non-diet) soft drinks. *See* Figure V.6.

As noted in Section IV, the nutritional profile of youth-directed drink marketing in the school setting improved substantially from 2006 to 2009, with large drops in calories per serving and sugar content. The companies reduced their in-school marketing of the most caloric and sugary drinks and increased their marketing of the least caloric beverages. Large percentage declines in consumption of these drinks in schools are shown in Figure V.7. Currently, children and teens consume most of these drinks outside of the school setting. *See* Figure V.7.

**Figure V.7: Change in Beverage Consumption from 2006 to 2009, by Location**



Source: Reported figures are annualized averages based on 3 years of The NPD Group/NET data ending 11/09. For some beverage categories, the sample size for school eating occasions was too small to reliably track consumption changes. At-school eating occasions, however, are included in the All Locations numbers for all beverage categories.

## 5. Restaurant Foods

Compared to 2006, restaurants spent less overall to reach children (-9%) and more to reach teens (+24%). See Figure II.4. Television expenditures, however, increased substantially for both child- (+59.3%) and teen-directed (+21.5%) marketing. See Figure II.9. As discussed in Section IV, in 2009, CFBAI restaurants advertised foods with fewer calories and less sodium, sugar, and saturated fat on child-directed television. With respect to children's meals, the QSR foods category as a whole increased expenditures on child-directed television advertising in 2009, and the average nutritional profile of these meals also improved.

These changes may be reflected in corresponding consumption shifts. According to NHANES survey data, children and teens who reported eating at QSRs steadily reduced their average daily intake of QSR-derived calories, total fat, sugar, and sodium between the 2003/2004 and 2009/2010 surveys. See Tables V.2. & V.3. The same phenomenon held for overweight and obese youth. See Table V.4.

**Table V.2: Average Daily Intake of Calories and Select Nutrients from QSRs by Children 2-11 Who Ate at QSRs**

	2003/2004		2005/2006		2007/2008		2009/2010		2003/2004 to 2009/2010
	QSR Intake	Proportion of Total Intake from QSRs	QSR Intake	Proportion of Total Intake from QSRs	QSR Intake	Proportion of Total Intake from QSRs	QSR Intake	Proportion of Total Intake from QSRs	
Total Energy (kcal)	688	32%	557	30%	573	31%	532	30%	-22.7%
Total Fat (g)	32	40%	25	36%	26	37%	24	36%	-25.3%
Sugar (g)	25	18%	25	20%	25	20%	21	18%	-16.3%
Sodium (mg)	1,165	38%	924	34%	929	35%	958	34%	-17.7%
Calcium (mg)	234	26%	207	23%	244	25%	203	21%	-13.1%
Fiber (g)	3.9	33%	3.2	29%	3.4	31%	3.4	30%	-13.2%

Source: NHANES. Statistics computed from children who reported eating some QSR food.

**Table V.3: Average Daily Intake of Calories and Select Nutrients from QSRs by Teens 12-17 Who Ate at QSRs**

	2003/2004		2005/2006		2007/2008		2009/2010		2003/2004 to 2009/2010
	QSR Intake	Proportion of Total Intake from QSRs	QSR Intake	Proportion of Total Intake from QSRs	QSR Intake	Proportion of Total Intake from QSRs	QSR Intake	Proportion of Total Intake from QSRs	
Total Energy (kcal)	950	41%	1,015	39%	943	41%	816	38%	-14.1%
Total Fat (g)	42	47%	46	45%	41	48%	36	45%	-13.0%
Sugar (g)	38	25%	37	24%	39	27%	28	21%	-25.0%
Sodium (mg)	1,661	46%	1,809	44%	1,744	47%	1,522	43%	-8.4%
Calcium (mg)	363	37%	384	34%	379	38%	325	32%	-10.3%
Fiber (g)	5.0	42%	5.5	39%	5.1	41%	4.7	36%	-5.2%

Source: NHANES. Statistics computed from teens who reported eating some QSR food.

**Table V.4: Average Daily Intake of Calories and Select Nutrients from QSRs by Overweight or Obese Youth 2-17 Who Ate at QSRs**

	2003/2004		2005/2006		2007/2008		2009/2010		2003/2004 to 2009/2010
	QSR Intake	Proportion of Total Intake from QSRs	QSR Intake	Proportion of Total Intake from QSRs	QSR Intake	Proportion of Total Intake from QSRs	QSR Intake	Proportion of Total Intake from QSRs	
Total Energy (kcal)	832	38%	750	36%	789	39%	747	36%	-10.2%
Total Fat (g)	38	44%	32	41%	36	47%	34	42%	-10.7%
Sugar (g)	31	22%	35	26%	32	24%	27	21%	-13.4%
Sodium (mg)	1,436	43%	1,290	39%	1,328	42%	1,368	42%	-4.7%
Calcium (mg)	287	31%	252	27%	323	33%	287	30%	-0.1%
Fiber (g)	4.3	38%	4.1	34%	4.3	37%	4.3	35%	-0.6%

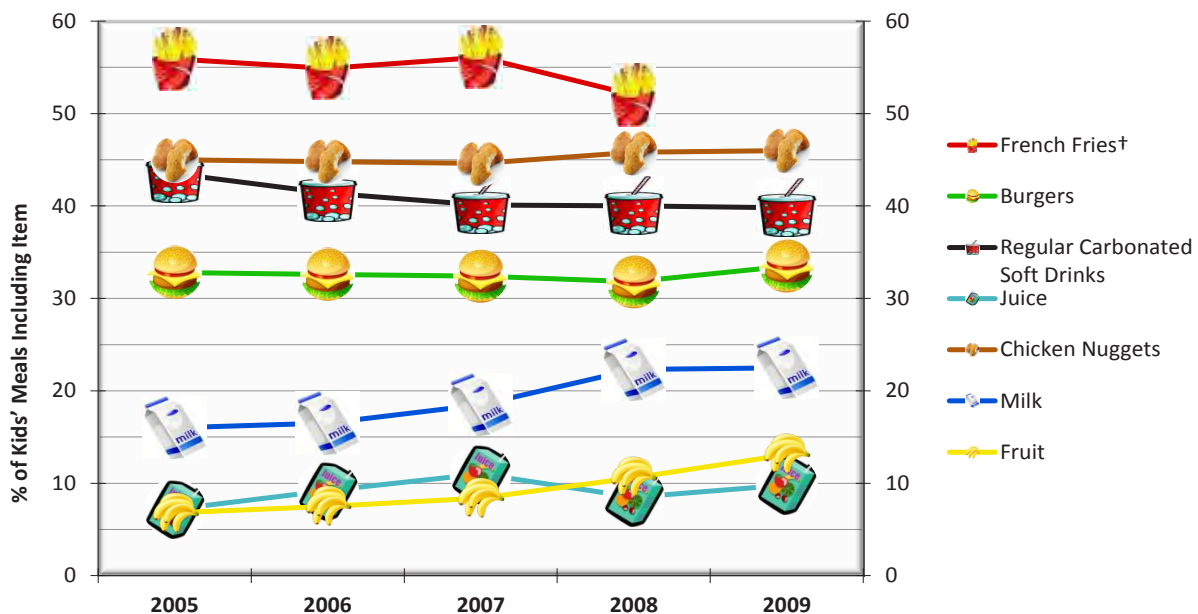
Source: NHANES. Statistics computed from youth who reported eating some QSR food.

Relatedly, NPD data show that in recent years, kids' meals with toys purchased for children have included fewer French fries and regular carbonated soft drinks and more milk, fruit, and fruit juice. See Figure V.8. This increased milk consumption, however, did not translate into overall increases in daily calcium consumption by youths who dined at QSRs. See Tables V.1-V.3.

QSRs spent more to promote regular meals and main dishes to children in 2009, but, unlike children's meals, the average nutritional profile of the regular menu items marketed to children declined compared to 2006. Although the teen-directed promotion of regular meals and

**Figure V.8: Percent of QSR Kids' Meals with Toys that Included Select Food Items (2005-2009)**

### Children Under 13



Source: The NPD Group/CREST

†2009 data for French Fries is not shown because of a change in survey methodology after 2008.

main dishes also increased from 2006 to 2009, the average nutritional profile of these products improved moderately. The consumption data for meals purchased off a value-type “dollar” or “99-cent” menu do not clearly correlate with these expenditure shifts. Both children and teens reduced their consumption of French fries and chicken nuggets, while there were no significant changes for burgers, regular carbonated soft drinks, milk, fruit juice, or fruit. *See Figure V.9.*

## **6. Consumption Differences by BMI Level**

NPD’s SnackTrack and NET survey data<sup>229</sup> revealed that, for most food and beverage categories, the average number of eating occasions per year did not vary substantially by youth BMI class. At-risk<sup>230</sup> and overweight<sup>231</sup> children and teens consumed fruits, vegetables, pre-sweetened breakfast cereals, chips, chocolate, ice cream, cookies, yogurt, milk, fruit juice, fruit drinks, and regular carbonated soft drinks with the same frequency as optimal weight children and teens. There were a few exceptions. Overweight children 2-11 drank hot and iced tea more frequently than optimal weight children. Both overweight and at-risk children ate gelatin cups and drank diet soda more frequently than optimal weight children. At-risk children drank more bottled water than optimal weight children. Overweight teens 12-17 drank diet soda and ate snack pies, snack cakes, macaroni and cheese, and frozen dinners more frequently than optimal weight teens. At-risk teens ate more pudding cups, brownies, and candy than optimal weight teens.

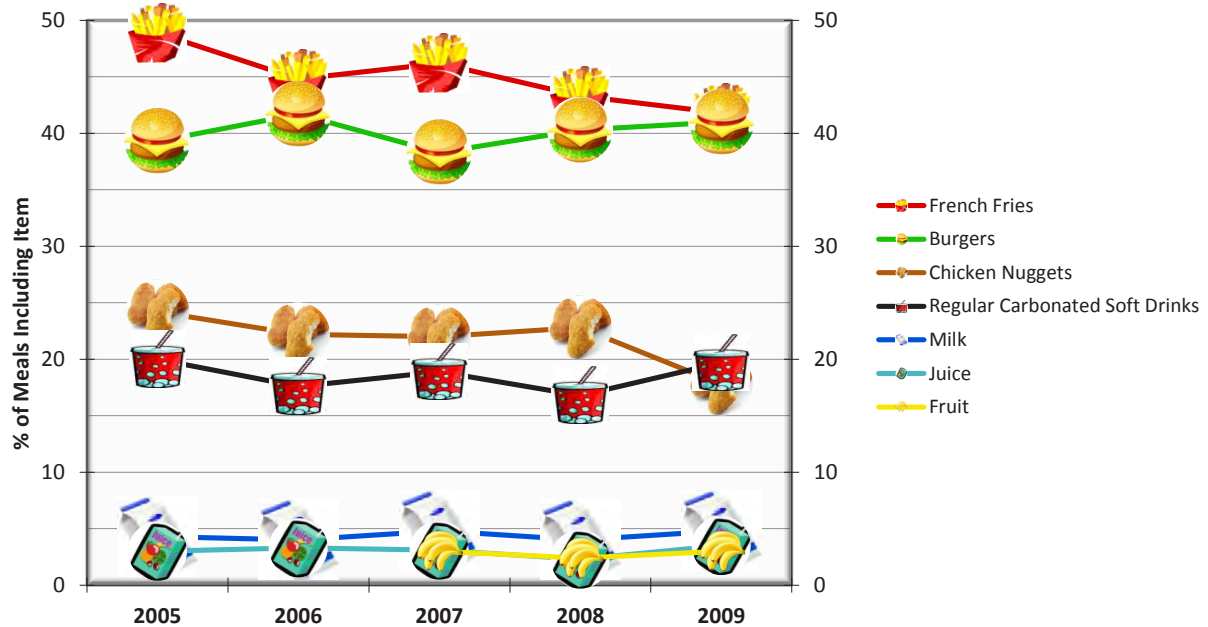
Because the Commission purchased consumption data for only 53 food and beverage categories,<sup>232</sup> there likely are other categories in which children and teens of different BMI groups may vary in the number of annual eating occasions. It is unclear, however, whether these differences in eating occasion frequency are solely or primarily responsible for differences in BMI levels. It is possible that at-risk and overweight children and teens consume greater quantities of certain foods and beverages per eating occasion, a phenomenon that the frequency data do not show.

Although NPD does not systematically report information on the quantity consumed per eating occasion, it was able to tease out such data for a few of the 53 food categories examined. For example, NPD found that overweight children ate nearly an entire chocolate bar per eating occasion compared to the half bar consumed by optimal and at-risk children. Over the course of a year, those differences translated into the overweight children eating 29 chocolate bars versus the 14 consumed by optimal weight children. NPD also found that at-risk and overweight children ate one-third ounce more of regular chips per eating occasion than optimal weight children, amounting to an extra 64 ounces, or about 4 pounds, of regular chips over a year. With respect to foods labeled as “better for you,” NPD found that at-risk children ate about 1 ounce more per eating occasion of better for you chips compared to optimal weight children, amounting to an extra 1.4 pounds of chips over the year. And, although not as frequent a behavior as chip-eating,

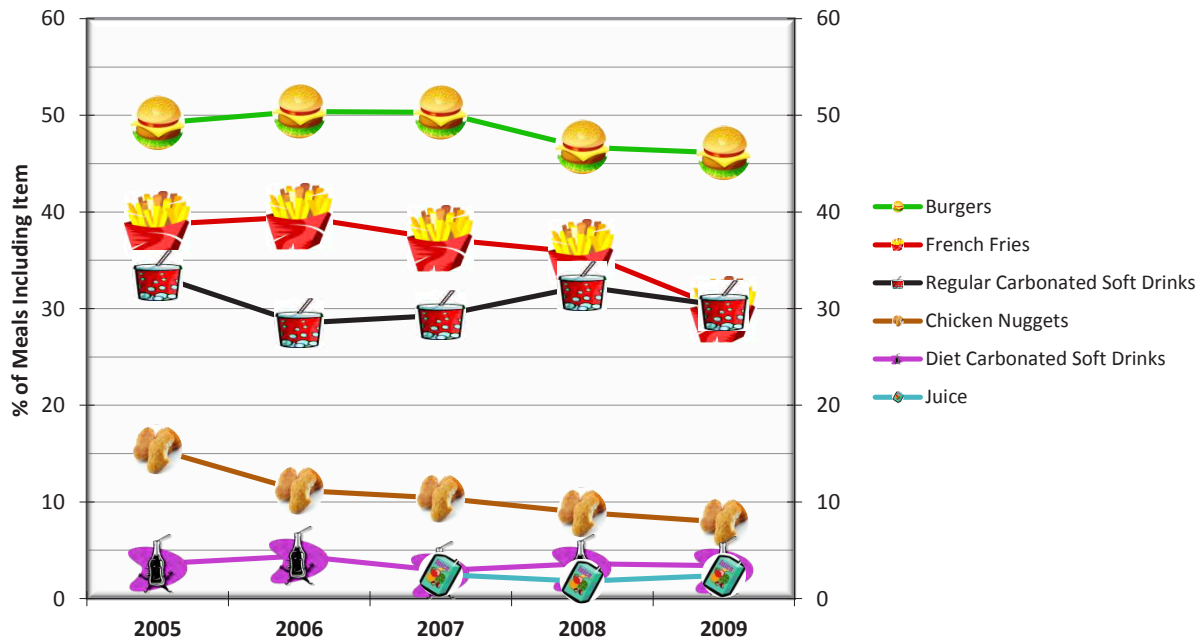


Figure V.9: Percent of Meals Purchased off QSR Dollar or 99-Cent Menu that Included Select Food Items (2005-2009)

### Children Under 13



### Teens 13-17



Source: The NPD Group/CREST

at-risk children and overweight teens consumed substantially more 100-calorie packs of various snack foods and more often ate two or more packs at a sitting, compared to optimal weight children and teens. Last, at-risk and overweight children ate about 11 ounces more of better for you gelatin per eating occasion than optimal weight children.

## **VI. Conclusion**

The developments reported in Section V are commendable. Nonetheless, the Commission believes that the food industry can – and should – make further progress in using its marketing ingenuity and product portfolio to address childhood obesity.

Although most of the major food and beverage companies that advertise to children have joined the CFBAI, a number have not, including some QSRs, candy companies, and baked goods companies. Some of these companies have their own policies on marketing to children,<sup>233</sup> but others do not. The Commission encourages all of these companies to join the CFBAI or to implement or strengthen their own policies to ensure that the products they advertise to children promote a healthy diet.

Finally, consumption data suggest that, compared to a decade earlier, children and teens have increased the number of eating occasions involving certain healthier foods (*e.g.*, milk and fruits), increased their daily total intake of nutrients such as calcium, reduced their eating occasions of less nutritious foods (*e.g.*, regular carbonated soft drinks and French fries), and reduced their daily total intake of sodium and sugar. Thus, industry self-regulation should continue its focus on improving the nutritional profile of the food marketed to children.

## Endnotes

1. Cynthia Ogden & Margaret Carroll, *Prevalence of Obesity Among Children and Adolescents: United States, Trends 1963-1965 Through 2007-2008* (CDC 2010), available at [http://www.cdc.gov/nchs/data/hestat/obesity\\_child\\_07\\_08/obesity\\_child\\_07\\_08.htm](http://www.cdc.gov/nchs/data/hestat/obesity_child_07_08/obesity_child_07_08.htm).
2. Cynthia Ogden *et al.*, *Prevalence of High Body Mass Index in U.S. Children and Adolescents, 2007-2008*, 303 J. Am. Med. Ass'n 242 (2010).
3. U.S. Department of Agriculture & Department of Health and Human Services, Report of the Dietary Guidelines Advisory Committee on the Dietary Guidelines for Americans (2010), B2-19, available at [www.dietaryguidelines.gov](http://www.dietaryguidelines.gov).
4. *Id.* at Part D, Section 2.
5. *Id.*
6. Federal Trade Commission, *Marketing Food to Children and Adolescents: A Review of Industry Expenditures, Activities, and Self-Regulation* (2008), available at <http://www.ftc.gov/os/2008/07/P064504foodmktgreport.pdf> (hereinafter 2008 Report).
7. The CFBAI reports that its 17 member companies account for about 75% of child-directed food and beverage advertising on television. Council of Better Business Bureaus, *The Children's Food & Beverage Advertising Initiative in Action: A Report on Compliance and Implementation During 2009* (2010) (hereinafter CFBAI 2010 Compliance Report). The Commission's Report is far more inclusive, presenting data from 48 food and beverage companies that cover marketing activities in all media.
8. Section 6(f) of the FTC Act, 15 U.S.C. § 46(f), constrains the FTC from publicly disclosing materials that contain or constitute trade secrets or privileged or confidential commercial or financial information. *See also* 16 C.F.R. § 4.10(2).
9. 2008 Report at ES-8.
10. Company objections to the Special Order are discussed further in Appendix A, Data and Research Methods.
11. In the 2008 report, the Commission reported that the 44 companies had spent more than \$1.6 billion to promote food and beverages to youths in the U.S., with \$870 million directed to children under 12, about \$1 billion directed to teens ages 12 to 17, and approximately \$300 million directed at both children and teens. 2008 Report at 7. At that time, some QSRs had advised the Commission that the toys they had distributed with kids' meals were "self-liquidating," meaning that the companies' premium costs had been entirely covered by the incremental revenue generated by the promotions. Consistent with the definitions in the Commission's Special Order, these QSRs did not report expenditures for nearly all of the toys they had distributed with kids' meals in 2006. To avoid differential accounting for the same QSR promotional activities, the Commission excluded *all* reported QSR premium expenditures from the final 2006 expenditure data in the 2008 report. Instead, using restaurant sales data from the NPD Group, the Commission estimated that the ten quick service and casual restaurant chains covered by the 2008 report had spent more than \$360 million on toys distributed with kids' meals, bringing total youth-directed marketing in 2006 to approximately \$2 billion. *Id.* at 20. For this report, the companies reported precise expenditure data on premiums for both 2006 and 2009, including for self-liquidating premiums. Accordingly, the revised 2006 and 2009 expenditure data in this report include all premium expenditures in the final expenditure numbers.
12. The U.S. economy was in recession from December 2007 through June 2009. *See* National Bureau of Economic Research, *Announcement of June 2009 Business Cycle Through End of Last Recession* (2010), available at <http://www.nber.org/cycles/sept2010.pdf>. Overall expenditures on measured media advertising declined significantly between 2006 and 2009, from about \$149 billion to \$125 billion. *Source: Advertising Age* DataCenter (based on data from Kantar Media). Food and beverage advertising, however, bucked the overall downward trend in measured media ad expenditures, rising from \$7.2 billion in 2006 to almost \$7.9 billion in 2009. *Id.* Accordingly, the Commission would not expect that the prevailing economic conditions in 2009 meaningfully or measurably restrained corporate budgets for marketing food to children and teens.

13. Dollars were adjusted for inflation using the GDP deflator, which represents the average price of all the goods and services produced in the economy.
14. As in the 2008 report, some of the companies' reportable expenditures were not for promotional activities directed exclusively to children (ages 2-11) or teens (ages 12-17). For example, some expenditures were targeted to a "tween" audience that included older children and younger teens (a group generally between the ages of 8 or 9 and 13 or 14). As a result, for each promotional activity category, companies were asked to state any amount that was duplicated in the reported child and teen expenditure amounts. In most cases, the total amount directed to "youth" (ages 2-17) is less than the sum of the child and teen totals because of overlap in the reported child and teen expenditures.
15. After subtracting out the five additional restaurant chains contacted for this report, the QSR foods category spent \$645 million.
16. The increase in child-directed spending for the dairy products category depicted in Figure II.4 is due to data from additional companies included in this report, but not in the 2008 report. When those data are excluded, child-directed expenditures for the category actually declined relative to 2006.
17. The 2008 report indicated that the Special Order had requested data on twenty promotional activity categories. Based on the 2006 data obtained, the Commission consolidated the "other Internet" and digital categories, as well as the word-of-mouth and viral categories. Both orders, however, encompass the identical promotional activities.
18. The increase in measured media spending for the dairy products category depicted in Figure II.7 is due to data from additional companies included in this report, but not in the 2008 report. When those data are excluded, child-directed measured media expenditures for the category actually declined relative to 2006.
19. The increase in in-school spending for the dairy products category depicted in Figure II.7 is due to data from additional companies included in this report, but not in the 2008 report. When those data are excluded, child-directed in-school expenditures for the category actually declined relative to 2006.
20. Excluding the six companies that were not included in the 2008 report, youth-directed expenditures on traditional measured media in 2009 amounted to \$643.7 million, or 35.4% of all child-directed expenditures.
21. Excluding the six companies that were not included in the 2008 report, child-directed TV expenditures in 2009 amounted to \$341.3 million, or 38% of all youth-directed expenditures.
22. A substantial portion of the dairy category's increase in child-directed TV expenditures was attributable to data from additional companies included in this report, but not in the 2008 report. When those data are excluded, child-directed TV expenditures for the category actually declined relative to 2006.
23. The companies reported about \$107 million in overlapping expenditures for child- and teen-directed television advertising. See Appendix C, Table C.1, *Reported Marketing Expenditures by Promotional Activity, Food Category, and Age Criteria, 2009*.
24. Part of the increase in teen-directed TV spending for the dairy products category depicted in Figure II.9 is due to data from additional companies included in this report, but not in the 2008 report. Even when those data are excluded, however, teen-directed expenditures for the category increased relative to 2006.
25. In several studies, the Rudd Center used gross rating points (GRPs) data licensed from The Nielsen Company to measure the number of food advertisements viewed by children and teens across all types of programming between 2004 and 2010. The studies found that child exposure to food and beverage ads decreased from 5,099 to 4,883 per year, while teen exposure increased from 4,829 to 5,919 per year. Rudd Center for Food Policy & Obesity, *Rudd Report: Trends in Television Food Advertising* 5-6, Tables 1, 2 (2010), available at [www.yaleruddcenter.org/resources/upload/docs/what/reports/RuddReport\\_TVFoodAdvertising\\_2.10.pdf](http://www.yaleruddcenter.org/resources/upload/docs/what/reports/RuddReport_TVFoodAdvertising_2.10.pdf); Rudd Center for Food Policy & Obesity, *Rudd Report: Trends in Television Food Advertising to Young People 2010 Update* 4, Tables 1, 2 (2011), available at [www.yaleruddcenter.org/resources/upload/docs/what/reports/RuddReport\\_TVFoodAdvertising\\_6.11.pdf](http://www.yaleruddcenter.org/resources/upload/docs/what/reports/RuddReport_TVFoodAdvertising_6.11.pdf).
26. Of the shows most viewed by children 2-11, the top five shows ranked according to percentage of children in the audience were: (1) *Yu-Gi-Oh* (40%) (2) *Teenage Mutant Ninja Turtles* (37%), (3) *Suite Life of Zack & Cody*

- (27%); (4) *Hannah Montana* (26%); and (5) *That's So Raven II* (25%). *Source*: The Nielsen Company (ranking of shows with ten or more telecasts airing between 9/22/08 through 9/20/09; the age demographic information was averaged for shows that aired two or more times per week).
27. Of the shows most viewed by teens 12-17, the top five shows ranked according to percentage of teens in the audience were: (1) *Vampire Diaries* (13%); (2) *Cleveland* (12%); (3) *American Dad* (11%); (4) *Family Guy* (11%); and (5) *WWE Friday Night Smackdown* (11%). *Source*: The Nielsen Company (ranking of shows with ten or more telecasts airing between 9/22/08 through 9/20/09; the age demographic information was averaged for shows that aired two or more times per week).
  28. Excluding the six companies that were not included in the 2008 report, child-directed radio and print expenditures in 2009 amounted to \$4.8 million.
  29. Excluding the six companies that were not included in the 2008 report, child-directed radio and print expenditures for dairy products amounted to \$897,000.
  30. Word-of-mouth marketing occurs when companies provide financial or product incentives to non-employees to encourage them to promote a food product or brand to other consumers.
  31. Company-sponsored digital promotional messages that consumers can interact with and pass along to others is considered viral marketing. This includes content developed for video, audio, or image file-sharing websites, company-sponsored blogs or social networking profiles, and other content posted on the Internet that is intended to be sent from one consumer to another, such as "send-to-a-friend" emails.
  32. Excluding the six companies that were not included in the 2008 report, youth-directed expenditures on new media in 2009 amounted to \$118.4 million, or 7% of all youth-directed expenditures.
  33. Excluding the six companies that were not included in the 2008 report, youth-directed expenditures on packaging and in-store marketing in 2009 amounted to \$102.5 million, or 6% of all youth-directed expenditures.
  34. Child-directed packaging and in-store expenditures, relative to total packaging and in-store expenditures, for the other categories were as follows: breakfast cereal (13%), dairy products (10%), baked goods (9%), snack foods (8%), candy/frozen desserts (4%), fruits and vegetables (4%), prepared foods and meals (4%), and juice and non-carbonated beverages (3%).
  35. Excluding the six companies that were not included in the 2008 report, youth-directed premiums in 2009 amounted to \$365.9 million, or 21.7% of all youth-directed expenditures.
  36. A portion of the dairy products category's increase in child-directed premium expenditures was attributable to one company, whose expenditures the 2008 report did not capture. When that company's data are excluded, child-directed premium expenditures for the category remained relatively flat.
  37. Excluding the five restaurant chains that were not included in the 2008 report, the QSR foods category accounted for \$314.7 million of the \$349.9 million in child-directed premiums.
  38. Excluding the six companies that were not included in the 2008 report, youth-directed expenditures on other traditional promotions in 2009 amounted to \$311.3 million, or 18.4% of all youth-directed expenditures.
  39. Excluding the six companies that were not included in the 2008 report, youth-directed expenditures on philanthropic marketing in 2009 amounted to \$1.5 million.
  40. Some of this drop may be attributable to the efforts of the Alliance for a Healthier Generation to improve the nutritional quality of foods and beverages sold in schools. *See infra* V.A.5.
  41. 2008 Report at 24 (noting that in-school sales of QSR foods tend to be conducted by QSR franchisees at the local or regional level, from whom the Commission did not seek data).
  42. Excluding the six companies that were not included in the 2008 report, youth-directed expenditures on cross-promotions in 2009 amounted to \$577.7 million, or 34% of all youth-directed expenditures.
  43. Excluding the six companies that were not included in the 2008 report, youth-directed expenditures on marketing that uses celebrities amounted to \$84.4 million in 2009, or 5% of all youth-directed expenditures.



44. Excluding the six companies that were not included in the 2008 report, child-directed celebrity marketing for dairy products amounted to \$2.4 million in 2009.
45. For advertisements featuring multiple brands, the Commission asked companies to report nutrition data for the top-selling product shown in the advertisement. Nutrition data were not collected for promotions that featured a corporate brand, but not a food product. See Appendix A for more information.
46. The reference amount customarily consumed per eating occasion (RACC) is an FDA-established serving size, used for purposes of nutrition labeling and based on data from national food consumption surveys. See 21 C.F.R. § 101.12.
47. The companies were directed to use FDA rounding rules to report nutrient content. When reporting ingredient content (e.g., whole grain content or egg content), the companies were instructed to report the exact amount, if known. Companies were told to report any ingredient amount less than one gram as zero.
48. The Commission requested information on each food product's content of: grains; whole grains; fruit or fruit juice; vegetable or vegetable juice; fat-free or low-fat milk, yogurt, or cheese; fish; extra lean meat or poultry; egg or egg equivalent; nuts and seeds; and cooked dry beans. Companies were also asked whether the reported products were 100% fruit or fruit juice, vegetable or vegetable juice, non-fat or low-fat milk or yogurt, whole grains, or water.
49. For example, some companies indicated that they could not easily calculate added sugar content for products that include components purchased from third-party suppliers. Determining the amount of added sugar, as opposed to total sugar, the companies claimed, would only be possible by "reverse engineering" the finished product. Other companies objected to the Commission's collection of added sugar data, stating that all sugars, whether naturally occurring or added, are processed by the body in the same way.
50. The Commission's tables note any instances where less than 100% of nutrition data were available from the companies.
51. The Commission reviewed the product's nutrition data for 2006 and 2009 to determine whether the product was reformulated between those two years.
52. U.S. Department of Agriculture & Department of Health and Human Services, *Dietary Guidelines for Americans*, chs. 3-4 (2010) (hereinafter 2010 DGA).
53. For children, these include QSR foods, cereals, and snacks; for teens, the top three categories were carbonated beverages, QSR foods, and cereals.
54. It was not possible to analyze whether the nutritional profile of carbonated beverages promoted through character licensing and other cross-promotions differed in any significant way from beverages marketed by other means. Although there was more spending on character licensing and cross-promotions in the carbonated beverage category than in most other food categories, much of that spending took the form of corporate branded cross-promotions with theme parks, and could not be allocated to specific beverage products.
55. For the children's meal television expenditures for which the Commission received nutrition data in 2009, 91% involved the use of a licensed character, and those promotions represented 94% of all child-directed QSR food television advertising that featured a licensed character.
56. These general trends, however, are not necessarily consistent when nutrition data are examined by individual food category. For example, the data for breakfast cereals show that the average sugar content of products marketed to children is higher than that of products marketed to teens or to all ages.
57. See Appendix C, Table C.9b, *Average Nutritional Characteristics of All Foods, Except QSRs, All Marketing, By Product Type and Age, 2006 and 2009*.
58. Because nutritional content for the reformulated products is weighted based on the marketing expenditures for the products, it is possible for nutritional averages for reformulated products to worsen if products of lower nutritional value were advertised more heavily in 2009. For example, among the 33 products that were reformulated for whole grain content, average whole grain levels decreased from 11.0 to 8.8 g per serving because, within this limited set of products, advertising expenditures shifted to products with lower whole grain content. These reformulated products were, however, already significantly higher in whole grain content



- than other child-directed products, and marketing expenditures between 2006 and 2009 shifted to the products higher in whole grains, resulting in an overall improvement in whole grain content among advertised products.
59. U.S. Department of Agriculture, *Sodium Intake of the U.S. Population, Dietary Data Brief No. 8* (2011), available at [www.ars.usda.gov/ba/bhnrc/fsrq](http://www.ars.usda.gov/ba/bhnrc/fsrq).
  60. The 2010 DGA recommend three one-ounce-equivalent servings of whole grain per day, with an ounce-equivalent serving translating to 16 g of whole grain. The 2010 DGA also recommend that at least 51% of grains consumed be whole grains, rather than refined grains. See 2010 DGA at ch. 4.
  61. The differences in sugar, sodium, and whole grain content depicted in these charts reflect a number of factors, including an overall reduction in spending on cereal marketing to children, which dropped by 29% from \$229 million in 2006 to \$173 million in 2009, as well as reformulation of cereals, the introduction of new cereals to children's marketing, and the discontinuance of others.
  62. This shift away from the most sugary cereals appears to be due in large part to the fact that 13 cereals with sugar content above 13 g were no longer advertised to children in 2009. The newly marketed cereals that replaced these products averaged 11 g of sugar per serving. In addition, reformulation contributed to the lower sugar content, with 8 cereals reformulated to reduce sugar content by 3 g or more per serving.
  63. The CFBAI's 2014 uniform nutrition criteria, scheduled to go into effect December 31, 2013, will require cereals with 150 calories per serving or less to contain no more than 10 g of sugar per serving. See Council of Better Business Bureaus, *The Children's Food & Beverage Advertising Initiative in Action: A Report on Compliance and Implementation During 2010*, App. B (2011) (hereinafter CFBAI 2011 Compliance Report). Nearly all cereal marketing to children falls in this lower calorie category. For higher calorie cereals (150-250 kcal/serving), the sugar limit will be 12 g. As of 2009, 38% of children's cereal marketing met the 2014 CFBAI criteria for sugar.
  64. 7 C.F.R. § 246.10, Table 4 (Minimum Requirements and Specifications for Supplemental Foods).
  65. As with children, marketing of the most sugary cereals (those with 13 g of sugar or more per serving) to teens fell substantially from the 2006 level of \$17.9 million (25% of teen cereal marketing) to \$2.3 million in 2009 (2% of teen cereal marketing). In both 2006 and 2009, cereals containing 11 to 12 g of sugar per serving were the most heavily marketed to teens, with \$36 million spent in 2006 and \$52.6 million in 2009. For both years, this sugar category represented 51% of total teen cereal marketing. The largest increase in spending for teens was on cereals with between 7 and 10 g of sugar per serving, which increased from \$8.5 million (12% of spending) in 2006 to \$36.6 million (36%) in 2009. Teen marketing of cereals meeting the WIC sugar standard of 6 g or less was \$8.8 million (12% of spending) in 2006 and \$11.8 million (11%) in 2009.
  66. Under FDA nutrient content labeling regulations, a sodium level of 480 mg or more per reference amount (RACC) disqualifies a food for a "healthy" claim. For foods with small serving sizes, like most children's cereals, the disqualifying level applies per 50 g. Most cereals marketed to children have a small serving (approx. 30 g), and therefore the sodium limit for a "healthy" claim would be about 290 mg. 21 C.F.R. § 101.65(d)(2). The FDA standard for a "low sodium" claim is 140 mg sodium, or 84 mg sodium for cereals with the 30 g serving size. 21 C.F.R. § 101.61.
  67. CFBAI members set the uniform sodium standard for 2014 at 290 mg or less for cereals with no more than 150 calories per serving, and 360 mg for cereals with 150 to 200 calories.
  68. There was little teen-directed spending on cereal marketing at the low and high ends of the sodium spectrum in either 2006 or 2009. In 2006, 2% of teen cereal marketing was for "low sodium" cereal and 5% was for cereals exceeding the disqualifying level for a "healthy" claim. In 2009, 3% of teen cereal marketing was for "low sodium" cereal and 5% was for cereals above the disqualifying level for "healthy." The most significant change from 2006 to 2009 was the increase in teen marketing for cereals exceeding 220 mg of sodium per serving, which increased from \$6 million in 2006 (8% of teen marketing) to \$14.3 million in 2009 (14% of teen marketing).
  69. The gap in whole grain content was even larger for teen marketing in 2009, with cereal marketing through cross-promotion averaging 3.2 g of whole grain per serving, compared to 10.5 g of whole grain per serving for cereal marketing without cross-promotion.

70. These two categories were reported separately in the expenditures section.
71. See Appendix C, Table C.11b, *Average Nutritional Characteristics of Drinks, All Marketing, By Product Type and Age, 2006 and 2009*.
72. All nutrition data in the drinks category are based on the serving size reported by the company for each product. Serving sizes vary from product to product.
73. Some of these changes are the result of reformulation. For example, in drink marketing to children, 14 drinks were reformulated, reducing calories and sodium by 21% and sugar by 17% from 2006 to 2009. In addition, products no longer advertised to children and no longer on the market in 2009 were higher in calories, sodium, and sugar than the new and newly advertised products.
74. The high added sugar content of these products is consistent with the 2010 DGA finding that the major sources of added sugars in the diets of Americans ages 2 years and older are soda, energy drinks, and sports drinks. These products provided 35.7% of the added sugars in American diets. See 2010 DGA at 29, Figure 3-6.
75. See 2010 DGA at 27-29 and Appendix 7. The 2010 DGA recommend limiting intake of solid fats and added sugars because they contribute a substantial portion of calories consumed by Americans, without contributing to overall nutritional needs. Specifically, the 2010 DGA recommends a limit on “discretionary calories” from solid fat and added sugar of no more than 258 calories in a 2,000-calorie diet. A child-marketed drink with 21 g of added sugar is the equivalent of 84 calories of added sugar (approximately 4 kcal/g), or one third of a day’s total discretionary calories.
76. Among products marketed to children in both 2006 and 2009, there was a \$2 million reduction in marketing of 100% juice products. In addition, more than half of the \$5.9 million in spending for drinks no longer advertised to children and 13% of the \$1.4 million in spending on products no longer on the market was for 100% juice products. Only \$93,000 in new marketing to children was for 100% juice products.
77. As noted in Section II.C.6, *supra*, 93% of the \$149 million spent in 2009 on youth-directed marketing in schools was for marketing of drinks – \$82 million for carbonated beverages and \$56 million for juice and non-carbonated beverages.
78. See Memorandum of Understanding Between the Alliance for a Healthier Generation and Partners (May 3, 2006), available at [www.ameribev.org](http://www.ameribev.org) and Alliance for a Healthier Generation School Beverage Guidelines, available at [www.healthiergeneration.org](http://www.healthiergeneration.org). The guidelines limit beverages sales in elementary and middle school to water, fat-free or low fat milk, and 100% juice. In high school, drinks with less than 66 calories per 8 oz, for example, diet soda and lower calorie sports drinks, may also be sold. The CFBAI pledges also include restrictions on marketing of certain beverages in elementary schools, but these restrictions do not apply to the sale or display of beverages in schools.
79. As a reference point, a typical 12-ounce cola contains between 140 and 150 calories and 38 to 40 g sugar.
80. FDA defines “low calorie” as 40 calories or less and calorie “free” as 5 calories or less per Reference Amount Customarily Consumed (RACC). 21 C.F.R. § 101.60(b).
81. Drinks with more than 100 calories fell as a percentage of teen drink marketing from 80% in 2006 to 65% in 2009. At the same time, teen marketing for drinks with 0-40 calories per serving increased from 10% in 2006 to 25% in 2009. In other words, 25% of 2009 teen drink marketing met the FDA’s “low calorie” or “no calorie” standards. The shift to lower sugar content of teen drink marketing closely tracked the shift in calories, with the highest sugar content drinks (22+ g per serving) falling from 81% of teen marketing in 2006 to 65% in 2009, and the lowest sugar content drinks (0-10 g per serving) increasing from 10% of teen marketing in 2006 to 25% in 2009.
82. FDA defines “low sodium” as 140 mg or less and “very low sodium” as 35 mg or less per RACC. 21 C.F.R. § 101.61.
83. The analysis is limited to the teen market, for which carbonated beverages was one of the top spending categories.
84. In 2006, average added sugar content of carbonated beverages marketed to teens in new media was 35.2 g per serving, compared to 30.2 g for traditional measured media.

85. In 2009, average added sugar content of carbonated beverages marketed to teens in new media was 30.8 g per serving, compared to 28 g for traditional measured media.
86. In 2006, average sodium content of carbonated beverages marketed to teens in new media was 55.6 mg per serving, compared to 79.6 mg for traditional measured media. In 2009, the difference narrowed to 56.6 mg for new media and 66.8 mg for traditional measured media.
87. See Appendix C, Table C.12b, *Average Nutritional Characteristics of Dairy Products, All Marketing, by Product, Type and Age, 2006 and 2009*.
88. Table III.9 excludes one marketer that reported only in 2006. However, this marketer's spending in 2006 was relatively low compared to other reporting companies and the nutritional profile of its dairy drinks was comparable to the rest of the sample, so the exclusion does not significantly change the analysis.
89. All of the dairy drink products fell within the range of 8 and 8.5 oz.
90. The daily value for potassium is 3,500 mg for a 2,000 calorie diet. See Food and Drug Administration, *Guidance for Industry: A Food Labeling Guide* at Appendix F, available at [www.fda.gov/FoodLabelingGuide](http://www.fda.gov/FoodLabelingGuide).
91. This slight increase in sodium is likely attributable to flavored milk products, which contain higher sodium levels than unflavored milk.
92. Data were only reported for a combined category of low-fat and fat-free dairy products with no specific breakout between these two fat levels. For children, 88% of 2006 expenditures and 93% of 2009 expenditures were for low-fat or fat-free dairy drinks. For teens, 99% of expenditures in both 2006 and 2009 were for low-fat or fat-free dairy drinks.
93. Figure III.7, like Table III.9, excludes data from one marketer that reported only in 2006. See *supra* note 88.
94. An 8-oz serving of fat-free milk contains 13 g naturally occurring sugar, and an 8-oz serving of low-fat milk contains 12 g naturally occurring sugar. See U.S. Department of Agriculture, *National Nutrient Database for Standard Reference*, <http://ndb/nal/usda/gov/> (last visited Nov. 7, 2012).
95. Under the CFBAI 2014 standards, the 24 g limit is increased to 25 g total sugars per 8-oz serving for non-fat milk.
96. A small part of this increase is attributable to the addition of a new reporting company for 2009. The absence of 2006 marketing data for this company, however, does not dramatically change the spending or nutrition analysis because the vast majority of that company's youth-directed yogurt products were not on the market, or were not marketed to youth, in 2006.
97. Table III.11 includes one company that reported only for 2009. Most of that company's 2009 products were not marketed to youth in 2006.
98. Almost all of the increase in children's marketing from 2006 to 2009 was for products with smaller serving sizes. Youth marketing expenditures for yogurt products with a serving size of 3 oz or less increased from \$10.1 million in 2006 to \$15.8 million in 2009, spending on products with a serving size of between 3 and 6 oz increased from \$11.8 million in 2006 to \$27.7 million in 2009, while spending on products with a serving size of 6 oz or greater remained relatively low and unchanged, with \$350,000 spent in 2006 and \$365,000 spent in 2009.
99. There was a small increase in Vitamin D content for children and a small decrease for teens. Both children and teen marketing also showed a small decrease in the amount of potassium.
100. See USDA National Nutrient Database for Standard Reference, *supra* note 94. This calculation is based on USDA data that one 8-ounce serving of fat-free or non-fat yogurt contains 18 g of naturally occurring sugar.
101. The CFBAI 2014 standard of no more than 23 g total sugar content is equivalent to 9.5 g of added sugar from fruit or sugar per 6-oz serving.
102. In 2006, 98% of all child-directed snack food advertising expenditures were by CFBAI members; in 2009, this increased to 99%.

103. The companies submitted nutrition data for 100% of youth-directed snack food advertising in both 2006 and 2009.
104. See Institute of Medicine, *Nutrition Standards for Foods in Schools: Leading the Way Toward Healthier Youth* (2007), available at [www.iom.edu/~media/Files/Report%20Files/2007/Nutrition-Standards-for-Foods-in-Schools-Leading-the-Way-toward-Healthier-Youth/FoodinSchools.ashx](http://www.iom.edu/~media/Files/Report%20Files/2007/Nutrition-Standards-for-Foods-in-Schools-Leading-the-Way-toward-Healthier-Youth/FoodinSchools.ashx); U. S. Department of Agriculture, *HealthierUS School Challenge Criteria* (2012), available at [http://dpi.wi.gov/fns/pdf/ta\\_03\\_2012a.pdf](http://dpi.wi.gov/fns/pdf/ta_03_2012a.pdf); Alliance for a Healthier Generation, *School Competitive Foods Guidelines*, available at [www.healthiergeneration.org/companies.aspx?id=2540](http://www.healthiergeneration.org/companies.aspx?id=2540).
105. The Commission did not obtain information on package size; however, 100% of all expenditures met a 200 calorie per serving limit; 84% met the saturated fat limit; and 54% met the sugar limit.
106. One hundred percent of all expenditures met a 200-calorie per serving limit, 89% met the saturated fat limit, and 51% met the sugar limit. By 2009, 95% also met the more stringent 150 calorie limit for elementary schools.
107. 21 C.F.R. § 101.60(b); 21 C.F.R. § 101.62(c); 21 C.F.R. § 101.61.
108. 21 C.F.R. § 101.65(d)(2).
109. The 2010 DGA recommend that at least 51% of grains consumed be whole grains, rather than refined grains. 2010 DGA, ch. 4.
110. A food may be labeled an “excellent source” of a nutrient if it contains at least 20% of the Reference Daily Intake or Daily Reference Value established for that nutrient per RACC. 21 C.F.R. § 101.54(b). For fiber the Daily Reference Value is 25 g. 21 C.F.R. § 101.9(c)(9).
111. A food may be labeled a “good source” of a nutrient if it contains between 10 and 19% of the Reference Daily Intake or Daily Reference Value established for that nutrient per RACC. 21 C.F.R. § 101.54(c).
112. This pattern is attributable to the reduction in marketing of low fat, but high sodium, products, such as soups, and the increase in spending on advertising of meals containing cheese. For the same reason, calcium levels in child-advertised prepared foods increased from an average of about 6% RDI per serving to nearly 14% RDI per serving.
113. Most of these products (63%) also exceed the CFBAI 2014 uniform nutrition criteria, which limit sodium levels for mixed dishes, main dishes and entrees, and small meals to no more than 600 mg of sodium per serving. See CFBAI 2011 Compliance Report at App. B.
114. For example, certain candy companies made the decision, as part of their CFBAI pledge, to stop advertising candy to children.
115. Table III.15 excludes data from one marketer that did not report in both years.
116. For the most part, the contributions of nutrients to increase were negligible in this product category.
117. The Commission asked all QSRs surveyed for the current study to report 2009 marketing expenditures by individual menu item or meal, and then collected nutrition data for every meal or menu item promoted in each promotional activity category.
118. The Commission obtained nutrition information for 91% of children’s television advertising expenditures for QSR foods in 2006, and 98% in 2009. For teen-directed television advertising, the Commission obtained nutrition information for 77% of fixed panel expenditures in 2006, and 96% in 2009.
119. Because there was very little marketing of “children’s meals” in teen-directed advertising (4% of fixed panel company spending in 2006 and less than 1% in 2009), the Commission did not compare “children’s meals” to other meals and main dishes in teen-directed marketing.
120. The fixed panel of QSR companies that reported youth-directed marketing information in both 2006 and 2009 includes: Burger King Holdings, Inc., CEC Entertainment, Inc. (Chuck E Cheese restaurants), McDonald’s Corporation, Wendy’s International Inc., and YUM! Brands (*i.e.*, KFC Corporation, Long John Silver’s, Inc., Pizza Hut, Inc., and Taco Bell Corp.). Companies added in the 2009 survey were: Doctor’s Associates, Inc. (Subway restaurants), Dunkin’ Brands, Inc., Sonic Corporation, and Arby’s Restaurant Group.

121. When these new QSRs are added, the Commission has 2009 nutrition data for 99% of child-directed television advertising and 97% of teen-directed television advertising.
122. Ten products were marketed to children in both years and 26 to teens.
123. Half of these 62 products were off the market by 2009 and the other half were no longer marketed to youth.
124. Forty-seven of these products were new to the market since 2006 and 38 were newly marketed to youth.
125. See Appendix C, Table C.17a, *Average Nutritional Characteristics of QSRs, TV Advertising, by Product Type and Age, 2006 and 2009*.
126. See *id.* This shift in the average nutritional profile, where the same set of products is involved, is due to a shift in marketing expenditures from the more nutritious products to the less nutritious products.
127. CFBAI-member television advertising expenditures increased by an inflation-adjusted 13% (from \$56.5 million to \$67.8 million), while non-member expenditures increased by 139% (from \$26.8 million to \$67.8 million).
128. Limiting the nutritional analysis to meals and main dishes (whether on the children's menu or the regular menu), results in the exclusion of 1% of total child-directed marketing expenditures in 2006 (8 products) and 3% in 2009 (7 products) and 33% of total teen-directed marketing expenditures in 2006 (22 products) and 23% in 2009 (31 products). Excluded products represent individual menu items, including beverages, desserts, and side dishes.
129. "Children's meals" may have higher sugar content due to the inclusion of milk, juice, or fruit with the meal.
130. FDA defines a "low calorie" meal or main dish as one that contains 120 calories or less per 100 g. 21 § 101.60(b)(3).
131. For regular menu meals and main dishes advertised to teens, only 2% of expenditures met the "low calorie" threshold in 2006, and 4% in 2009.
132. FDA defines a meal or main dish as having "low saturated fat" when it contains 1 g or less of saturated fatty acids per 100 g and less than 10% of calories from saturated fat. 21 C.F.R. § 101.62(c)(3).
133. For teens, about 4% of TV advertising for meals and main dishes met the FDA "low saturated fat" limit; in 2009, this had dropped to less than 1%.
134. FDA defines a meal or main dish as being "low sodium" when it contains 140 mg or less sodium per 100 g. 21 C.F.R. § 101.61(b)(5).
135. None of the meals and main dishes advertised to teens met the "low sodium" standard in either 2006 or 2009.
136. 21 C.F.R. § 101.65(d)(2).
137. For meals and main dishes advertised to teens, only 14% of TV spending met FDA's "healthy" limit (compared to 9% in 2006).
138. Compare Table III.17 to Appendix C, Table C.17a.
139. For the fixed panel, 89% of child-directed and 62% of teen-directed new media spending in 2009 was for children's meals. For all QSRs, 77% of child-directed and 41% of teen-directed new media spending was for children's meals.
140. In traditional measured media for all QSR companies, child-directed foods averaged 364 kcal, 729 mg of sodium, and 5 g saturated fat per serving, as compared to 334 kcal, 496 mg, and 3.3 g in new media. In contrast, sugar content of child-directed foods averaged 17.8 g in traditional measured media, and 26.2 g in new media.
141. In traditional measured media for all QSR companies, teen-directed foods averaged 476 kcal, 1082 mg of sodium, 7.7 g saturated fat, and 13.6 g sugar per serving. In comparison, averages for teen-directed foods promoted in new media were 324 kcal, 493 mg of sodium, 4.1 g saturated fat, and 23.4 g sugar per serving.
142. These expenditure totals represent the marketing for which the Commission received nutrition data and are slightly lower than the total marketing expenditure figures reported in Section II.



143. These products were marketed by CFBAI member companies; the Commission has not determined whether all of these products are qualifying products under the member companies' pledges.
144. The one exception is the QSR foods category. *See supra* Section III.B.7.
145. CFBAI data indicate that in 2009, 40% of cereals marketed by members contained 10 g of sugar or less per serving. As of 2011, that had increased to 84% of member cereals. *See* CFBAI Category-Specific Uniform Nutrition Criteria, at Appendix B, Figure B.3, *available at* [www.bbb.org/us/childrens-food-and-beverage-advertising-initiative/](http://www.bbb.org/us/childrens-food-and-beverage-advertising-initiative/).
146. The data for all marketing expenditures are generally comparable to that for television advertising.
147. A "wrapped" vehicle is covered with promotional images for a product.
148. The FTC Order did not require companies to report product placements in movies with ratings of PG or PG-13. It directed companies to rely on other criteria – including marketing plans, audience demographics, and thematic content – to determine which product placements were particularly directed to teens. With respect to determining product placements directed to children, the Order included movies with a G rating, in addition to reference to marketing plans, audience demographics, and thematic content. However, no product placements in G-rated movies were reported.
149. Advertising in conjunction with third-party video games is distinct from the use of "advergaming." Advergaming are interactive games on food company (or partner company) websites that incorporate food or beverage products into the game content. Those games are described in detail in the section of the report that describes Internet and digital advertising.
150. "Go/Slow/Whoa" is a system of categorizing foods for nutrition education purposes. "Go" foods are those that can be eaten almost anytime. "Slow" foods are those that should be consumed less often. "Whoa" foods are those that should be eaten only once in a while or on special occasions. The "Go/Slow/Whoa" chart is available at [www.nhlbi.nih.gov/health/public/heart/obesity/wecan/downloads/go-slow-whoa.pdf](http://www.nhlbi.nih.gov/health/public/heart/obesity/wecan/downloads/go-slow-whoa.pdf).
151. Some of the reporting companies stated that they did not conduct research on children under 12, consistent with their participation in the Children's Food and Beverage Advertising Initiative ("CFBAI"), pursuant to which they pledged not to direct certain advertising to children under age 12, although the CFBAI principles do not prohibit market research on children.
152. Information submitted by one company indicated that 30-second ads are more effective than 15-second spots. Similarly, other research showed that children prefer longer ads (30-seconds) over shorter ones (15-seconds), because the longer ads allow for plot development, communication of sufficient information about the product being advertised, and the factors that make an ad memorable, such as humor.
153. This company tested packaging redesign options specifically to determine what would appeal to teens. This research was driven by the company's participation in the CFBAI, which led it to redirect its advertising away from children under 12, and toward an older audience, including teens and young adults.
154. Other research showed that the effect of characters varies, depending on the age of the child viewing the ad. For example, if an advertisement uses a character that is identified with younger children, it could turn off older children who think the ad is not aimed at them.
155. 2008 Report at 55-56.
156. In February, 2010, First Lady Michelle Obama launched her *Let's Move!* initiative to combat childhood obesity. The campaign is built around four pillars: empowering parents and caregivers; providing healthy food in schools; improving access to healthy, affordable foods; and increasing physical activity. *See Let's Move! Initiative*, [www.letsmove.gov/](http://www.letsmove.gov/) (last visited Nov. 7, 2012). In connection with the launch of *Let's Move!*, President Obama established a White House Task Force on Childhood Obesity to develop a national action plan. In May 2010, the Task Force issued a Report to the President entitled "Solving the Problem of Childhood Obesity Within a Generation." White House Task Force on Childhood Obesity, *Solving the Problem of Childhood Obesity Within a Generation* (2010), *available at* [www.letsmove.gov/white-house-task-force-childhood-obesity-report-president](http://www.letsmove.gov/white-house-task-force-childhood-obesity-report-president). The report contained dozens of recommendations for actions to be taken by government, the private sector, state and local leaders, and parents. One section of the report focused on

- food marketing and contained recommendations for the food and beverage industry as well as media and entertainment companies. *Id.* at 28-33.
157. See Council of Better Business Bureaus, *Children's Food and Beverage Advertising Initiative*, [www.bbb.org/us/about-children-food-beverage-advertising-initiative/](http://www.bbb.org/us/about-children-food-beverage-advertising-initiative/) (last visited Nov. 7, 2012).
158. CFBAI 2010 Compliance Report at 3.
159. These criteria must be based on established scientific and/or government standards and be approved by the CFBAI. See *id.* at 30-31.
160. These companies include Burger King, Campbell Soup Company, ConAgra, Dannon General Mills, Kellogg, Kraft Foods, Nestle, PepsiCo, Post, and Unilever.
161. Cadbury Adams has been acquired by Kraft Foods and was covered by Kraft's pledge no later than January 1, 2012.
162. See CFBAI 2010 Compliance Report at 33-35 (App. B).
163. 2008 Report at 64-65.
164. Nestlé joined the Initiative in July 2008 and its Restated Pledge took effect in January 2010. See Press Release, Council of Better Business Bureaus, BBB Issues Progress Report on Children's Food and Beverage Advertising, Announces Nestle USA as New Participant: Major U.S. Food and Beverage Companies Comply with Pledges on Kids' Advertising (July 28, 2008), available at [www.bbb.org/us/article/bbb-issues-progress-report-on-childrens-food-and-beverage-advertising-initiative-announces-nestl%C3%A9-usa-as-new-participant-major-us-food-and-beverage-companies-comply-with-pledges-on-kids-advertising-6213](http://www.bbb.org/us/article/bbb-issues-progress-report-on-childrens-food-and-beverage-advertising-initiative-announces-nestl%C3%A9-usa-as-new-participant-major-us-food-and-beverage-companies-comply-with-pledges-on-kids-advertising-6213).
165. The Dannon Company joined the CFBAI in September 2008 and its Restated Pledge took effect in August 2010. See Press Release, Council of Better Business Bureaus, The BBB Announces the Dannon Company as Newest Member of the Children's Food and Beverage Advertising Initiative (Sept. 23, 2008), available at [www.bbb.org/us/article/bbb-announces-the-dannon-company-as-newest-member-of-the-childrens-food-and-beverage-advertising-initiative-6983](http://www.bbb.org/us/article/bbb-announces-the-dannon-company-as-newest-member-of-the-childrens-food-and-beverage-advertising-initiative-6983).
166. Post Foods joined the CFBAI effective October 2009, and its most recent pledge was effective as of January 1, 2011. See Press Release, Council of Better Business Bureaus, Post Foods Joins BBB Self-Regulation Initiative on Child-Directed Food Advertising (Oct. 1, 2009), available at [midcal.bbb.org/article/post-foods-joins-bbb-self-regulation-initiative-on-child-directed-food-advertising-12910](http://midcal.bbb.org/article/post-foods-joins-bbb-self-regulation-initiative-on-child-directed-food-advertising-12910).
167. Sara Lee Corp. joined the CFBAI in 2010 and its pledge was effective as of January 1, 2011. See Press Release, Council of Better Business Bureaus, Sara Lee Corporation Joins Industry Initiative to Promote Healthier Foods to Kids (Sept. 23, 2010), available at [www.bbb.org/us/article/sara-lee-corporation-joins-industry-initiative-to-promote-healthier-foods-to-kids-22370](http://www.bbb.org/us/article/sara-lee-corporation-joins-industry-initiative-to-promote-healthier-foods-to-kids-22370).
168. CFBAI 2010 Compliance Report at 4. In addition, "healthy lifestyle messaging" is no longer an option for companies to use to meet their pledge requirements; under the original Core Principles, participants needed to commit that only 50% of their child-directed advertising be for "better for you" products and/or healthy lifestyle messaging.
169. CFBAI 2010 Compliance Report at 4, 29-30.
170. CFBAI 2010 Compliance Report at 4, 30. This principle does not apply to the use of company-owned characters.
171. For example, several companies, including General Mills, have deactivated websites previously directed to children, or revised the sites to target adults. Burger King has extended its pledge by committing that its child-directed "in-restaurant" marketing, such as door decals and Kids Meal bags, will advertise only its "better for you" Kids Meals or individual side dishes. Unilever revised its Global Principles for Responsible Food and Beverage Marketing in December 2010. Among other things, the company extended its restrictions on advertising to children – including the use of cartoon characters and celebrities – to cover all forms of marketing communications, such as product packaging, labeling, and point-of-sale. This extension is being phased in over a three-year period and will be implemented for 60% of the company's products globally by the end of 2012, and 100% by the end of 2014. See Unilever, *Global*



- Principles for Responsible Food and Beverage Marketing* (2010), available at [www.unilever.com/images/sd\\_UnileverGlobalPrinciplesforFoodandBeverageMarketingDecember2010\\_tcm13-4898.pdf](http://www.unilever.com/images/sd_UnileverGlobalPrinciplesforFoodandBeverageMarketingDecember2010_tcm13-4898.pdf).
172. CFBAI 2010 Compliance Report at 15, 46.
  173. Burger King added a sodium limit to its existing limits on calories, fats, and added sugars, and also now requires that advertised Kids Meals provide a “good source” of at least two nutrients that children often do not get in sufficient amounts – e.g., calcium, fiber, potassium, magnesium, and Vitamin E. See CFBAI 2009 Compliance Report at 13; Press Release, Burger King Corp., Burger King Corp. to Limit Sodium in Advertised Kids Meals (Nov. 19, 2008), available at [www.bk.com/en/us/company-info/news-press/detail/burger-king-corp-to-limit-sodium-in-advertised-kids-meals-2125.html](http://www.bk.com/en/us/company-info/news-press/detail/burger-king-corp-to-limit-sodium-in-advertised-kids-meals-2125.html). The company also now provides fat-free, rather than 1% low-fat, milk with its Kids Meals. See CFBAI 2010 Compliance Report at 13, n.40. Post Foods has lowered its added sugar limit for cereals advertised to children from 12 g per serving to 11 g, and added nutrition criteria for cereal bar products. See Council of Better Business Bureaus, *Post Foods LLC Pledge*, (2011), available at [www.bbb.org/us/storage/0/Shared%20Documents/Post%20CFBAI%202011%20Pledge%20rev%20with%20Exhibits.pdf](http://www.bbb.org/us/storage/0/Shared%20Documents/Post%20CFBAI%202011%20Pledge%20rev%20with%20Exhibits.pdf). Campbell’s lowered its sodium limits in late 2008 such that most soups now advertised to children meet the Food and Drug Administration’s criteria for “healthy,” with no more than 480 mg per serving. Press Release, Council of Better Business Bureaus, *Campbell Soup Company Strengthens Pledge Under the Children’s Food and Beverage Advertising Initiative* (Oct. 22, 2008), available at [www.bbb.org/us/article/campbell-soup-company-strengthens-pledge-under-the-childrens-food-and-beverage-advertising-initiative-7461](http://www.bbb.org/us/article/campbell-soup-company-strengthens-pledge-under-the-childrens-food-and-beverage-advertising-initiative-7461). Kraft Foods and PepsiCo adopted new nutrition criteria in the wake of the demise of the “Smart Choices” program (discussed in Section V.A.2.b), which had replaced Kraft’s “Sensible Solutions” and Pepsi’s “Smart Spot” nutrition standards. Most recently, McDonald’s announced that it will include apple slices and a smaller size French fries in every children’s meal, and a choice of beverage including fat-free chocolate milk, 1% low-fat white milk, or a soft drink. See Press Release, McDonald’s Corp., *McDonald’s Announces Commitments to Offer Improved Nutrition Choices* (July 26, 2011), available at [www.aboutmcdonalds.com/mcd/media\\_center/recent\\_news/corporate/commitments\\_to\\_offer\\_improved\\_nutrition\\_choices.html](http://www.aboutmcdonalds.com/mcd/media_center/recent_news/corporate/commitments_to_offer_improved_nutrition_choices.html).
  174. For example, General Mills has reduced the sugar content in many of the breakfast cereals it markets to children from 12 to 15 g per serving to 10 or 11 g per serving, and, in December 2009, the company announced it would reduce the sugar content of cereals it markets to children under 12 – including Cocoa Puffs, Trix, and Lucky Charms – to less than 10 g per serving in 2010. See Press Release, General Mills, *General Mills achieves further sugar reductions in cereals* (Dec. 9, 2010), available at [www.generalmills.com/Media/NewsReleases/Library/2010/December/BigG.aspx](http://www.generalmills.com/Media/NewsReleases/Library/2010/December/BigG.aspx). Similarly, the Kellogg Company has reformulated several of its children’s cereals – including Froot Loops and Corn Pops – to contain less sodium or sugar, and/or to contain 10% daily value of fiber and/or a half-serving of whole grains. Post Foods has lowered the sugar content in its popular Fruity and Cocoa Pebbles cereals from 11 g per serving to 9 g per serving. See Press Release, Post Foods, LLC, *Post Foods, LLC Working to Provide Even Better Breakfasts for Kids: Cereal Corporation Announces Nutritional Changes to Pebbles Brand* (Dec. 22, 2010), available at <http://multivu.prnewswire.com/mnr/pebbles/47803/>.
  175. Campbell’s Soup Company and ConAgra Foods have both reformulated a number of the products they market to children – including soups, pasta products, and snack crackers – in order to reduce sodium and/or fat levels. See CFBAI 2010 Compliance Report at 8; Associated Press, “Campbell Soup to change SpaghettiOs recipe: Food maker will cut sodium by 35% to make pasta healthier for kids” (Dec. 14, 2009), available at [www.msnbc.msn.com/id/34419619/ns/business-retail/t/campbell-soup-change-spaghettios-recipe/](http://www.msnbc.msn.com/id/34419619/ns/business-retail/t/campbell-soup-change-spaghettios-recipe/).
  176. McDonald’s and Burger King have both developed new children’s meal options. See Council of Better Business Bureaus, *The Children’s Food & Beverage Advertising Initiative in Action: A Report on Compliance and Implementation During 2008* (Oct. 2009) (hereinafter CFBAI 2009 Compliance Report) at 13 (noting new Grilled or Regular Snack Wraps with a fruit and low-fat yogurt parfait available from McDonald’s); CFBAI 2010 Compliance Report at 8 (noting new reduced-sodium Chicken Tenders meal with BK Fresh Apple Fries and fat-free milk available from Burger King).
  177. See CFBAI 2011 Compliance Report at App. B.
  178. At least one company has already begun advertising new products that meet the uniform criteria.

179. 2008 Report at 65-66.
180. *Id.* at 66-67.
181. *Id.*
182. Other companies developed portion-controlled packages – typically, “100-calorie packs” – for products such as snack crackers, cookies, snack cakes, and breakfast baked goods, but did not market them to children or teens.
183. *See generally* 2008 Report at 75-78.
184. *See id.* at 78.
185. “Fuel Up to Play 60” is a partnership between the National Dairy Council and the National Football League and part of the NFL PLAY 60 campaign to encourage children to get 60 minutes of physical activity each day. The program is targeted to elementary and middle schools (ages 9-13; grades 4-8) and operates in more than 66,000 schools. The USDA is also a partner in the program. *See* Fuel Up to Play 60, [www.fueluptoplay60.com](http://www.fueluptoplay60.com) (last visited Nov. 7, 2012).
186. *See supra* note 156.
187. *See* National Heart Lung and Blood Institute, We Can!, [www.nhlbi.nih.gov/health/public/heart/obesity/wecan/](http://www.nhlbi.nih.gov/health/public/heart/obesity/wecan/) (last visited Nov. 7, 2012).
188. *See* KaBOOM!, <http://kaboom.org/> (last visited Nov. 7, 2012).
189. *See*, Coalition for Healthy Children, [www.healthychildrencoalition.org](http://www.healthychildrencoalition.org) (last visited Nov. 7, 2012). The Coalition provides messages to children and parents about the importance of a healthy lifestyle.
190. *See* Press Release, United Fresh, United Fresh Launches ‘A Salad Bar in Every School’ (Feb.10, 2010) available at [www.unitedfresh.org/news/945/United\\_Fresh\\_Launches\\_Salad\\_Bar\\_in\\_Every\\_School\\_Campaign](http://www.unitedfresh.org/news/945/United_Fresh_Launches_Salad_Bar_in_Every_School_Campaign).
191. *See* YMCA, *Healthy Kids Day*, [www.ymca.net/healthy-kids-day/](http://www.ymca.net/healthy-kids-day/) (last visited Nov. 7, 2012).
192. *See* American Heart Association, *Jump Rope for Heart*, [www.heart.org/jump](http://www.heart.org/jump) (last visited Nov. 7, 2012).
193. A produce company also reported that it contributed to a healthy eating program that enabled schools in the district to buy fresh produce for its students.
194. *See also supra* Section IV.B.2.f for a more detailed discussion of sponsorships of athletic events and related marketing activities.
195. *E.g.*, 2008 Report at 24-26, 28-38.
196. *See* 2008 Report at 79. *See also* M. Lapierre, S. Vaala, D. Linebarger, *Influence of licensed spokescharacters and health cues on children’s ratings of cereal taste*, Archives of Ped. and Adol. Med., Vol. 165, at 229-234 (2011); C. Roberto, J. Baik, J. Harris, K. Brownell, *Influence of Licensed Characters on Children’s Taste and Snack Preferences*, Pediatrics, Vol. 126, at 88-93 (2010).
197. *See* 2008 Report at 78.
198. *See id.* at 78-79.
199. *See id.* at 79.
200. *See id.*
201. White House Task Force on Childhood Obesity, *Solving the Problem of Childhood Obesity Within a Generation* 32 (2010). *Supra* note 156.
202. The Walt Disney Company does have nutritional guidelines limiting the use of its brands and characters in food-related marketing activities. These guidelines were updated in June 2012. Disney has announced that all foods using Disney licensed characters, other than special occasion foods like birthday cakes, must meet the updated and more rigorous guidelines by 2015. *See* Press Release, Walt Disney Co., The Walt Disney Company Sets New Standards for Food Advertising to Kids (June 4, 2012), available at [www.waltdisneycompany.com](http://www.waltdisneycompany.com).

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203. To the extent that nutritional standards apply to the cross-promotional activity through a CFBAI member's pledge, they would only cover television, radio, print, and Internet advertising, and not, for example, product packaging, which accounts for a significant amount of cross-promotional activity.
204. Some of the media companies have undertaken efforts to promote healthy messages to children and youth. Nickelodeon, for example, has joined First Lady Michelle Obama's *Let's Move!* initiative by offering child- and family-directed public service announcements, as well as programming, that promote health and wellness.
205. See 2008 Report at 79. The Commission further recommended that the media and entertainment companies continue to incorporate health and nutrition messages into their programming and editorial content. *Id.*
206. See Press Release, *supra* note 202. Disney will apply the nutrition guidelines to programming on its Disney, Disney XD, and Disney Junior networks. See *id.*
207. The Alliance is a partnership of the American Heart Association and the William J. Clinton Foundation. Its goal is to reduce the prevalence of childhood obesity by 2015 and empower children to make healthy lifestyle choices. See Alliance for a Healthier Generation, *About Us*, [www.healthiergeneration.org/about.aspx](http://www.healthiergeneration.org/about.aspx) (last visited Nov. 7, 2012).
208. See generally *id.*; 2008 Report at 72-74. "Competitive" foods and beverages are those sold in schools outside the federally reimbursable meal programs, and include foods sold in student stores and vending machines as well as side dishes and desserts sold a la carte in cafeterias. Food provided through the reimbursable meals programs must meet federal nutrition standards, but competitive foods typically do not. The USDA promulgated revised standards for school lunches and breakfasts in January 2012, designed to align the standards with the Dietary Guidelines for Americans. See 7 C.F.R. §§ 210-220. The changes include ensuring that students are offered both fruits and vegetables every day of the week; substantially increasing offerings of whole grain-rich foods; offering only fat-free or low-fat milk varieties; limiting calories based on the age of children being served to ensure proper portion size; and increasing the focus on reducing the amounts of saturated fat, trans fats, and sodium.
209. See Alliance for a Healthier Generation, *School Competitive Food Guidelines*, [www.healthiergeneration.org/companies.aspx?id=2540](http://www.healthiergeneration.org/companies.aspx?id=2540) (last visited Nov. 7, 2012). These standards have been revised somewhat since the original guidelines were released in 2006, to include more categories of food and snacks.
210. See *id.*
211. See American Beverage Association, *Alliance School Beverage Guidelines Final Progress Report iv-v* (2010), at iv-v, available at [www.healthiergeneration.org/uploadedFiles/About\\_The\\_Alliance/SBG%20FINAL%20PROGRESS%20REPORT%20\(March%202010\).pdf](http://www.healthiergeneration.org/uploadedFiles/About_The_Alliance/SBG%20FINAL%20PROGRESS%20REPORT%20(March%202010).pdf).
212. See *id.* at v.
213. See Alliance for a Healthier Generation, *Healthier School Foods and Beverages*, [www.healthiergeneration.org/companies.aspx?id=5691](http://www.healthiergeneration.org/companies.aspx?id=5691) (last visited Nov. 7, 2012).
214. See generally Alliance for a Healthier Generation, "Healthier School Foods and Beverages," available at [www.healthiergeneration.org/schools.aspx?id=3425](http://www.healthiergeneration.org/schools.aspx?id=3425) (last visited Sept. 14, 2011).
215. Indeed, several reporting companies listed their efforts to develop or reformulate products that meet the Alliance's competitive food standards. One company noted that it offers numerous soup and juice varieties that satisfy the relevant criteria, while another manufacturer developed a new line of "better for you" snack products, aimed at teens, for sale in schools.
216. See OMG Center for Collaborative Learning, *Data Findings of the Evaluation of the Alliance for a Healthier Generation's Competitive Foods Agreement*, 3, 8 (2012), available at [www.healthiergeneration.org/uploadedFiles/About\\_The\\_Alliance/Alliance%20Comp%20Foods%20Eval\\_Final.pdf](http://www.healthiergeneration.org/uploadedFiles/About_The_Alliance/Alliance%20Comp%20Foods%20Eval_Final.pdf).
217. See Healthy Dining Finder, *Kids LiveWell Nutrition Criteria*, [http://healthydiningfinder.com/kids\\_livewell/criteria](http://healthydiningfinder.com/kids_livewell/criteria) (last visited Nov. 7, 2012).
218. See *id.*
219. See Healthy Weight Commitment Foundation, [www.healthyweightcommit.org/](http://www.healthyweightcommit.org/) (last visited Nov. 7, 2012).

220. See Healthy Weight Commitment Foundation, *The Schools: Combining Nutrition and Physical Education to Beat Obesity at the Start*, [www.healthyweightcommit.org/energy\\_balance\\_resources/schools](http://www.healthyweightcommit.org/energy_balance_resources/schools) (last visited Nov. 7, 2012).
221. See Centers for Disease Control and Prevention, *About the National Health and Nutrition Examination Survey*, [www.cdc.gov/nchs/nhanes/about\\_nhanes.htm](http://www.cdc.gov/nchs/nhanes/about_nhanes.htm) (last visited Nov. 7, 2012).
222. CDC uses body mass index (BMI) to measure childhood overweight and obesity. BMI is based on a ratio of a child's weight to the square of his or her height. Centers for Disease Control and Prevention, *About BMI for Children and Teens*, [www.cdc.gov/healthyweight/assessing/bmi/childrens\\_bmi/about\\_childrens\\_bmi.html](http://www.cdc.gov/healthyweight/assessing/bmi/childrens_bmi/about_childrens_bmi.html) (last visited Nov. 7). Although BMI does not measure body fat directly, it is a reasonable indicator of body fatness for most children and teens. CDC plots BMI numbers on BMI-for-age growth charts for boys and girls to obtain a percentile ranking that indicates the relative position of the child's BMI number among children of the same sex and age. An "obese" child or teen has a BMI at or above the 95<sup>th</sup> percentile for persons of the same age and sex. Centers for Disease Control and Prevention, *Basics About Childhood Obesity*, [www.cdc.gov/obesity/childhood/basics.html](http://www.cdc.gov/obesity/childhood/basics.html) (last visited Nov. 7, 2012). A child or teen is "overweight" if he or she has a BMI at or above the 85<sup>th</sup> percentile and lower than the 95<sup>th</sup> percentile for persons of the same age and sex. Prior to June 2010, CDC used the term "at risk of overweight" for overweight children. See *infra* note 230.
223. See Cynthia Ogden, et al., *Prevalence of Obesity and Trends in Body Mass Index Among U.S. Children, 1999-2010*, 307 J. Am. Med. Ass'n 483, 485-86 (2012), available at [www.cdc.gov/nchs/data/databriefs/db82.pdf](http://www.cdc.gov/nchs/data/databriefs/db82.pdf).
224. NPD's NET service has been continuously tracking the eating habits of Americans since March 1981. NET's annual sample consists of 2,000 households and approximately 5,000 individuals. Each household maintains a daily eating diary for two weeks. The NET panelist is instructed to write in the name and brand of each food and beverage consumed by all household members. Additives/toppings, ingredients and cooking aids are also reported. After all 14 diaries are received back from a household, they are coded and made ready for data processing.
225. Every day, members of NPD's online SnackTrack panel report on their snack food occasions both at home and away from home, resulting in over 350,000 snack food occasions in the United States. SnackTrack panelists report the snack foods they ate "yesterday," reporting brand, flavor, and attributes, as well as information about the consumption situation and motivations for choosing their snack foods.
226. CREST tracks purchases in the commercial restaurant industry, as well as ready-to-eat foods/beverages purchased from other retail establishments such as convenience and food stores. CREST information is collected from NPD's online panel of more than 3 million consumers. Every day, CREST surveys are sent to 3,500 adults and 550 teens residing in the United States. The sample is geographically balanced to the U.S. Census description of the population, and is projected to represent behavior of the total U.S.
227. Although overall teen-directed marketing of fruits and vegetables dropped by 19% between 2006 and 2009 (see Figure II.4), the companies increased their expenditures on teen-directed television and new media (see Figures II.9 and II.12).
228. NPD does not use a sugar grams per serving threshold to define pre-sweetened cereals. Instead, the client breakfast cereal companies inform NPD into which category their respective brands fit. Using mostly data submitted by the companies, the FTC staff determined the sugar grams per serving of each of the brands comprising NPD's pre-sweetened and non-pre-sweetened categories in 2009. Each brand's sugar grams per serving was then weighted according to the percentage of total child or teen eating for which that brand accounted in its category (pre-sweetened or non-pre-sweetened). The staff then calculated the average grams of sugar per serving for the cereals in the pre-sweetened and non-pre-sweetened categories. For children, cereals in NPD's pre-sweetened breakfast cereal category contained an average of 10 g of sugar per serving, compared to 5 g per serving for the non-pre-sweetened category. For teens, the pre-sweetened category averaged 12 g per serving, compared to 5 g per serving of non-pre-sweetened cereal.
229. The SnackTrack data on BMI aggregate two years of data ending December 2009. The NET data on BMI aggregate three years of data ending November 2009.
230. Prior to June 2010, CDC labeled children between the 85<sup>th</sup> and 95<sup>th</sup> percentiles of the sex-specific BMI growth charts as "at risk for overweight." See Cynthia Ogden & Katherine Flegal, *Changes in Terminology for*

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*Childhood Overweight and Obesity*, 25 Nat'l Health Stat. Rep. 1, 4 (2010), available at [www.cdc.gov/nchs/data/nhsr/nhsr025.pdf](http://www.cdc.gov/nchs/data/nhsr/nhsr025.pdf). CDC now labels these children as “overweight.”

231. Prior to June 2010, CDC categorized children with BMI values at or above the 95<sup>th</sup> percentile of the sex-specific BMI growth charts as overweight. *Id.* CDC now labels these children as “obese.”
232. The 53 food and beverage categories were: Pre-Sweetened Cereals, Non-Pre-Sweetened Cereals, Snack Chips, Pretzels, Snack Nuts, Popcorn, Snack Bars, Crackers, Cookies, Fruit Snacks, Gelatin, Pudding, Candy Bars, Other Chocolate Candy, Hard Candy, Chewy Candy, Ice Cream, Sherbet, Sorbet, Popsicles, Other Frozen Novelties, Frozen Yogurt, Frozen Baked Goods, Milk, Yogurt, Yogurt Drinks, Cheese, Snack Cakes, Pastries, Doughnuts, Frozen Waffles, French Toast Sticks, Toaster Pastries, Regular Carbonated Soft Drinks, Diet Carbonated Soft Drinks, Energy Drinks, Fruit Juice, Juice Drinks, Fruit Flavored Drinks, Vegetable Juice, Tea (hot & cold), Sports Drinks, Hot Cocoa, Bottled Water, Non-Carbonated Beverages, Fruit, Vegetables, Frozen/Chill Entrées, Frozen Pizza, Canned Soups/Pasta, Lunch Kits, Non-Frozen Packaged Entrées, and Sour Candy.
233. For example, one company that markets snack food products has a marketing code that prohibits advertising or promotional activity in any programming or venue where 50% or more of the primary audience is under age 12. This company also requires that at least half of its food advertising directed to teenagers 13 to 17 promote a healthy lifestyle. Another company reported that it has an informal policy not to target ads to children or teens and not to use licensed cartoon characters on packaging. A QSR reported that its media buying guidelines, which it provides to its advertising agencies, provide that no advertising should be placed on any programming with an audience composition of more than 30% children ages 2 to 11. Similarly, a beverage marketer reported that it does not market its brands in venues or media where the primary audience is under 12.



# **Appendix A**

## **Data and Research Methods**





The 48 recipients of the Order to File Special Report (Special Order)<sup>1</sup> include food and beverage companies, fruit and vegetable growers, national dairy boards, and quick-service restaurants (QSRs). The Commission sent a Special Order to all of the entities that received a Special Order for the 2008 report, with the exception of two.<sup>2</sup> These companies had been identified after extensive research, including a literature review of published studies and trade press reports, review of an FTC Bureau of Economics study of children's exposure to food advertising on television, and television exposure data purchased from The Nielsen Company.<sup>3</sup> At the time of the 2008 report, the target companies constituted the top television advertisers for most of the selected food categories in programs or time segments where 30% or more of the audience was between the ages of 2 and 17. For the primary products in these food categories, the companies accounted for 60% to 90% of U.S. sales.

In addition, seven companies were added to the list of Special Order recipients based on information showing that the companies engaged in youth-directed marketing of food and beverages during 2009.<sup>4</sup> The companies who received and responded to Special Orders include 15 of the 17 members of the CBBB Children's Food and Beverage Advertising Initiative (CFBAI).<sup>5</sup> The CFBAI has reported that its members account for at least three-fourths of food and beverage advertising expenditures on children's television.<sup>6</sup>

The following 48 companies received and responded to the FTC Special Order:

Boskovich Farms, Inc.	Kellogg Company
Burger King Holdings, Inc.	Kraft Foods Inc.
California Giant, Inc.	LGS Specialty Sales, Ltd.
Campbell Soup Company	Mars, Inc.
CEC Entertainment, Inc. <sup>7</sup>	McDonald's Corp.
Chiquita Brands International, Inc.	McKee Foods Corp.
The Coca-Cola Company	National Fluid Milk Processor Promotion
Coca-Cola Bottling Co. Consolidated	Board (MilkPEP)
Coca-Cola Enterprises, Inc.	Nestle USA, Inc.
ConAgra Foods, Inc.	PepsiCo, Inc. <sup>8</sup>
Dairy Management Inc.	Perfetti Van Melle USA, Inc.
Danone Foods, Inc.	The Procter & Gamble Company
Del Monte Fresh Produce N.A., Inc.	Ralcorp Holdings, Inc. <sup>9</sup>
Doctor's Associates, Inc. <sup>10</sup>	Ready Pac Produce, Inc.
Dole Food Company, Inc.	Red Bull North America, Inc.
Dr. Pepper Snapple Group, Inc. <sup>11</sup>	Rockstar, Inc.
Dunkin' Brands, Inc.	Sonic Corp.
General Mills, Inc.	Stemilt Growers, Inc.
Grimmway Enterprises, Inc.	Summeripe Worldwide, Inc.
Hansen Natural Corp.	Sunkist Growers, Inc.
The Hershey Company	Sunny Delight Beverages Company
Hinkle Produce <sup>12</sup>	The Topps Company, Inc.

Hostess Brands, Inc.<sup>13</sup>  
Imagination Farms, LLC

Unilever United States, Inc.  
Wendy's/Arby's Group, Inc.<sup>14</sup>  
YUM! Brands, Inc.<sup>15</sup>

The Special Order requested marketing, expenditure, and nutrition data for calendar year 2009. The 2008 report analyzed data from calendar year 2006, the year that the CFBAI was announced and the Alliance for a Healthier Generation began its program to improve the nutritional quality of food and beverages sold in schools outside of school meal programs. By collecting data from 2009, the Commission has been able to analyze the extent to which industry self-regulatory efforts are affecting food marketing directed to children and teens.

Information about 2009 marketing expenditures and activities, as well as nutritional data, was requested for products or brands in 10 food categories:<sup>16</sup>

- Breakfast cereals
- Snack foods
- Candy and frozen desserts
- Dairy products
- Baked goods
- Prepared foods and meals
- Carbonated beverages
- Fruit juice and non-carbonated beverages
- Fruits and vegetables
- Restaurant food (served in QSRs)<sup>17</sup>

## **A. Marketing Expenditures and Activities**

The Commission requested expenditure information for promotional activities directed toward children (ages 2-11) or teens (ages 12-17) or both, for products or brands in the 10 food categories listed above, in 18 promotional activity categories, as defined in Attachments B (children) and C (teens) to the Special Order:<sup>18</sup>

Television  
Radio  
Print  
Company-sponsored websites  
Other Internet and digital advertising  
Packaging and labeling  
Movie theater/video/video game advertising  
In-store marketing  
Specialty item or premium distribution  
Public entertainment events  
Product placements  
Character licensing/cross-promotions/toy co-branding  
Sponsorship of sports teams or athletes  
Word-of-mouth and viral marketing

- Celebrity endorsements
- In-school marketing
- Advertising in conjunction with philanthropic endeavors
- Other promotional activities

The definitions for marketing directed to children and to teens were consistent with those used in the Special Order for the 2008 report.<sup>19</sup> For all categories, a promotional activity was reportable if a company marketing plan indicated that the activity was directed to children or teens. For measured media,<sup>20</sup> including television, radio, print, and some Internet advertising, the definitions included the additional objective criterion of audience share. A television, radio, or print advertisement was considered “targeted” toward children if the audience share of children, ages 2-11, was 30%. For teens, ages 12-17, the relevant audience share was 20%.<sup>21</sup> For both age groups, this audience percentage share is approximately double the proportion of that age group in the U.S. population. The Commission concluded that these audience shares likely would ensure capturing most programming (or publications) targeted to children or teens, while not also including substantial amounts of adult programming that happen to have some young people in the audience.

The definitions for movie theater, video, or video game advertising used the same audience shares and, in the case of child-directed advertising, included references to particular ratings by the Motion Picture Association of America or the Entertainment Software Rating Board.<sup>22</sup> With respect to Internet ads, a 20% user/viewer share was used for both children and teens because this level is approximately double the proportion of both age groups in the population of active Internet users during 2009.<sup>23</sup>

Given that third-party monitoring companies do not measure the audience composition of all Internet, movie theater, video, or video game advertising, the definitions for child- and teen-targeted advertising in these categories also included overall theme or content, based on criteria such as: using animated or licensed characters; featuring a celebrity popular with children or teens; using language or young models that indicate the promotion is directed to children or teens; or promotion of child or teen themes, activities, incentives, products, or media. A similar mix of objective (wherever possible) and subjective criteria was employed for all of the remaining categories of advertising and promotional activities. The Commission aimed to provide the target companies with as much specific guidance as possible in determining which marketing expenditures to report, in order to ensure consistency among the promotional activities that were included in the study.

In some cases, the target audience for reportable promotions could not readily be divided between those under age 12 and those between ages 12 and 17. Certain products may have been targeted to a “tween” audience that includes older children and younger teens (a group generally between the ages of 8 or 9 and 13 or 14). Thus, for each promotional activity category, compa-

nies were asked to identify any expenditures that they reported both as child- and teen-directed promotions. As a result of these overlapping expenditures in many categories, it is not possible to simply add together the amounts spent on child-directed and teen-directed marketing in order to calculate the total amount spent on youth-directed promotions. In most instances, the total amount for all youth, ages 2-17, is less than the sum of the child and teen expenditures.

For any food product marketed to children or teens, the companies were required to report the total amount spent in each promotional activity category to market the product to all audiences, according to definitions and instructions in Attachment D to the Special Order.<sup>24</sup> In addition, the companies were required to report their overall marketing expenditures to all audiences for each product marketed to children or teens. The Special Order requested information about promotional activity totals and overall expenditures for those products marketed to children or teens so that the reported expenditures for youth could be placed in context. The Commission did not seek any information about products that fell within the Special Order's designated food categories but for which there were no child- or teen-directed promotional expenditures, as defined in Attachments B and C to the Special Order. Therefore, where expenditures for marketing to children, teens, or both are stated in the report as a percentage of total marketing expenditures, the total refers only to the aggregate of those products within the designated food categories that were promoted to youth; it does not include all products in the covered food categories that were advertised and sold by the companies.

Some reportable advertisements promoted multiple brands, sub-brands, or QSR menu items. In such cases, the Commission asked companies to report the advertisement as a "multi-brand" promotion and to identify which of the brands, sub-brands, or menu items featured in the advertisement was the top-selling product in 2009. If an ad featured products within two or more food categories, companies allocated the expenditures between the relevant food categories in proportion to the companies' relative sales for the food products featured in the advertisement, and then noted the top-selling product within each food category. Similarly, for any advertisement featuring both regular and diet versions of carbonated beverages, companies were asked to allocate expenditures between the diet and regular products based on relative sales of those products in 2009.

For promotional activities involving licensed characters and celebrity endorsers, the Commission collected expenditure information in two ways. First, the companies were asked to report any fees paid to obtain the rights to use a third-party media property or to hire a celebrity to appear in their promotions. Second, the companies were asked to identify what proportion of their advertising expenditures in each media category was related to the use of a licensed character or celebrity endorser. For example, if a company had reportable television advertisements that featured a licensed character, the company was asked to state the amount, in dollars,

of its overall television advertising expenditures that involved the use of a licensed character. These amounts are not double-counted in arriving at totals, but they enable separate reporting of amounts expended in cross-promotional activities and celebrity endorsements.

In addition to requesting information on marketing expenditures, the Special Order asked companies to provide descriptions and samples for all promotional activities meeting the Commission's definitions for child- and teen-directed marketing. The Commission asked companies to provide these samples and descriptions regardless of whether or not the companies incurred reportable expenditures for the promotions.

Companies provided expenditure data and a description of activities both electronically and in print using Excel spreadsheet templates that the Commission distributed as attachments to the Special Order. To protect the confidentiality of financial information reported by the individual companies, the Commission has reported expenditure data, in Section II of this report, only in aggregated amounts, by food category and by promotional techniques used.

## **B. Nutrition Data**

A key recommendation of the 2008 report was for industry to improve the nutritional profile of foods marketed to children and teens.<sup>25</sup> To assess the scope of nutritional improvements between 2006 and 2009, the Commission gathered detailed nutrition information from the Special Order recipients. The companies were required to provide data on key nutrients for all products for which they reported marketing expenditures for 2009.<sup>26</sup> Companies that responded to a Special Order for the 2008 report were also asked to submit nutritional data for the products they identified as marketed to youth in 2006.

For advertisements that promoted multiple brands, sub-brands, or QSR menu items, the Commission asked companies to report nutrition information for the top-selling brand, sub-brand, or menu item, which the companies had already identified when reporting expenditure data. For promotions featuring both diet and regular versions of carbonated beverages, the companies provided nutrition data for both products. For QSR children's meals, nutrition information was collected for the meal as a whole, not for individual components of the meal. For any advertisements that promoted a corporate brand, rather than a food product, companies did not report any corresponding nutrition data.

The intent of the study was to evaluate the marketing expenditures and nutritional profile of all foods that were promoted to children and teens in 2006 and 2009. Because the Commission aimed to capture the entire universe of youth-advertised products, the Commission has been able to calculate average nutritional profiles for foods advertised, and has not engaged in statistical sampling or modeling.<sup>27</sup> Thus, the information presented reflects the average nutritional content

of the food products that are actually being advertised to children and teens; the report does not analyze the nutritional content of all foods that are available for purchase.

The companies submitted nutrition data both electronically and in print using Excel spreadsheet templates that the Commission provided as attachments to the Special Order. The Commission weighted the nutrition data based on the amount of marketing expenditures the companies reported for the corresponding food products and media categories.<sup>28</sup> The data reported in Section III represent the average nutritional profile of products marketed in a given food category or using a particular promotional technique.

As noted above, the advertising directed to children and to teens is not entirely mutually exclusive; some marketing is directed to both audiences. Even where marketing expenditures do not overlap, many of the same products were advertised to children and teens. These food products are, however, weighted differently based on how heavily they were advertised to different audiences. As a result of the expenditure weighting, the average nutritional levels for foods marketed to different age groups can differ even if exactly the same set of products was advertised to each group.

Food products were included in the expenditure-weighted nutritional analysis only if the company reported nutrition data for the product in each year in which the product was advertised to youth. Thus, if a company reported marketing expenditures for a food product in both 2006 and 2009, but only provided nutrition data for 2009, the product was not included in the nutritional analysis. For all foods for which the Commission collected data (excluding QSR foods),<sup>29</sup> this resulted in the exclusion from the nutritional analysis of 0.5% of total marketing expenditures in 2006 and 0.03% of total marketing expenditures in 2009.

## **C. Company Objections to Special Order Criteria**

Some companies disagreed with aspects of the Commission's definitions for promotional activities directed to children and teens, and those companies were asked to note their objections when filing their responses to the Special Order. Several companies stated that they believe the audience share criteria specified in the Special Order for determining whether a promotion is child- or teen-directed were not sufficiently narrow and resulted in the companies reporting promotions that were intended for an adult audience. In addition, the Special Order required that companies report the entire cost of advertising that met the audience share criteria. Some companies contended that it would have been more appropriate to report only a percentage of the cost, based upon the child or teen share of the audience.

The Commission acknowledges that defining "children's advertising" or "teen advertising" is difficult and inherently imprecise. However, the Commission believes it is important to provide objective criteria, whenever possible, to ensure that the companies use a uniform approach



to identify and report youth-directed advertising expenses. The Commission also believes it is important to remain consistent with the definitions used in 2008 report, in order to compare the data from the two studies and reliably analyze any changes in marketing activities between the two years. For the 2008 report, the Commission established audience share criteria for measured media that were double the proportion of each age group in the U.S. population.<sup>30</sup> Thus, the companies were asked to report advertising on programming or in other media that attracts a vastly disproportionate share of children and teens as compared to the general population.

The Commission acknowledges that there are anomalies in the data – instances where the criteria caused inclusion of advertising that was adult-directed. Some companies pointed out such situations in their reports. However, the Commission does not believe that these instances were numerous and concludes that, in general, the expenditure information presented in the report is an accurate reflection of 2009 marketing to children and teens.

## **D. Data Purchased from Third Parties**

As a supplement to the advertising expenditure and nutrition data collected from the Special Order recipients, the Commission also purchased data from third-party monitoring companies. These data facilitated further analysis of youth exposure to food marketing, and also allowed the Commission to draw some comparisons between foods advertised and foods consumed.

As noted above, for the 2008 report, the Commission relied on 2005-2006 television exposure data from The Nielsen Company in order to identify companies to include in the study; the Commission included the same companies in the current study so that it could draw comparisons between the types and amount of youth-directed marketing in 2006 and 2009. For the 2008-09 television year, the Nielsen Company provided data on the most-viewed broadcast television programs among child viewers age 2-11 and teen viewers age 12-17. The Commission then purchased data on the aggregate dollars spent to advertise on the top child and teen broadcast programs for twenty-five separate food and beverage product category codes (PCC). As described in Section II.C.1.a, these data demonstrate the dollars spent and type of food advertised on television programs that are popular with children and teens, but, because they are general audience shows, do not meet the Special Order's definition for child- and teen-targeted.

The Commission also purchased various data related to youth-directed food marketing via the Internet. As described in detail in Appendix D, the Commission used comScore's Media Metrix service to obtain unique audience, page view, and time-spent data for children 2-11 and teens 12-17 in order to identify child- and teen-oriented websites during 2009. Data from comScore's Ad Metrix service then enabled the Commission to identify all display advertising on child- and teen-oriented websites during 2009. Nielsen Online provided additional data on the number of

impressions on child- and teen-oriented websites for display ads for foods and beverages (within the 10 food categories included in the FTC study).

The Commission also obtained demographic data from comScore for selected food company websites, and data on cross-visitation between these sites and the child- and teen-oriented websites. In addition, Nielsen Online provided data on the amount of time visitors spent on food or beverage company websites featuring content and activities with strong appeal to children or teens, as well as on cross-visiting between such websites. When analyzed alongside the Internet expenditures reported by the companies, the comScore and Nielsen Online data permit a more complete assessment of child and teen exposure to online food marketing.

The Commission purchased data from comScore's Ad Metrix Mobile service on youth-directed advertising via mobile devices, obtaining two reports for the November 2008 to January 2010 time period. The first report was a demographics report that shows, for users ages 13 to 17, the product category of mobile ads received, the reach of those ads, and the percentage of users who responded to the ads. A second report provides images of the food and beverage ads that the service collected. These data enabled an examination of this emerging area of youth-directed food marketing in Appendix D.

The Commission purchased data from NPD Group, Inc., regarding the number of QSR children's meals with toys sold during 2008 and 2009. As noted in Section II.C.4. of the report, the FTC asked Special Order recipients to report expenditures for premiums directed to children or teens, including the cost of toys given away with the purchase of a food item or meal.<sup>31</sup> Some QSRs, however, reported that they distribute toys as self-liquidating premiums (SLPs) – that is, the price of a children's meal includes an additional charge to cover the cost of the toy. As a result, these toys did not trigger a reportable marketing expense. Nevertheless, toy premiums are a significant component of some food marketing campaigns directed to children, particularly those conducted by QSRs. For this reason, the Commission separately required companies to report the number of SLP units sold in 2009 and the total cost of manufacturing or purchasing the SLPs sold in 2009. To confirm the accuracy of the reported data, the Commission compared the company-reported figures to the information obtained from NPD's CREST Commercial service on the number of toy premiums purchased in connection with QSR children's meals in 2008-09.

Finally, the Commission purchased data from the NPD Group showing trends among children and teens in annual consumption per capita for the primary food and beverage categories marketed to them. Data also showed the percentage of occasions that children and teens obtained these foods and beverages from schools. The Commission obtained similar data broken down by children's and teens' body mass index (BMI) category, as well as data on whether children and teens of different BMI categories are more or less likely to request or purchase snack foods. The NPD Group also provided data on the annual ounces of consumption of several snack

food categories per capita for children and teens. These data were used to examine whether any correlations exist between advertising expenditures and consumption and are reported in detail in Section V.

## E. Data from Survey of Media Companies

In the 2008 report, the Commission recommended that media and entertainment companies take additional steps to encourage healthier eating and healthier lifestyles by children. Among its specific recommendations, the Commission suggested that more media companies limit the licensing of their characters to healthier foods and beverages that are marketed to children,<sup>32</sup> and that media companies consider adopting uniform, objective standards that limit advertising placements on programs “directed to children” to healthier food and beverage products.<sup>33</sup> In February 2010, the Commission sent letters to nine media companies requesting the voluntary submission of information regarding their licensing agreements or cross-promotional arrangements with food or beverage companies or QSRs in connection with entertainment properties that are targeted or particularly appeal to children or teens. The Commission analyzed these companies’ cross-promotional activities and policies in Section V.A.4.

## Endnotes

1. Because the Special Order was sent to more than nine entities, the Paperwork Reduction Act, 44 U.S.C. § 3501 *et seq.*, required the Commission to obtain Office of Management and Budget (OMB) approval to conduct the study. The Commission published two Federal Register notices, 74 Fed. Reg. 48,072 (Sept. 21, 2009) and 75 Fed. Reg. 29,340 (May 25, 2010), in connection with the OMB submission. OMB approved the Commission’s proposal to conduct the study on July 8, 2010.
2. The only entities from the 2008 report that are not included in the current study are two state dairy boards (the California Milk Advisory Board and the California Milk Processor Board). The Commission instead sent Special Orders to Dairy Management Inc. and the National Fluid Milk Processor Promotion Board (a recipient of a Special Order for the 2008 report), after determining that many dairy product promotional efforts are handled on a non-branded basis by these national boards.
3. The Nielsen data included ranking of the top 20 national television advertisers for various reporting weeks in 2005-2006, as determined by Gross Rating Points for the 2-17 age group, for food and beverage categories identified by the Commission based on specific Nielsen Product Classification Codes.
4. These companies were: Dairy Management Inc., Danone Foods, Inc. (whose subsidiary, the Dannon Company, joined the CBBB Children’s Food and Beverage Advertising Initiative in 2008), Doctor’s Associates, Inc., Dunkin’ Brands, Inc., Hinkle Produce, Perfetti Van Melle USA, Inc., and Sonic Corp.
5. The two CFBAI participants that are not included in this report are Cadbury Adams, USA, LLC, and Sara Lee Corp. The FTC did not send a Special Order to these companies because the products they market to youth (chewing gum and bread, respectively) are not covered by the food categories included in this study.
6. Council of Better Business Bureaus, *The Children’s Food and Beverage Advertising Initiative in Action: A Report on Compliance and Implementation During 2009* Exec. Summ. i (Dec. 2010), available at [www.bbb.org/us/children-food-beverage-advertising-initiative/](http://www.bbb.org/us/children-food-beverage-advertising-initiative/); Press Release, Association of National Advertisers Press Release, Children’s Food and Beverage Advertising Initiative Promotes Healthier Dietary Choices and Lifestyles to Kids (Jan. 13, 2009), available at [www.ana.net/content/show/id/535](http://www.ana.net/content/show/id/535).
7. CEC Entertainment, Inc., owns the Chuck E. Cheese restaurant chain.

8. In 2009, PepsiCo, Inc., acquired its two largest bottlers, PepsiAmericas, Inc., and The Pepsi Bottling Group, Inc., both of which were recipients of a Special Order for the 2008 report. For the current study, PepsiCo provided responses on behalf of its bottlers for 2009.
9. Ralcorp Holdings, Inc., was added to the list of Special Order recipients because it acquired Post Cereals from Kraft Foods Inc. in 2008. For the 2008 report, Kraft Foods Inc. provided information on youth-directed marketing for Post Cereals.
10. Doctor's Associates, Inc., owns the Subway restaurant franchise.
11. For the 2008 report, the Commission sent a Special Order to Cadbury Schweppes Americas Beverages (CSAB). In 2008, CSAB was separated from parent company Cadbury Schweppes (now Cadbury) and renamed Dr. Pepper Snapple Group, Inc.
12. Due to hardship and a minimum of reportable activities, Hinkle Produce's obligation to file a report was suspended.
13. Interstate Bakeries Corp. was a Special Order recipient for the 2008 report. The company changed its name to Hostess Brands, Inc., in 2009.
14. Wendy's International, Inc., which received a Special Order for the 2008 report, merged with Triac Companies in 2008. At the time of the merger, Wendy's International, Inc. became a subsidiary of parent company Wendy's/Arby's Group, Inc.
15. YUM! Brands, Inc., is the parent company of KFC Corp., A&W Restaurants, Inc., Long John Silver's, Inc., Pizza Hut, Inc., and Taco Bell Corp. restaurants.
16. These are the same food categories for which the Commission obtained data for the 2008 report; for the current study, the candy and frozen dessert categories have been combined. In general, foods were grouped together using standard industry product classification codes. The definitions of the food categories, including items excluded from some categories, are set forth in Attachment A to the Special Order (which is Appendix B to this report). The Commission excluded certain food categories, such as condiments (including applesauce) and spreads (such as peanut butter), which occasionally, but not frequently, are advertised to children. Gum was also excluded because it is not a food that is ingested.
17. In contrast to the data collected for the 2008 report, QSRs were asked to report promotional activities by individual menu item or children's meal. Data were collected by menu item or children's meal, so that the Commission could analyze the nutritional content of advertised products.
18. These categories mirror the promotional activity categories analyzed in the 2008 report. For the current study, "other Internet advertising" and "other digital advertising" were combined into one category, as were "word-of-mouth marketing" and "viral marketing." For the 2008 report, many companies had difficulty segregating expenditures in these categories and total reported expenditures in some categories were small.
19. The Commission made a few changes to the criteria for determining whether advertising during television programs, video games, or films is youth-directed. Specifically, the Commission eliminated E and E10+ rated video games and PG-rated films from the definitions of marketing directed to children and teens. The Commission added TV-Y and TV-Y7 television ratings to the criteria for determining whether marketing is directed to children.
20. For "measured" media, audience composition is measured by third-party monitoring services. For "unmeasured" media, such audience measurement services do not exist.
21. The Special Order stated that the specified audience was "as measured on an annual basis." This was done to prevent inclusion of unusual situations – whereby an adult program might attract a large child or teen audience because of a special guest appearance, for example.
22. Advertising in or contiguous to movies or videos rated G by the Motion Picture Association of America was considered to be child-directed. Similarly, advertising was child-directed if it appeared in or contiguous to video games rated EC by the Entertainment Software Rating Board.
23. Internet audience share data for 2009 were obtained from comScore Media Trend Report.

24. For the 2008 report, the Commission sought data on promotional expenditures directed to all audiences only for those media categories in which a particular food product was promoted to children or teens. In the current study, companies were required to report expenditures to all audiences in each of the media categories included in the study. This enabled the Commission to aggregate “all audience” expenditure data across food products and to calculate what percentage of the total marketing budget for the reported food products was directed to children or teens in each promotional activity category.
25. See 2008 Report at 67.
26. If a company reformulated a food product in 2009, the company was asked to provide nutritional information for the last of the formulations marketed during 2009.
27. There were a limited number of changes in the companies surveyed in 2009, as compared to 2006, and the impact of these changes on the nutritional averages is discussed in the relevant food categories in Section III.
28. An even more accurate method of weighting nutrition data would be based on advertising exposure, but this information was not available. Nonetheless, expenditure-weighted averaging is more likely to reflect differences in ad exposure than simple averaging.
29. In 2006, the Commission collected nutrition information for QSR food advertising on television only. As a result, QSR food nutrition information is analyzed separately in Section III.B.7.
30. The Commission also relied on a study by the FTC Bureau of Economics that found that significant shifts have occurred in television viewing over the last 30 years. FTC Bureau of Economics Staff Report, *Children's Exposure to TV Advertising in 1977 and 2004: Information for the Obesity Debate* 4-6 (2007), available at [www.ftc.gov/os/2007/06/cabecolor.pdf](http://www.ftc.gov/os/2007/06/cabecolor.pdf). In particular, due to the growth of cable television, there are more program choices today and more specialized programming appealing to narrower audience segments. Few shows on broadcast television attract audiences with a significant percentage of children. By contrast, many cable television programs target children and attract a large child audience. A large audience share of teens can be found almost exclusively among cable television programming. The Commission is confident that the high audience share cut-offs in the Special Order were reasonable and have resulted in the inclusion of primarily youth-directed promotions.
31. The Commission instructed companies not to include any payments made by consumers for the premium items.
32. At the time of the 2008 report, a number of media companies had announced policies to limit the licensing of their characters to the marketing of foods meeting certain nutritional guidelines.
33. See 2008 Report at 79.



## **Appendix B**

### **Federal Trade Commission Order to File Special Report**





**UNITED STATES OF AMERICA  
BEFORE FEDERAL TRADE COMMISSION**

**COMMISSIONERS:** Jon Leibowitz, Chairman  
William E. Kovacic  
J. Thomas Rosch  
Edith Ramirez  
Julie Brill

FTC Matter No. P094511

**ORDER TO FILE SPECIAL REPORT**

Pursuant to a resolution of the Federal Trade Commission dated August 12, 2010, titled “*Resolution Directing Use of Compulsory Process to Collect Information for Use in Preparing a Report Regarding the Marketing of Food and Beverages to Children and Adolescents*,” a copy of which is enclosed, [COMPANY NAME], hereinafter referred to as “the company,” is ordered to file with the Commission, no later than 90 days after the date of issuance of this Order, a Special Report containing the information and documents specified herein.<sup>2</sup>

The information provided in the Special Report will assist the Commission in compiling a study of food industry marketing activities and expenditures targeted toward children and adolescents.<sup>3</sup> This study will serve as a follow-up to the report the Commission published in 2008 on the same topic.<sup>4</sup>

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<sup>1</sup> Under the Paperwork Reduction Act, as amended, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. For this information request, that number is 3084-0139.

<sup>2</sup> For purposes of this Order, the term “the company” includes all of the entities identified in response to specification 1.B, below.

<sup>3</sup> For purposes of this Order, the term “children” means individuals ages 2-11 and the term “adolescents” means individuals ages 12-17.

<sup>4</sup> See Federal Trade Commission, *Marketing Food to Children and Adolescents: A Review of Industry Expenditures, Activities, and Self-Regulation* (2008), available at [www.ftc.gov/os/2008/07/P064504foodmktngreport.pdf](http://www.ftc.gov/os/2008/07/P064504foodmktngreport.pdf) (the “2008 Report”).

The Special Report must restate each item of this Order with which the corresponding answer is identified. Your report is required to be subscribed and sworn to by an official of the company who has prepared or supervised the preparation of the report from books, records, correspondence, and other data and material in your possession.<sup>5</sup> If any question cannot be answered fully, give the information that is available and explain in what respects and why the answer is incomplete. The Special Report and all accompanying documentary responses must be Bates-stamped.

Confidential or privileged commercial or financial information will be reported by the Commission on an aggregate or anonymous basis, consistent with Sections 6(f) and 21(d) of the FTC Act. Individual submissions responsive to this Order that are marked “confidential” will not be disclosed without first giving the company ten days’ notice of the Commission’s intention to do so, except as provided in Sections 6(f) and 21 of the FTC Act.

Please provide the following information, documents and items, consistent with the definitions, instructions, and formatting requirements contained in Attachments A, B, C, D, E, F, G, and H:

1. A. **Identification of Report Author:** Identify by full name, business address, telephone number, and official capacity, the officer of the company who has prepared or supervised the preparation of the company’s response to this Order.
- B. **Company Information:** Identify the company by full name, address, and state of incorporation. If the company is a subsidiary company, identify the full name and address of its ultimate parent company.<sup>6</sup> In addition, identify each subsidiary, joint venture, affiliated company, partnership, or operation under an assumed name that the company controls, and that engages in the manufacturing, labeling,

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<sup>5</sup> An example of a sworn statement that the company could use to satisfy this requirement is, “I certify, to the best of my knowledge, information, and belief, formed after a reasonable inquiry, that the information in this Special Report is complete and accurate as of the time it is submitted.”

<sup>6</sup> For purposes of this Order, “subsidiary company” means a company that is controlled by another entity; “ultimate parent company” means an entity that controls another company and is not controlled by another entity. Furthermore, for purposes of this Order, “control” (as used in the terms “control(s)” and “controlled”) means either holding 50 percent or more of the outstanding voting securities of an issuer or, in the case of an entity that has no outstanding voting securities, having the right to 50 percent or more of the profits of the entity, or having the right in the event of dissolution to 50 percent or more of the assets of the entity.

advertising, promoting, marketing, offering for sale, sale, or distribution of any food<sup>7</sup> product in the United States.

- C. **Identification of Food Categories:** From the following categories, identify each category of food product that the company advertised, promoted, marketed, offered for sale, sold, or distributed in the United States during the calendar year 2009.<sup>8</sup> In preparing this response, refer to the food category definitions set forth in Attachment A to this Order.

- (1) Breakfast cereals
- (2) Snack foods
- (3) Candy and frozen desserts
- (4) Dairy products
- (5) Baked goods
- (6) Prepared foods and meals
- (7) Carbonated beverages
- (8) Fruit juice and non-carbonated beverages
- (9) Fruits and vegetables
- (10) Restaurant foods

- D. **Identification of Food Products:** For each of the food categories identified in response to Specification 1.C, above, list each brand of food product, and each sub-brand<sup>9</sup> within the brand, that the company advertised, promoted, marketed, offered for sale, sold, or distributed in the United States during the calendar year 2009. For each brand and sub-brand, identify which entity within the company, identified in response to Specification 1.B, above, is responsible for that brand or sub-brand.

**Non-Branded Fruit, Vegetable, or Dairy Products:** For any non-branded fruit, vegetable, or dairy products that the company advertised, promoted, marketed, offered for sale, sold, or distributed, list the individual fruit, vegetable, or dairy product varieties.

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<sup>7</sup> For purposes of this Order, “food” means any food or beverage intended for human consumption.

<sup>8</sup> For purposes of this Order, do not report any of the company’s activities or expenditures that occur in U.S. territories outside of the fifty states and the District of Columbia.

<sup>9</sup> For purposes of this Order, a “sub-brand” includes a unique variety or formulation of a food product brand. It also includes specially marketed package sizes, such as 100-calorie packs. It does not require reporting of each individual stock keeping unit (SKU).

**Restaurant Foods:** For the restaurant food category, identify the name of the restaurant chain(s) controlled by the company; state which entity within the company, identified in response to Specification 1.B, above, is responsible for the restaurant chain(s); and list the specific menu items, excluding regional variations, that each restaurant chain advertised, promoted, marketed, offered for sale, sold, or distributed in 2009. Identify which of those menu items, if any, appeared on a children's menu in 2009. If any of the company's restaurant chains offered a children's meal in 2009, list the different children's meal combinations offered by the restaurant chain(s) and identify the individual food components that were included in each meal combination.

If the company filed a Special Report for the calendar year 2006 and reported any restaurant chains in response to Specification 1.D of the Order to File Special Report for the calendar year 2006, the company also must list, for each restaurant chain, each menu item that appeared on a children's menu during 2006, excluding regional variations. If any of the company's restaurant chains offered a children's meal in 2006, list the different children's meal combinations offered by the restaurant chain(s) and identify the individual food components that were included in each meal combination.

- E. **Identification of Food Products Bearing Nutritional Seals or Icons:** In 2009, did the company offer a line of food products bearing a nutritional icon, seal, or symbol, or otherwise identified as "better for you" or healthier than other products? If so, state the name of the nutritional product line or icon; identify the nutritional criteria for inclusion of a food product in the product line; and identify the food categories, brand names, and sub-brands of food products sold in the product line, or, for restaurant foods, identify the specific menu items and/or children's meal combinations included in the product line. Report only those food products that are part of a company promotional system designating a specific group of products as better-for-you or healthier. Do not report products that simply contain a nutritional or health claim on the product packaging (e.g., "low fat").
2. **Reportable Expenditures for Marketing Food Products:** For each brand of food product, sub-brand, non-branded fruit, vegetable, or dairy product variety, or restaurant menu item or children's meal combination identified in response to Specification 1.D, above (**collectively and hereafter, "food product"**), report in **Attachment E** to this Order<sup>10</sup> the expenditure and other data requested in Specifications 2.A through 2.F,

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<sup>10</sup> An electronic version of Attachment E, an Excel spreadsheet, is provided on the included CD, along with a PDF file containing instructions to Attachment E. The company must use Attachment E to report expenditures for 2009 and must not modify, delete, or

below, within the following advertising and promotional activity categories (**hereafter, “reportable expenditures”**):<sup>11</sup>

- (a) Television advertising (TV AD)<sup>12</sup>
- (b) Radio advertising (RAD AD)
- (c) Print advertising (PRT AD)
- (d) Company-sponsored Internet sites (WEBSITE AD)
- (e) Other Internet and digital advertising (INTERNET AD)
- (f) Packaging and labeling (PACK/LABEL)
- (g) Movie theater/video/video game advertising\* (MOV/VID AD)
- (h) In-store advertising and promotions\* (IN-STORE AD)
- (i) Specialty item or premium distribution\* (PREMIUMS)
- (j) Promotion or sponsorship of public entertainment events\* (EVENTS)
- (k) Product placements\* (PROD PLMT)
- (l) Character licensing, toy co-branding, and cross-promotions\* (CHAR LIC)
- (m) Sponsorship of sports teams or individual athletes\* (ATHL SPON)
- (n) Word-of-mouth and viral marketing\* (WOM/VIRAL)
- (o) Celebrity endorsements\* (CELEB END)
- (p) In-school marketing\* (IN-SCHOOL)
- (q) Advertising in conjunction with philanthropic endeavors\* (PHLNTHRPY)
- (r) Other promotional activities\* (OTHER)

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**add to the columns on the spreadsheet. The company must submit the spreadsheet in Excel in a format that is readable and writable and must not include footnotes or endnotes on the spreadsheet. The company must report the expenditure data in accordance with the instructions and definitions specified in Attachments B, C, D, and E (including in its accompanying instructions), and in this Order.**

<sup>11</sup> If a food product identified in response to Specification 1.D has no reportable expenditures under Specifications 2.A through 2.F, do not include the food product on Attachment E. Do not include on Attachment E a related brand, sub-brand, or menu item that does not have reportable expenditures.

<sup>12</sup> The terms provided in parentheses after each category are the “promotional activity category codes” used in Attachment E to designate expenditures in the category. The company also must use these promotional activity category codes when reporting promotional activities on Attachment H in response to Specification 4, below.

**\* For special instructions on reporting expenditures in categories (g) through (r), see the instructions in Attachments B and C to this Order.**

- A. **Marketing Toward Children:** Report the dollar amount expended by the company, during the calendar year 2009,<sup>13</sup> within each advertising and promotional activity category listed above for marketing targeted toward children. Follow the instructions and definitions in Attachment B to this Order (Advertising and Promotional Activities Targeted Toward Children), and report these expenditures in columns 6, 10, 14, 18, 22, 26, 30, 34, 38, 42, 46, 50, 54, 58, 62, 66, 70, and 74 of Attachment E.
- B. **Marketing Toward Adolescents:** Report the dollar amount expended by the company, during the calendar year 2009, within each advertising and promotional activity category listed above for marketing targeted toward adolescents. Follow the instructions and definitions in Attachment C to this Order (Advertising and Promotional Activities Targeted Toward Adolescents), and report these expenditures in columns 7, 11, 15, 19, 23, 27, 31, 35, 39, 43, 47, 51, 55, 59, 63, 67, 71, and 75 of Attachment E.
- C. **Marketing Toward Both Children and Adolescents:** Report the dollar amount of any expenditures that satisfy both the criteria in Attachment B for “targeted to children” (that were reported in response to Specification 2.A), and the criteria in Attachment C for “targeted to adolescents” (that were reported in response to Specification 2.B). The company must report the total amount of the expenditures in both the “marketing toward children” column and the “marketing toward adolescents” column, and must also report the total amount of the expenditures that meet both criteria in the column labeled “overlapping.” Report these overlapping expenditures in columns 8, 12, 16, 20, 24, 28, 32, 36, 40, 44, 48, 52, 56, 60, 64, 68, 72, and 76 of Attachment E.
- D. **Marketing for All Audiences:** For each food product for which the company reported expenditures within one or more advertising or promotional activity categories in response to Specification 2.A or 2.B, report:
- i. **Total Expenditures in Promotional Activity Categories:** The total dollar amount expended by the company, during the calendar year 2009, to market the product within each promotional activity category. Follow the instructions and definitions in Attachment D to this Order (Advertising and Promotional Activities for All Audiences), and report these expenditures in columns 9, 13, 17, 21, 25, 29, 33, 37, 41, 45, 49, 53, 57, 61, 65, 69, 73, and 77 of Attachment E; and

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<sup>13</sup> Report only those expenditures that occurred in 2009. The company must not report expenditures in 2008 for advertising or promotions that appeared in 2009. However, the company must report expenditures in 2009 for advertising or promotions that have appeared or are scheduled to appear in 2010.



- ii. **Total Overall Consumer-Directed Expenditures:** The total dollar amount expended by the company, during calendar year 2009, for all consumer-directed<sup>14</sup> advertising and promotional activities to market the product. Report these expenditures in column 78 of Attachment E. The amount reported in column 78 in response to this Specification should be equal to the sum of the expenditures reported in response to Specification 2.D.i, above.
- E. **Additional Information:** For each food product for which expenditures are reported in response to Specification 2.A or 2.B, provide the following additional information in Attachment E:
- i. company name<sup>15</sup> (column 1 of Attachment E);
  - ii. food category, identified in response to Specification 1.C, above (column 2 of Attachment E);
  - iii. brand name, non-branded fruit, vegetable, or dairy product variety, or name of restaurant chain, identified in response to Specification 1.D, above (column 3 of Attachment E);
  - iv. sub-brand, restaurant menu item, or children's meal combination, identified in response to Specification 1.D, above, if applicable (column 4 of Attachment E); and
  - v. an indication ("1" = yes; "0" = no) of whether the food product is part of a nutritional product line, identified in response to Specification 1.E, above (column 5 of Attachment E).
- F. **Identifying Expenditures Attributable to Character Licensing/Cross-Promotions and Celebrity Endorsements:** For each advertising and promotional activity category for which expenditures are reported on Attachment E in response to Specifications 2.A through 2.D, above, report:<sup>16</sup>

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<sup>14</sup> Expenditures for advertising and promotional activities that are exclusively directed "to-the-trade" must not be reported.

<sup>15</sup> The company name reported in column 1 must be the entity within the company, identified in response to Specification 1.B, above, that is responsible for the food product.

<sup>16</sup> This Specification is not applicable to the character licensing/cross-promotion category or the celebrity endorsement category. For the category "Character licensing, toy co-branding, and cross-promotions (CHAR LIC)," the company must report only the cost of obtaining the character license, toy co-branding agreement, and/or cross-promotional

- i. The portion (in dollars) of the total expenditure that uses or implements a character license, toy co-branding agreement, and/or cross-promotional arrangement. For example, if expenditures are reported for television advertisements targeted toward children, and one of the advertisements featured a licensed character, report the portion of the total reported expenditure for television advertising that is attributable to the advertisement featuring the licensed character. Report these expenditures on Attachment E in the columns that have a number followed by the letter “B,” which are labeled “AMT USING CHAR LIC.”
- ii. The portion (in dollars) of the total expenditure that uses or implements a celebrity endorsement. For example, if expenditures are reported for television advertisements targeted toward adolescents, and one of the advertisements featured a celebrity endorser, report the portion of the total reported expenditure for television advertising that is attributable to the advertisement featuring the celebrity endorser. Report these expenditures on Attachment E in the columns that have a number followed by the letter “C,” which are labeled “AMT USING CELEB END.”

**G. Special Instructions for Restaurant Food Expenditures for Television Advertising that Were Reported in 2006:** If the company filed a Special Report for the calendar year 2006 and reported expenditures for marketing restaurant foods to children and adolescents on television, an Excel spreadsheet labeled “Attachment E 2006” is provided on the included CD.<sup>17</sup> This spreadsheet shows the total television advertising expenditures that the company reported for each of its restaurant chains in 2006. On separate rows of the spreadsheet, the company must break down the total expenditures reported in 2006 to show the expenditure amounts used to promote specific restaurant menu items or children’s meal combinations in the television advertisements for which expenditures were reported in 2006. Indicate in column 4 (“SUB-BRAND NAME/MENU ITEM”) the menu item or children’s meal combination that corresponds to each expenditure. Provide a breakdown for all of the television expenditures shown in columns 6 through 9 of Attachment E 2006. For restaurant corporate brand advertising, report the related expenditure under the restaurant chain and do not attribute the expense to an individual menu item or meal combination. For multi-

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arrangement (e.g., a licensing fee). For the category “Celebrity endorsements (CELEB END),” the company must report only the cost of all payments (both monetary and in-kind) to a celebrity to endorse any of the company’s food products (e.g., an endorsement fee).

<sup>17</sup> If the company did not file a Special Report for the calendar year 2006 or did not have reportable television advertising expenditures for restaurant foods in 2006, the company will not receive an Attachment E 2006 and does not need to respond to Specification 2.G.

brand advertising, follow the instructions for multi-brand advertising that accompany Attachment E.

3. **Nutritional Data for Food Products with Reportable Expenditures:**

- A. **Nutritional Data for 2009:** For each food product for which the company reported expenditures on Attachment E in response to Specification 2, above, the company must provide nutritional data on **Attachment F** to this Order.<sup>18</sup> For each food product the company reported on Attachment E,<sup>19</sup> the company must import columns 1 through 4 from Attachment E into columns 1 through 4 of Attachment F without modifying, deleting, adding to, or altering the order of the data. The company must then provide the nutritional data requested in columns 5 through 53 of Attachment F for each food product imported from Attachment E.<sup>20</sup> The nutritional data must be for the formulation of the product that the company marketed in 2009. If the company reformulated the product during 2009, provide the nutritional data for the last of the 2009 formulations.
- B. **Nutritional Data for 2006:** **Attachment G** to this Order contains a complete list of the food products that the company reported as marketed to children or adolescents in 2006.<sup>21</sup> For each food product listed on Attachment G, provide the nutritional data requested in columns 6 through 52 of Attachment G.<sup>22</sup> The

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<sup>18</sup> **An electronic version of Attachment F, an Excel spreadsheet, is provided on the included CD. The company must use Attachment F to report nutritional data for 2009 and must not modify, delete, or add to the columns on the spreadsheet. The company must submit the spreadsheet in Excel in a format that is readable and writable and must not include footnotes or endnotes on the spreadsheet. The company must report the nutritional data in accordance with the instructions specified in Attachment F and in this Order.**

<sup>19</sup> For multi-brand advertising reported on Attachment E, report the nutritional data for the top-selling brand or sub-brand reported in column 4 of Attachment E. Do not report nutritional data for expenditures reported as corporate brand advertising.

<sup>20</sup> For advertising for restaurant children's meal combinations reported on Attachment E, report the nutritional data for the children's meal combination as a whole; do not report the nutritional data for individual food components of the meal.

<sup>21</sup> If the company did not file a Special Report for the calendar year 2006, the company will not receive an Attachment G and does not need to respond to Specification 3.B.

<sup>22</sup> **An electronic version of Attachment G, an Excel spreadsheet, is provided on the included CD. The company must use Attachment G to report nutritional data for 2006 and must not modify, delete, or add to the columns on the spreadsheet. The company must**

nutritional data must be for the formulation of the product that the company marketed in 2006. If the company reformulated the product during 2006, provide nutritional data for the last of the 2006 formulations. If the company reported 2006 expenditures for multiple brands, “all brands,” or “portfolio,” provide nutritional data for the top-selling brand or sub-brand featured in the advertisements or promotions, and provide the name of this top-selling brand or sub-brand in column 4 of Attachment G.

- i. **Special Instructions for Restaurant Foods:** If the company, in response to Specification 2.G, above, reported any 2006 television advertising expenditures for restaurant menu items or children’s meal combinations, the company must report nutritional data for those food products on Attachment G. For each menu item or children’s meal combination that the company reported on Attachment E 2006 in response to Specification 2.G,<sup>23</sup> the company must import columns 1 through 4 from Attachment E 2006 into columns 2 through 5 of Attachment G without modifying, deleting, adding to, or altering the order of the data. The company must then provide the nutritional data requested in columns 6 through 52 of Attachment G for each food product imported from Attachment E 2006.<sup>24</sup> The nutritional data must be for the formulation of the product that the company marketed in 2006. If the company reformulated the product during 2006, provide nutritional data for the last of the 2006 formulations. In column 1 of Attachment G (“unique identifier”), please number sequentially each row that you create for each menu item and children’s meal combination for which you report nutritional data.

- C. **Identifying 2009 Food Products that Were Reported in 2006:** Each food product listed on Attachment G has been given a unique identifier, which is shown in column 1 as the row number for the food product. The company must not alter this row number or change the order in which the food products appear. The company must use this unique identifier when responding to column 53 on

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**submit the spreadsheet in Excel in a format that is readable and writable and must not include footnotes or endnotes on the spreadsheet. The company must report the nutritional data in accordance with the instructions specified in Attachment G and in this Order.**

<sup>23</sup> For multi-brand advertising reported on Attachment E 2006, report the nutritional data for the top-selling brand or sub-brand reported in column 4 of Attachment E 2006. Do not report nutritional data for expenditures reported as restaurant corporate brand advertising.

<sup>24</sup> For advertising for restaurant children’s meal combinations reported on Attachment E 2006, report the nutritional data for the children’s meal combination as a whole; do not report the nutritional data for individual food components of the meal.

Attachment F. Column 53 on Attachment F asks the company to identify which product marketed in 2006, if any, corresponds to the product marketed in 2009.<sup>25</sup>

4. **Samples and Descriptions of Advertising and Promotional Activities:** In addition to reporting advertising and promotional expenditures and nutritional data for food products marketed to children and adolescents, the company must provide samples, where feasible, or descriptions of all advertising and promotional activities that meet the definitions in Attachments B and C as marketed to children and adolescents. The company must provide samples or descriptions of all activities meeting those definitions, regardless of whether the company had reportable expenditures for the activities. The company must follow the instructions in Specifications 4.A through 4.E when providing samples and descriptions of advertising and promotional activities.
- A. **Marketing with Reportable Expenditures:** For each food product for which the company reported marketing expenditures on Attachment E in response to Specification 2, above, the company must import columns 1 through 4 from Attachment E into columns 1 through 4 of **Attachment H** to this Order<sup>26</sup> without modifying, deleting, adding to, or altering the order of the data. The company must then report the following additional information on Attachment H:
- i. using the promotional activity category codes listed in Specification 2, above, identify each of the advertising and promotional activity categories in which the company reported expenditures on Attachment E (column 5 of Attachment H; report each activity category on a separate row);
  - ii. within each promotional activity category, list each specific advertising or other promotional activity for which the company reported expenditures (column 6 of Attachment H; report each individual activity on a separate row);

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<sup>25</sup> Only identify the product marketed in 2006 as the product marketed in 2009 if it is the exact same brand or sub-brand (but not if it is a different sub-brand within the same family of brands). A brand or sub-brand that has been reformulated between 2006 and 2009 must still be identified as the same brand or sub-brand in column 53 of Attachment F.

<sup>26</sup> **An electronic version of Attachment H, an Excel spreadsheet, is provided on the included CD. The company must use Attachment H to report activities and must not modify, delete, or add to the columns on the spreadsheet. The company must submit the spreadsheet in Excel in a format that is readable and writable and must not include footnotes or endnotes on the spreadsheet. The company must report the activity data in accordance with the instructions and definitions specified in Attachments B, C, and H, and in this Order.**

- iii. report whether the specific advertising or other promotional activity was targeted toward children, as defined in Attachment B (column 7 of Attachment H) and/or was targeted toward adolescents, as defined in Attachment C (column 8 of Attachment H);
- iv. in accordance with Specification 7.A, below, if the specific advertising or other promotional activity was directed to individuals of a specific gender, race, ethnicity, or income level, identify the particular sub-population to which the promotional activity was directed (column 9 of Attachment H); and
- v. in column 10 of Attachment H, enter “1” for “yes” to indicate that the specific advertising or other promotional activity had expenditures that were reported on Attachment E.

**B. Marketing Without Reportable Expenditures:** For each food product for which the company engaged in any advertising or other promotional activities targeted toward children, as defined in Attachment B to this Order, and/or targeted toward adolescents, as defined in Attachment C to this Order, during the calendar year 2009, without incurring expenditures reportable on Attachment E in response to Specification 2, above,<sup>27</sup> the company must report the following information on Attachment H:

- i. company name<sup>28</sup> (column 1 of Attachment H);
- ii. food category, identified in response to Specification 1.C, above (column 2 of Attachment H);
- iii. brand name, non-branded fruit, vegetable, or dairy product variety, or name of restaurant chain, identified in response to Specification 1.D, above (column 3 of Attachment H);
- iv. sub-brand, restaurant menu item, or children’s meal combination, identified in response to Specification 1.D, above, if applicable (column 4 of Attachment H); and

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<sup>27</sup> Examples of activities without reportable expenditures are use of a licensed character, a celebrity endorser, a product placement, or co-branding of a toy where no payment is made or costs incurred with such an arrangement. Another example is any activity where the total expenditure in 2009 was under \$5,000 and therefore not reportable; for example, a child-directed website to which minimal changes were made in 2009.

<sup>28</sup> The company name reported in column 1 must be the entity within the company, identified in response to Specification 1.B, above, that is responsible for the food product.

- v. using the promotional activity category codes listed in Specification 2, above, identify each of the advertising and promotional activity categories that the company engaged in during the calendar year 2009 without incurring reportable expenditures (column 5; report each activity category on a separate row);\*
- vi. within each promotional activity category, list each specific advertising or other promotional activity that the company engaged in without incurring reportable expenditures (column 6 of Attachment H; report each individual activity on a separate row);
- vii. report whether the specific advertising or other promotional activity was targeted toward children, as defined in Attachment B (column 7 of Attachment H) and/or was targeted toward adolescents, as defined in Attachment C (column 8 of Attachment H);
- viii. in accordance with Specification 7.A, below, if the specific advertising or other promotional activity was directed to individuals of a specific gender, race, ethnicity, or income level, identify the particular sub-population to which the promotional activity was directed (column 9 of Attachment H); and
- ix. in column 10 of Attachment H, enter “0” for “no” to indicate that the specific advertising or other promotional activity did not have expenditures that were reported on Attachment E.

C. **Samples of Activities:** Provide samples of each advertising or other promotional activity that the company reported in response to Specifications 4.A and 4.B. On Attachment H, report the Bates numbers for the samples in column 11. The company must provide one representative sample per advertising campaign for each type of promotional activity used in the campaign. This includes any relevant sub-categories of a promotional activity category (*e.g.*, for digital advertising, provide one sample per campaign of an email message, text message, download, podcast, *etc.*, as applicable). For website promotions, provide samples of all relevant web pages.

D. **Descriptions of Activities:** If providing a sample of any advertising or other promotional activity in response to Specification 4.C is not practicable, describe the activity in detail in column 11 of Attachment H. The description should include: when and where the promotion was published or occurred; a description of the use of any licensed character, cross-promotion, celebrity endorsers, contest,

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\* For special instructions on reporting activities in categories (g) through (r), see the instructions in Attachments B and C to this Order.



premium, or viral/word-of-mouth component; and other relevant information about the promotion (*see* Attachment H for examples of satisfactory descriptions).

- E. **Self-Liquidating Premiums:** If the company distributed a self-liquidating premium (SLP)<sup>29</sup> during the calendar year 2009, the company must report on Attachment H the information requested in Specifications 4.B, 4.C, and 4.D, above, as applicable, and must then report the following additional information on Attachment H:
- i. The number of SLP units sold in 2009 (column 12 of Attachment H); and
  - ii. The total cost to the company for the SLPs sold in 2009 (column 13 of Attachment H). The company must report its total costs for manufacturing or purchasing the SLPs, and not the amount that the company charged consumers for the SLPs.
5. A. **Policies on Food Marketing:** Identify and describe all company policies, plans, and directives, whether formally adopted or informally issued, in place on or after January 1, 2009, pertaining to food advertising and promotional activities targeted to children or adolescents, as defined in Attachments B or C, including policies regarding use or non-use of all advertising and promotional activities. Describe the steps taken to implement these policies, including directions to internal or external staff responsible for advertising preparation, review, or dissemination regarding the meaning of these policies and how to comply with them. Provide copies of all such policies and directions to internal or external staff (*e.g.*, formal or informal guidance documents, training materials, or instructions on implementing a policy).
- B. **Market Research:** Since January 1, 2008, has the company sponsored, conducted, or commissioned any marketing research studies regarding the appeal to individuals under the age of 18 of any particular types of advertising or promotional techniques, including the effectiveness of any particular types of advertising or promotional techniques in increasing interest in or consumption of any food product among individuals under the age of 18? If the answer is “yes,” provide copies of such studies and describe how the resulting data have been incorporated into the company’s marketing practices. This includes, but is not limited to, the following:

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<sup>29</sup> A self-liquidating premium occurs when the company distributes a premium (as defined in Attachment B or C) as part of its food marketing to children or adolescents, and the company’s costs related to the premium item are entirely covered by the incremental revenue generated by the sale. For example, if a quick-service restaurant charged an additional fee for a children’s meal that included a toy, and that additional fee equaled or exceeded the company’s costs, the toy would be a self-liquidating premium.

- i. Research on the effectiveness of new media (*e.g.*, company-sponsored Internet sites, other Internet and digital advertising, and word-of-mouth and viral marketing) in increasing interest in or consumption of any food product among individuals under the age of 18;
  - ii. Research on the use of behavioral targeting (*i.e.*, the use of information about an individual's online activities to select which advertisements to display to that individual) and other similar marketing practices to increase interest in or consumption of any food product among individuals under the age of 18; and
  - iii. Scientific and market research exploring neurological, psychological, or other factors that may contribute to food advertising appeal among youth.
- 6. A. **Initiatives on Healthy Eating and Lifestyle:** Identify and describe all company policies, programs, initiatives, or activities undertaken or implemented by the company, in place on or after January 1, 2009, to encourage healthy eating and lifestyle choices by children and adolescents. These include, but are not limited to, the following:
  - i. development of new products or reformulation of existing products that are lower in calories and/or more nutritious and are marketed to children or adolescents;
    - a. if the company reformulated products that it was already marketing to children or adolescents to make them lower in calories and/or more nutritious, identify the products and describe the company's efforts to reformulate the products;
    - b. if the company commenced marketing nutritious, lower-calorie products to children or adolescents that were already part of the company's product portfolio, identify the products and describe the company's efforts to make the products appealing to children and/or adolescents;
  - ii. packaging of products marketed to children or adolescents in smaller portions or single servings to assist them in controlling portion size or calorie intake;
  - iii. public education efforts, such as messages targeted to children or adolescents addressing nutrition and physical fitness, including any partnerships or cross-promotional arrangements of any sort with other food and beverage companies, media outlets, non-profit organizations, or other entities for the purpose of promoting healthier eating, increased physical activity and/or healthier lifestyles;

- iv. efforts to improve the overall nutritional profile of products marketed and sold to children or adolescents in schools;
- v. any other efforts to implement or respond to the recommendations set forth in Section IV of the Commission's 2008 Report.

B. **Research on Initiatives:** Has the company conducted research or otherwise obtained data to evaluate the effectiveness of any of the policies, programs, initiatives, or activities identified and described in response to Specification 6.A, above, including any studies regarding the appeal to individuals under the age of 18 of any of the company's more nutritious or lower-calorie food products and/or any advertising or promotional activities contemplated or used to market such products? If the answer is "yes," provide copies of such research or other data.

7. **Marketing to Children and Adolescents by Gender, Race, Ethnicity, or Income Level:**

- A. Were any of the advertising or promotional activities for which the company reported expenditures and activities in response to Specifications 2.A, 2.B, or 4, above, specifically directed, according to a marketing plan<sup>1</sup> or by virtue of advertising placement, language used, characters used, or other content, to individuals of a specific gender, race, ethnicity, or income level? If the answer is "yes," in column 9 of Attachment H please identify which activities reported on Attachment H were directed in such manner and identify the particular sub-population to which the promotional expenditures or activities were directed.
- B. Did the company tailor any of the policies or market research reported in response to Specification 5.A or 5.B, above, to address marketing to individuals of a specific gender, race, ethnicity, or income level? If the answer is "yes," please identify the applicable Bates numbers of the company's response to Specification 5 and identify the particular sub-population to which the policies or market research apply.

Please file the Special Report called for in this Order no later than 90 days after the date of issuance of the Order, or by December 1, 2010.

All responses for all Specifications must be provided in one (1) printed copy and in electronic form (by CD or as email attachments), formatted as Word or Word Perfect documents, with the exception of the responses to Specifications 2, 3, and 4, which must be provided in one (1) printed copy and in electronic form (by CD or as email attachments) on the included Excel spreadsheets (Attachments E, F, G, and H). All responses must be labeled to indicate the Specification to which the information or data responds. All files contained in electronic

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<sup>1</sup> See *infra* note 34 for the definition of "marketing plan."

submissions must have a file name that includes the company name, Specification numbers included in the file, and date of the submission, in the following format: [COMPANY-NAME]\_Spec.\_[SPEC. #'S]\_[MM-DD-YY].

Penalties may be imposed under applicable provisions of federal law for failure to file Special Reports or for filing false reports.

By direction of the Commission.

Julie Brill  
Commissioner

SEAL

Date of Order: August 12, 2010

The Special Report required by this Order,  
or any inquiry concerning it, must be  
addressed to the attention of:

[ATTORNEY NAME]  
Division of Advertising Practices  
Federal Trade Commission  
601 New Jersey Avenue, NW, NJ-3212  
Washington, D.C. 20580  
[ATTORNEY PHONE] telephone  
(202) 326-3259 facsimile  
[ATTORNEY EMAIL]

or

[ATTORNEY NAME]  
Division of Advertising Practices  
Federal Trade Commission  
601 New Jersey Avenue, NW, NJ-3212  
Washington, D.C. 20580  
[ATTORNEY PHONE] telephone  
(202) 326-3259 facsimile  
[ATTORNEY EMAIL]

## Attachment A Food Category Definitions

For purposes of this Order, the food categories<sup>31</sup> set forth in Specification 1.C. include the following items:

- (1) **Breakfast cereals** – all cereals, whether intended to be served hot or cold;
- (2) **Snack foods** – snack chips (such as potato chips, tortilla chips, and corn chips), pretzels, snack nuts (including salted and roasted), popcorn, snack bars (including breakfast and cereal bars), crackers, cookies, processed fruit snacks (such as fruit leather), gelatin, and pudding;
- (3) **Candy and frozen desserts**<sup>32</sup> – chocolate and other candy bars, other chocolate candy, hard candy, sour candy, chewy candy (including licorice, gummi candy, and jelly beans, but excluding gum and breath mints), ice cream, sherbet, sorbet, popsicles and other frozen novelties, frozen yogurt, and frozen baked goods (including frozen pies and cakes, but not those frozen breakfast items listed below under “baked goods”);
- (4) **Dairy products** – milk (including flavored milk drinks, but excluding butter, cream, cottage cheese, and sour cream), yogurt, yogurt drinks, and cheese (but not frozen dairy products, such as ice cream or frozen yogurt);
- (5) **Baked goods** – snack cakes, pastries, doughnuts, and toaster baked goods (including frozen waffles, French toast sticks, and toaster pastries, but excluding bread, rolls, bagels, breadsticks, buns, croissants, taco shells, and tortillas);
- (6) **Prepared foods and meals** – frozen and chilled entrees, frozen pizzas, canned soups and pasta, lunch kits, and non-frozen packaged entrees (such as macaroni and cheese);
- (7) **Carbonated beverages** – all carbonated beverages, both diet and regular;
- (8) **Fruit juice and non-carbonated beverages** – fruit juice, juice drinks, fruit-flavored drinks, vegetable juice, tea drinks, non-carbonated energy drinks and sports drinks, cocoa, bottled water, and all other non-carbonated beverages (but excluding all varieties of coffee); include ready-to-pour beverages as well as those sold in concentrated or powdered form;

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<sup>31</sup> The food categories are intended to be mutually exclusive. Do not include a food product in more than one category.

<sup>32</sup> Please note that the two food categories of “candy” and “frozen and chilled desserts” from the 2008 Report have been combined for purposes of this Order. The company must report all food products that are within the combined category of “candy and frozen desserts.”

- (9) **Fruits and vegetables** – all fruits and vegetables, whether sold fresh (packaged or loose), canned, frozen, or dried;
- (10) **Restaurant foods** – menu items offered in the restaurant.

**Attachment B**  
**Advertising and Promotional Activities Targeted Toward Children**

**INSTRUCTIONS**

Use the following definitions for purposes of reporting the advertising expenditures and activities requested in Specifications 2.A, 2.C, 2.F, and 4. The company must use Attachment E when reporting expenditures and Attachment H when reporting activities, and must not modify, delete, or add to the columns on either Attachment. The company must submit Attachments E and H in Excel in a format that is readable and writable.

The advertising and promotional activity categories set forth below are mutually exclusive. Do not report an expenditure or activity in more than one category.

For all advertising and promotional activity categories, report expenditures to the nearest \$10,000.

**Special Instructions for Reporting Expenditures and Activities in Food Categories**

**1.C.(1) through (6):** For those food products that fall within the food categories listed in Specification 1.C.(1) through (6)<sup>33</sup> **DO NOT** report **expenditures** in response to **Specification 2.A** and do not report **activities** in response to **Specification 4.B** for the advertising and promotional activity categories listed in (g) through (r) of this Attachment B, if both of the following conditions are met:

- (1) The company had no reportable expenditures for the food product in response to Specification 2.A for any of the advertising and promotional activity categories listed in (a) through (f) of this Attachment B; and
- (2) No marketing plan<sup>34</sup> for the food product indicates that the company planned or engaged in any form of advertising or promotional activity for the product during the calendar year 2009 that was intended to reach an audience that, in whole or in part, consisted of children ages 2-11;

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<sup>33</sup> The food categories listed in Specification 1.C.(1) through (6) are: breakfast cereals; snack foods; candy and frozen desserts; dairy products; baked goods; and prepared foods and meals.

<sup>34</sup> A “marketing plan” includes documents addressing advertising and marketing objectives and strategies, themes, or concepts, as well as media recommendations, media plans, marketing reports, business studies, creative strategies or briefs, category management plans, media exposure projections, and any other documents that set out, describe, or discuss the planned or actual approaches for marketing, advertising, or promoting a food brand, food product line, food product, or restaurant chain, whether created by the company or by its agents, including but not limited to ad agencies, media buyers, or advertising consultants.



## DEFINITIONS AND ADDITIONAL INSTRUCTIONS

- (a) **Television advertising (TV AD)** means advertising on broadcast, cable, or satellite television channels, including during syndicated programming, or branded messages relating to company sponsorship or underwriting of a television program. Report expenditures on, and activities associated with, television advertising if any of the following apply:
1. A marketing plan specifically indicates that the television advertising was intended to reach children under age 12;
  2. The advertising appeared in any television program, programming block, or daypart that had a viewing audience consisting of 30% or more children ages 2-11, as measured on an annual basis;<sup>35</sup> or
  3. The advertising occurred in a television program rated TV-Y or TV-Y7.

When reporting expenditures for television advertising, the company must report all creative design/development/production costs and advertising placement costs.<sup>36</sup>

- (b) **Radio advertising (RAD AD)** means advertising on AM, FM, HD Radio, or satellite radio channels. Report expenditures on, and activities associated with, radio advertising if any of the following apply:
1. A marketing plan specifically indicates that the radio advertising was intended to reach children under age 12; or
  2. The advertising appeared in any radio program, programming block, or daypart for which children ages 2-11 constituted at least 30% of the listening audience, as measured on an annual basis.

When reporting expenditures for radio advertising, the company must report all creative design/development/production costs and advertising placement costs.

- (c) **Print advertising (PRT AD)** means advertising placed in magazines, comic books, newspapers (including advertising placed in free-standing inserts), or other print

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<sup>35</sup> A 30% audience share was chosen for children ages 2-11 because this level of audience share is approximately double the proportion of that group in the general U.S. population.

<sup>36</sup> For purposes of this Order, “costs” include both direct and indirect allocated costs, whether internal or external.

publications. Report expenditures on, and activities associated with, print advertising if any of the following apply:

1. A marketing plan specifically indicates that the print advertising was intended to reach children under age 12; or
2. The advertising appeared in a publication for which children ages 2-11 constituted at least 30% of the readers and/or subscribers, as measured on an annual basis.

When reporting expenditures for print advertising, the company must report all creative design/development/production costs and advertising placement costs.

(d) **Company-sponsored Internet sites (WEBSITE AD)** means any company-sponsored Internet site or page that contains information about or images of the company's food brands or products, including, but not limited to, advergames,<sup>37</sup> and that can be accessed by computers located in the United States, regardless of where the site is located or the Internet address of the site or page. Report expenditures on, and activities associated with, company-sponsored Internet sites if any of the following apply:

1. A marketing plan specifically indicates that the site or page was intended to reach children under age 12;
2. Audience demographic data indicate that 20% or more of visitors to the site or page were children ages 2-11 for any month during 2009;<sup>38</sup> or
3. The site or page:
  - A. prominently featured child-oriented animated or licensed characters;
  - B. prominently featured a celebrity highly popular with children, according to a marketing plan or public opinion research data within the company's possession, custody, or control;

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<sup>37</sup> For purposes of this Order, the term "advergame" refers to an interactive, electronic game on a company-sponsored website that prominently features one or more of the company's products or brands.

<sup>38</sup> A 20% audience share was chosen for children ages 2-11 because this level of audience share is approximately double the proportion of that group in the population of active Internet users during 2009. Data from comScore show that children ages 2-11 constituted between 9 and 10% of the active Internet audience from January through December 2009. Source: comScore Media Trend Report.

- C. used language, such as “kid,” “child,” “tween,” or similar words, or prominently depicted performers, models, or characters who were, or appeared to be, under age 12, in order to indicate that the site or page was intended for children; or
- D. promoted child-oriented themes, activities, incentives, products, or media.

When reporting expenditures for company-sponsored Internet sites, the company must report all costs associated with the design, development, production, registration, and maintenance of company-sponsored, -owned, or -operated websites, including all content appearing on company websites (*e.g.*, advergames) that meets the definition above, regardless of whether the website as a whole is targeted to children.

(e) **Other Internet and digital advertising<sup>39</sup> (INTERNET AD)** means:

**Other Internet advertising:** advertising and promotional content on or through Internet sites or pages, other than company-sponsored Internet sites, that bears or otherwise displays the name or logo or any portion of the package of any of the company’s food brands or otherwise refers or relates to such food brands, including, but not limited to, sponsored hyperlinks, banner or pop-up advertisements, in-stream and in-page audio and video advertisements, sponsored text advertising, sponsored search keywords, and advertising in chat rooms, weblogs, social networking sites, online video games, bulletin boards, and listservs.

**Digital advertising:** advertising and promotional content transmitted to personal computers and other digital devices, including PDAs (personal digital assistants), mobile phones, and other portable devices, whether or not Internet-enabled, that bears or otherwise displays the name or logo or any portion of the package of any of the company’s food brands or otherwise refers or relates to such food brands, including, but not limited to, expenditures for advertising or promotional content in electronic mail (email) messages, short message service (SMS or “text”) messaging, instant messaging (IM), picture messaging, multimedia messaging, mobile broadcasts, downloads (such as ringtones, wallpapers, and videos), and podcasts.

Report expenditures on, and activities associated with, other Internet and digital advertising if any of the following apply:

1. A marketing plan specifically indicates that the Internet or digital advertising was intended to reach children under age 12;

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<sup>39</sup> Please note that the two promotional activity categories of “other Internet advertising” and “other digital advertising” from the 2008 Report have been combined for purposes of this Order. The company must report all promotional activities that are within the combined category of “other Internet and digital advertising.”

2. The company knowingly sought the participation of children in the Internet or digital advertising campaign;
3. For Internet advertising, the advertising appeared on any Internet website for which audience demographic data indicate that children ages 2-11 constituted at least 20% of the audience for any month during 2009. For digital advertising, 20% or more of the participants in or audience of the digital advertising campaign were children, according to demographic data or other information within the company's possession, custody, or control; or
4. The advertising:
  - A. prominently featured child-oriented animated or licensed characters;
  - B. prominently featured a celebrity highly popular with children, according to a marketing plan or public opinion research data within the company's possession, custody, or control;
  - C. used language, such as "kid," "child," "tween," or similar words, or prominently depicted performers, models, or characters who were, or appeared to be, under age 12, in order to indicate that the advertising was intended for children; or
  - D. promoted child-oriented themes, activities, incentives, products, or media.

When reporting expenditures for other Internet and digital advertising, the company must report all creative design/development/production costs and advertising placement/distribution costs.

(f) **Packaging and labeling (PACK/LABEL)** means all product packaging and labeling (including all words and images therein) for any of the company's food products. Report expenditures on, and activities associated with, packaging and labeling if any of the following apply:

1. A marketing plan specifically indicates that the packaging or labeling was designed to appeal to children under age 12; or
2. The packaging or labeling:
  - A. prominently featured child-oriented animated or licensed characters;
  - B. prominently featured a celebrity highly popular with children, according to a marketing plan or public opinion research data within the company's possession, custody, or control;

- C. used language, such as “kid,” “child,” “tween,” or similar words, or prominently depicted performers, models, or characters who were, or appeared to be, under age 12, in order to indicate that the product was intended for children; or
- D. promoted child-oriented themes, activities, incentives, products, or media.

When reporting expenditures for packaging and labeling, the company must report all costs associated with the design, development, and production of changes in product packaging and labeling (excluding the costs of packaging materials, and excluding any costs of fulfilling labeling requirements of the Food and Drug Administration).

(g) **Movie theater/video/video game advertising (MOV/VID AD)** means advertising preceding a movie shown in a movie theater or placed on a video (DVD, Blu-ray, or VHS) or within a video game (including as a pre-roll, post-roll, or banner advertisement). Report expenditures on, and activities associated with, movie theater/video/video game advertising if any of the following apply:

- 1. A marketing plan specifically indicates that such advertising was intended to reach children under age 12;
- 2. The advertising appeared in or contiguous to a motion picture:
  - A. distributed in movie theaters, on video (*e.g.*, DVD, Blu-ray, or VHS), or digitally, that was rated G by the Motion Picture Association of America; or
  - B. for which children ages 2-11 constituted at least 30% of the viewing audience, according to demographic data or other information within the company’s possession, custody, or control;
- 3. The advertising appeared in or contiguous to a video game:
  - A. rated EC by the Entertainment Software Rating Board; or
  - B. for which children ages 2-11 constituted at least 30% of the users, according to demographic data or other information within the company’s possession, custody, or control; or
- 4. The advertising:
  - A. prominently featured child-oriented animated or licensed characters;

- B. prominently featured a celebrity highly popular with children, according to a marketing plan or public opinion research data within the company's possession, custody, or control;
- C. used language, such as "kid," "child," "tween," or similar words, or prominently depicted performers, models, or characters who were, or appeared to be, under age 12, in order to indicate that the advertising was intended for children; or
- D. promoted child-oriented themes, activities, incentives, products, or media.

When reporting expenditures for movie theater/video/video game advertising, the company must report all creative design/development/production costs and advertising placement costs.

- (h) **In-store advertising and promotions (IN-STORE AD)** means advertising displays and promotions at the retail site, including the offering of free samples and allowances paid to facilitate shelf placement or merchandise displays. Report expenditures on, and activities associated with, in-store advertising and promotions that, pursuant to a marketing plan or industry practice, were designed to appeal to children. Such design elements may involve the height of placement or display, and the use of licensed characters, images of children, and language, such as "kid," "child," or similar words.

When reporting expenditures for in-store advertising and promotions, the company must report all costs of displays, signage, and samples, and shelf placement costs, including allowances.

- (i) **Specialty item or premium distribution (PREMIUMS)** means specialty or premium items other than food products that are distributed in connection with the sale of any of the company's food products, whether distributed by sale, by redemption of coupons, codes, or proofs of purchase, within food packages, in conjunction with restaurant meals, as prizes in contests or sweepstakes, or otherwise. Report expenditures on, and activities associated with, specialty item or premium distribution if any of the following apply:

- 1. A marketing plan specifically indicates that the specialty item or premium distribution was intended to reach children under age 12;
- 2. The promotion of the specialty or premium item or the item itself:
  - A. prominently featured child-oriented animated or licensed characters;
  - B. prominently featured a celebrity highly popular with children, according to a marketing plan or public opinion research data within the company's possession, custody, or control;

- C. used language, such as “kid,” “child,” “tween,” or similar words, or prominently depicted performers, models, or characters who were, or appeared to be, under age 12, in order to indicate that the item was intended for children; or
  - D. promoted child-oriented themes, activities, incentives, products, or media; or
3. The specialty or premium item was a toy, doll, action figure, collectable item, puzzle, game, or other product for children.

When reporting expenditures for specialty item or premium distribution, the company must report all net costs (deducting payments by consumers) of items distributed to consumers, including all costs associated with the production or purchase of the items and the distribution of the items. Thus, for purposes of reporting expenditures, the company will not include the costs associated with self-liquidating premiums, as defined in footnote 29, *supra*. Note that this category includes only the costs associated with the item or premium; it does not include costs associated with advertising the item or premium in other media. For example, if a contest to win a toy is advertised on television, the expenditure for the television advertisement must be reported under television advertising, while the net cost of the toys (including costs associated with the production or purchase, and distribution of the toys) must be reported under specialty item or premium distribution.

- (j) **Promotion or sponsorship of public entertainment events (EVENTS)** means events, including but not limited to concerts and sporting events, bearing or otherwise displaying the name or logo or any portion of the package of any of the company’s food brands or otherwise referring or relating to such food brands, including through billboards, banners, and the distribution of product samples or functional promotional items, including but not limited to, clothing, hats, bags, posters, sporting or racing goods and equipment bearing or otherwise displaying the name or logo or any portion of the package of any of the company’s food brands or otherwise referring or relating to such food brands. Report expenditures on, and activities associated with, promotion or sponsorship of public entertainment events if any of the following apply:

- 1. A marketing plan specifically indicates that the event or promotion at the event was intended to reach children under age 12 or that the event would involve the participation or attendance of children;
- 2. The company actively sought the participation or attendance of children;
- 3. The event involved child-oriented themes, activities, incentives, products, or media;



4. 30% or more of the participants in, or audience of, the event were children under age 12, according to demographic data or other information within the company's possession, custody, or control; or
5. The advertising or promotions at the event:
  - A. prominently featured child-oriented animated or licensed characters;
  - B. prominently featured a celebrity highly popular with children, according to a marketing plan or public opinion research data within the company's possession, custody, or control;
  - C. used language, such as "kid," "child," "tween," or similar words, or prominently depicted performers, models, or characters who were, or appeared to be, under age 12, in order to indicate that the advertising or promotions were intended for children; or
  - D. promoted child-oriented themes, activities, incentives, products, or media.

When reporting expenditures for the promotion or sponsorship of public entertainment events, the company must report all costs associated with the promotion and/or sponsorship of the event, including costs to display billboards or banners in the name of any of the company's food brands or referring or relating to such food brands, the cost of product samples distributed at the event, and all net costs (deducting payments by consumers) associated with the production, offer, sale, or provision without fee of all functional promotional items at or in connection with a public entertainment event. This does not include the costs of such non-specialty items as branded containers, paper cups or plates used for serving food or beverage products.

(k) **Product placements (PROD PLMT)** means permitting, promoting, or procuring the integration of any food product, logo, signage, trade name, or package into an entertainment vehicle, such as a television or radio program, motion picture, video, music recording, electronic or online game, or other form of entertainment. Report expenditures on, and activities associated with, product placements if any of the following apply:

1. A marketing plan specifically indicates that the placement was intended to reach children under age 12;
2. The placement occurred in a motion picture:
  - A. distributed in movie theaters, on video (*e.g.*, DVD, Blu-ray, or VHS), or digitally, that was rated G by the Motion Picture Association of America; or

- B. for which children ages 2-11 constituted at least 30% of the viewing audience, according to demographic data or other information within the company's possession, custody, or control;
- 3. The placement occurred in a television program, programming block, or daypart:
  - A. rated TV-Y or TV-Y7; or
  - B. for which children ages 2-11 constituted at least 30% of the viewing audience, as measured on an annual basis;
- 4. The placement occurred in a video game:
  - A. rated EC by the Entertainment Software Rating Board; or
  - B. for which children ages 2-11 constituted at least 30% of the users, according to demographic data or other information within the company's possession, custody, or control; or
- 5. The entertainment vehicle in which the placement occurred:
  - A. prominently featured a child-oriented animated or licensed character;
  - B. depicted primarily performers, models, or characters who were, or appeared to be, under age 12 or themes, activities, or other content that likely appealed primarily to children; or
  - C. prominently featured a celebrity highly popular with children, according to a marketing plan or public opinion research data within the company's possession, custody, or control.

When reporting expenditures for product placements, the company must report the cost of any payment (monetary or in-kind) made to secure the placements.

- (1) **Character licensing, toy co-branding, and cross-promotions (CHAR LIC)** means licensing or otherwise obtaining permission to use another company's brand, trade name, or related intellectual property in the advertising or promotion of a food product. This promotional activity includes licensing agreements to use the brand, trade name, or related intellectual property in advertisements or promotions, as well as cross-promotional arrangements, such as a marketing partnership with a media company, film studio, theme park, or toy company to promote each other's products by marketing (in any context) a food product or food brand name in conjunction with a character, film, theme park, toy, or similar product. Report expenditures on, and activities associated with, character licensing, toy co-branding, and cross-promotions involving another

company's brand, trade name, or related intellectual property if any of the following apply:

1. A marketing plan specifically indicates that use of the other company's brand, trade name, or related intellectual property was intended to reach children under age 12;
2. The other company's brand, trade name, or related intellectual property:
  - A. is or prominently featured a child-oriented animated or licensed character;
  - B. depicted primarily performers, models, or characters who were, or appeared to be, under age 12 or themes, activities, or other content that likely appealed primarily to children; or
  - C. prominently featured a celebrity highly popular with children, according to a marketing plan or public opinion research data within the company's possession, custody, or control;
3. The other company's brand, trade name, or related intellectual property derives from a motion picture:
  - A. distributed in movie theaters, on video (*e.g.*, DVD, Blu-ray, or VHS), or digitally, that was rated G by the Motion Picture Association of America; or
  - B. for which children ages 2-11 constituted at least 30% of the viewing audience, according to demographic data or other information within the company's possession, custody, or control;
4. The other company's brand, trade name, or related intellectual property derives from a television program:
  - A. rated TV-Y or TV-Y7; or
  - B. for which children ages 2-11 constituted at least 30% of the viewing audience, as measured on an annual basis;
5. The other company's brand, trade name, or related intellectual property derives from a video game:
  - A. rated EC by the Entertainment Software Rating Board; or

- B. for which children ages 2-11 constituted at least 30% of the users, according to demographic data or other information within the company's possession, custody, or control;
- 6. The other company's brand, trade name, or related intellectual property is a toy intended primarily for use by children under age 12 or primarily used by children, according to demographic data or other information within the company's possession, custody, or control; or
- 7. The other company's brand, trade name, or related intellectual property is a theme park:
  - A. that featured child-oriented themes, activities, products, or media; or
  - B. at which 30% or more of the annual attendees were children under age 12, according to demographic data or other information within the company's possession, custody, or control.

When reporting expenditures for character licensing, toy co-branding, and cross-promotions in columns 50 through 53 of Attachment E, the company must report only the cost of obtaining the character license, toy co-branding agreement, and/or cross-promotional arrangement (*e.g.*, a licensing fee). Do not report in this category the costs of advertisements and promotions featuring the licensed character, co-branded toy, or cross-promotion (*e.g.*, the costs of a television advertisement featuring the licensed character). Instead, those costs must be reported under the relevant advertising or promotional activity category (*e.g.*, the costs of a television advertisement featuring a licensed character must be reported under television advertising; the cost of packaging showing a licensed character must be reported under packaging).

- (m) **Sponsorship of sports teams or individual athletes (ATHL SPON)** means sponsorship of or provision of equipment or facilities for a professional or amateur athletic team (excluding primary and secondary school athletic teams to be reported under category (p), below) or an individual athlete, including, but not limited to, competitors in football, basketball, baseball, soccer, hockey, tennis, golf, wrestling, karate, judo, weight lifting, volleyball, skiing, skating, snowboarding, skateboarding, surfing, sailing, boating, equestrian, rodeo, automobile, race car, funny car, motorcycle, bicycle, truck, monster truck, tractor-pull, fishing, and hunting events, competitions, tournaments, and races. Report expenditures on, and activities associated with, sponsorships of sports teams or individual athletes if any of the following apply:

- 1. A marketing plan specifically indicates that the sponsorship was intended to reach or designed to appeal to children under age 12;
- 2. The sponsored athlete was a child, or members of the sponsored team were children;

3. A marketing plan or public opinion research data within the company's possession, custody, or control indicates that the sponsored team or athlete is highly popular with children; or
4. Demographic data or other information within the company's possession, custody, or control indicates that 30% or more of the fan base for the sponsored team or athlete consisted of children under age 12.

When reporting expenditures for the sponsorship of sports teams or individual athletes, the company must report the cost of all payments (both monetary and in-kind) to a sports team or athlete that are made in conjunction with or conditioned upon the use of trade names, logos, displays, signage, or other branded materials during public appearances of the sports team or athlete, including during athletic competitions. Do not report in this category expenditures that are reportable in another category (*e.g.*, payment to an athlete to appear in a television ad must be reported in the celebrity endorsements category).

(n) **Word-of-mouth and viral marketing**<sup>40</sup> (WOM/VIRAL) means:

**Word-of-mouth marketing:** providing incentives (financial or otherwise), product samples, or other support to non-employees (including individuals and groups) to promote consumption of a food product to other consumers or to encourage discussion of a food product or brand among consumers.

**Viral marketing:** promotional messages intended to encourage consumers to discuss, or otherwise promote (such as by passing along or sharing the promotional messages), a food product or brand with other consumers, or to encourage consumers to interact with company-sponsored content, through the use of various forms of electronic communication. "Viral" marketing includes, but is not limited to, content developed for video, audio, or image file-sharing Internet websites that integrates a food product, logo, signage, trade name, or food package; company-sponsored blogs or social networking website profiles that discuss a food product or brand (whether or not the content is attributed to the company); and any other content posted on the Internet about a food product that is intended to be sent from one consumer to another (such as through a "send to a friend" email or through a promotional message that attaches to an email sent through a web-based email program).

Report expenditures on, and activities associated with, word-of-mouth and viral marketing if any of the following apply:

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<sup>40</sup> Please note that the two promotional activity categories of "word-of-mouth marketing" and "viral marketing" from the 2008 Report have been combined for purposes of this Order. The company must report all promotional activities that are within the combined category of "word-of-mouth and viral marketing."

1. A marketing plan specifically indicates that the word-of-mouth or viral marketing campaign was intended to reach children under age 12;
2. The company knowingly sought the participation of children in the word-of-mouth or viral marketing campaign;
3. The word-of-mouth or viral marketing campaign:
  - A. prominently featured child-oriented animated or licensed characters;
  - B. prominently featured a celebrity highly popular with children, according to a marketing plan or public opinion research data within the company's possession, custody, or control;
  - C. used language, such as "kid," "child," "tween," or similar words, or prominently depicted performers, models, or characters who were, or appeared to be, under age 12, in order to indicate that the campaign was intended for children; or
  - D. promoted child-oriented themes, activities, incentives, products, or media; or
4. 20% or more of the participants in the word-of-mouth or viral marketing campaign were children under age 12, according to demographic data or other information within the company's possession, custody, or control.

When reporting expenditures for word-of-mouth marketing, the company must report the cost of incentives (financial or otherwise) and samples provided to non-employees, and all costs associated with the design, development, and implementation (*i.e.*, recruiting participants and disseminating the incentives) of the word-of-mouth marketing campaign.

When reporting expenditures for viral marketing, the company must report all costs associated with the creative design/development/production and distribution of the promotional messages.

- (o) **Celebrity endorsements (CELEB END)** means an advertising or promotional message (including verbal statements, demonstrations, or depictions of the name, signature, likeness, or other identifying personal characteristics of an individual) relating to the company's food products, when such message is one that consumers are likely to believe reflects the opinions, beliefs, findings, or experience of a public figure (including an entertainer, musician, athlete, or other well-recognized person). Report expenditures on, and activities associated with, celebrity endorsements if any of the following apply:

1. A marketing plan specifically indicates that the endorser was used to reach or appeal to children under age 12;
2. The celebrity endorser:
  - A. was a child;
  - B. was commonly recognized as highly popular with children, or was highly popular with children according to a marketing plan or public opinion research data within the company's possession, custody, or control; or
  - C. promoted child-oriented themes, activities, incentives, products, or media; or
3. Demographic data or other information within the company's possession, custody, or control indicates that 30% or more of the celebrity's fan base consisted of children under age 12.

When reporting expenditures for celebrity endorsements in columns 62 through 65 of Attachment E, the company must report only the cost of all payments (both monetary and in-kind) to a celebrity to endorse any of the company's food products (*e.g.*, an endorsement fee). Do not report in this category the costs associated with advertisements and promotions featuring the celebrity (*e.g.*, the costs of a television advertisement featuring the celebrity endorser). Instead, those costs must be reported under the relevant advertising or promotional activity category (*e.g.*, the costs of a television advertisement featuring a celebrity endorser must be reported under television advertising).

- (p) **In-school marketing (IN-SCHOOL)** means advertising or promotional activity in or around a pre-school or elementary school, including, but not limited to, the use of trade names, logos, displays, signage, or other branded materials in or around cafeterias, vending machines, or gymnasiums, at school events, youth athletic events, athletic fields or arenas, and on school buses, Channel One or other closed circuit television channels. This category includes payments pursuant to food and beverage contracts with schools or school systems and philanthropic donations to schools or particular school clubs, teams, events, or programs, including donations of or discounts on products, coupons for products, and branded materials such as equipment, classroom materials, and curricula created by or sponsored by food companies. This category does not include an advertising or promotional activity that occurred at a pre-school or elementary school at a time when no children were present or likely would have been present (*e.g.*, a PTA meeting).

When reporting expenditures for in-school marketing, the company must report the cost of all payments made pursuant to food and beverage contracts with schools or school



systems,<sup>41</sup> as well as the cost of all donations (both monetary and in-kind) to schools or particular school clubs, teams, events, or programs, that are made in conjunction with (or conditioned upon) the use of trade names, logos, displays, signage, or other branded materials in or around the school, as specified above. For student scholarships, report only the costs associated with promoting the scholarship in conjunction with the use of trade names, logos, displays, signage, or other branded materials; do not report the value of the scholarship.

(q) **Advertising in conjunction with philanthropic endeavors (PHLNTHRPY)** means advertising or promotional activity in conjunction with a donation to an organization, program, or event, other than a school or school-sponsored program or event, including, but not limited to, the use of trade names, logos, displays, signage, or other branded materials at or in connection with child-oriented clubs, parks, activities, or community programs or events. Report expenditures on, and activities associated with, advertising in conjunction with philanthropic endeavors if any of the following apply:

1. A marketing plan specifically indicates that the organization, program, or event would reach children under age 12 or would involve the participation or attendance of children under age 12;
2. The company actively sought the participation or attendance of children;
3. The program or event involved child-oriented themes, activities, incentives, products, or media;
4. 30% or more of the participants in, or attendees or beneficiaries of, the organization, program, or event were children under age 12, according to demographic data or other information within the company's possession, custody, or control; or
5. The advertising or promotional activity:
  - A. prominently featured child-oriented animated or licensed characters;
  - B. prominently featured a celebrity highly popular with children, according to a marketing plan or public opinion research data within the company's possession, custody, or control;
  - C. used language, such as "kid," "child," "tween," or similar words, or prominently depicted performers, models, or characters who were, or

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<sup>41</sup> Report the payments made to the schools or school systems pursuant to such contracts; do not report costs associated with purchasing, leasing, or servicing the vending machines in which products are sold.

appeared to be, under age 12, in order to indicate that the advertising or promotions were intended for children; or

D. promoted child-oriented themes, activities, incentives, products, or media.

When reporting expenditures for advertising in conjunction with philanthropic endeavors, the company must report the costs associated with donations (both monetary and in-kind) to organizations, programs or events (other than schools or school-sponsored programs or events) that are made in conjunction with (or conditioned upon) the use of trade names, logos, displays, signage, or other branded materials at or in connection with child-oriented clubs, parks, activities, or community programs or events. Report the cost of marketing materials associated with the philanthropic donation, not the full amount of the donation. (The amount of the donation that is deemed not tax deductible as a charitable contribution because of marketing benefit received by the company may serve as the reported cost, if appropriate.) Do not include any amount for contributions to medical or disease-related charities, even if the ultimate beneficiaries happen to be children.

- (r) **Other promotional activities (OTHER)** means any advertising or promotional activities not covered by another reporting category; describe fully and break down by type. Report expenditures on, and activities associated with, other promotional activities not reported in any other category if a marketing plan specifically indicates that such activities were intended to reach children under age 12.

When reporting expenditures for other promotional activities, consult with FTC staff as to what constitutes a reportable cost for the particular promotional activity involved.

**Attachment C**  
**Advertising and Promotional Activities Targeted Toward Adolescents**

**INSTRUCTIONS**

Use the following definitions for purposes of reporting the advertising expenditures and activities requested in Specifications 2.B, 2.C, 2.F, and 4. The company must use Attachment E when reporting expenditures and Attachment H when reporting activities, and must not modify, delete, or add to the columns on either Attachment. The company must submit Attachments E and H in Excel in a format that is readable and writable.

The advertising and promotional activity categories set forth below are mutually exclusive. Do not report an expenditure or activity in more than one category.

For all advertising and promotional activity categories, report expenditures to the nearest \$10,000.

**Special Instructions for Reporting Expenditures and Activities in Food Categories 1.C.(1) through (6):** For those food products that fall within the food categories listed in Specification 1.C.(1) through (6)<sup>42</sup> **DO NOT** report **expenditures** in response to **Specification 2.B** and do not report **activities** in response to **Specification 4.B** for the advertising and promotional activity categories listed in (g) through (r) of this Attachment C, if both of the following conditions are met:

- (1) The company had no reportable expenditures for the food product in response to Specification 2.B for any of the advertising and promotional activity categories listed in (a) through (f) of this Attachment C; and
- (2) No marketing plan<sup>43</sup> for the food product indicates that the company planned or engaged in any form of advertising or promotional activity for the product during the calendar year 2009 that was intended to reach an audience that, in whole or in part, consisted of adolescents ages 12-17;

**DEFINITIONS AND ADDITIONAL INSTRUCTIONS**

- (a) **Television advertising (TV AD)** means advertising on broadcast, cable, or satellite television channels, including during syndicated programming, or branded messages relating to company sponsorship or underwriting of a television program. Report

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<sup>42</sup> The food categories listed in Specification 1.C.(1) through (6) are: breakfast cereals; snack foods; candy and frozen desserts; dairy products; baked goods; and prepared foods and meals.

<sup>43</sup> See *supra* note 34 for the definition of “marketing plan.”

expenditures on, and activities associated with, television advertising if any of the following apply:

1. A marketing plan specifically indicates that the television advertising was intended to reach adolescents ages 12-17; or
2. The advertising appeared in any television program, programming block, or daypart that had a viewing audience consisting of 20% or more adolescents ages 12-17, as measured on an annual basis.<sup>44</sup>

When reporting expenditures for television advertising, the company must report all creative design/development/production costs and advertising placement costs.

(b) **Radio advertising (RAD AD)** means advertising on AM, FM, HD Radio, or satellite radio channels. Report expenditures on, and activities associated with, radio advertising if any of the following apply:

1. A marketing plan specifically indicates that the radio advertising was intended to reach adolescents ages 12-17; or
2. The advertising appeared in any radio program, programming block, or daypart for which adolescents ages 12-17 constituted at least 20% of the listening audience, as measured on an annual basis.

When reporting expenditures for radio advertising, the company must report all creative design/development/production costs and advertising placement costs.

(c) **Print advertising (PRT AD)** means advertising placed in magazines, comic books, newspapers (including advertising placed in free-standing inserts), or other print publications. Report expenditures on, and activities associated with, print advertising if any of the following apply:

1. A marketing plan specifically indicates that the print advertising was intended to reach adolescents ages 12-17; or
2. The advertising appeared in a publication for which adolescents ages 12-17 constituted at least 20% of the readers and/or subscribers, as measured on an annual basis.

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<sup>44</sup> A 20% audience share was chosen for adolescents ages 12-17 because this level of audience share is approximately double the proportion of that group in the general U.S. population.

When reporting expenditures for print advertising, the company must report all creative design/development/production costs and advertising placement costs.

- (d) **Company-sponsored Internet sites (WEBSITE AD)** means any company-sponsored Internet site or page that contains information about or images of the company's food brands or products, including, but not limited to, advergames,<sup>45</sup> and that can be accessed by computers located in the United States, regardless of where the site is located or the Internet address of the site or page. Report expenditures on, and activities associated with, company-sponsored Internet sites if any of the following apply:
1. A marketing plan specifically indicates that the site or page was intended to reach adolescents ages 12-17;
  2. Audience demographic data indicate that 20% or more of visitors to the site or page were adolescents ages 12-17 for any month during 2009;<sup>46</sup> or
  3. The site or page:
    - A. prominently featured adolescent-oriented animated or licensed characters;
    - B. prominently featured a celebrity highly popular with adolescents, according to a marketing plan or public opinion research data within the company's possession, custody, or control;
    - C. used language, such as "adolescent," "teen," "teenager," or similar words, or prominently depicted performers, models, or characters who were, or appeared to be, adolescents between 12 and 17 years old, in order to indicate that the site or page was intended for adolescents; or
    - D. promoted adolescent-oriented themes, activities, incentives, products, or media.

When reporting expenditures for company-sponsored Internet sites, the company must report all costs associated with the design, development, production, registration, and maintenance of company-sponsored, -owned, or -operated websites, including all content

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<sup>45</sup> See the definition of "advergame" at note 37, *supra*.

<sup>46</sup> A 20% audience share was chosen for adolescents ages 12-17 because this level of audience share is approximately double the proportion of that group in the population of active Internet users during 2009. Data from comScore show that adolescents ages 12-17 constituted between 10 and 11% of the active Internet audience from January through December 2009. Source: comScore Media Trend Report.

appearing on company websites (*e.g.*, advergames) that meets the definition above, regardless of whether the website as a whole is targeted to adolescents.

(e) **Other Internet and digital advertising (INTERNET AD)** means:

**Other Internet advertising:** advertising and promotional content on or through Internet sites or pages, other than company-sponsored Internet sites, that bears or otherwise displays the name or logo or any portion of the package of any of the company's food brands or otherwise refers or relates to such food brands, including, but not limited to, sponsored hyperlinks, banner or pop-up advertisements, in-stream and in-page audio and video advertisements, sponsored text advertising, sponsored search keywords, and advertising in chat rooms, weblogs, social networking sites, online video games, bulletin boards, and listservs.

**Digital advertising:** advertising and promotional content transmitted to personal computers and other digital devices, including PDAs (personal digital assistants), mobile phones, and other portable devices, whether or not Internet-enabled, that bears or otherwise displays the name or logo or any portion of the package of any of the company's food brands or otherwise refers or relates to such food brands, including, but not limited to, expenditures for advertising or promotional content in electronic mail (email) messages, short message service (SMS or "text") messaging, instant messaging (IM), picture messaging, multimedia messaging, mobile broadcasts, downloads (such as ringtones, wallpapers, and videos), and podcasts.

Report expenditures on, and activities associated with, other Internet and digital advertising if any of the following apply:

1. A marketing plan specifically indicates that the Internet or digital advertising was intended to reach adolescents ages 12-17;
2. The company knowingly sought the participation of adolescents in the Internet or digital advertising campaign;
3. For Internet advertising, the advertising appeared on any Internet website for which audience demographic data indicate that adolescents ages 12-17 constituted at least 20% of the audience for any month during 2009. For digital advertising, 20% or more of the participants in or audience of the digital advertising campaign were adolescents, according to demographic data or other information within the company's possession, custody, or control; or
4. The advertising:
  - A. prominently featured adolescent-oriented animated or licensed characters;

- B. prominently featured a celebrity highly popular with adolescents, according to a marketing plan or public opinion research data within the company's possession, custody, or control;
- C. used language, such as "adolescent," "teen," "teenager," or similar words, or prominently depicted performers, models, or characters who were, or appeared to be, adolescents between 12 and 17 years old, in order to indicate that the advertising was intended for adolescents; or
- D. promoted adolescent-oriented themes, activities, incentives, products, or media.

When reporting expenditures for other Internet and digital advertising, the company must report all creative design/development/production costs and advertising placement/distribution costs.

(f) **Packaging and labeling (PACK/LABEL)** means all product packaging and labeling (including all words and images therein) for any of the company's food products. Report expenditures on, and activities associated with, packaging and labeling if any of the following apply:

- 1. A marketing plan specifically indicates that the packaging or labeling was designed to appeal to adolescents ages 12-17; or
- 2. The packaging or labeling:
  - A. prominently featured adolescent-oriented animated or licensed characters;
  - B. prominently featured a celebrity highly popular with adolescents, according to a marketing plan or public opinion research data within the company's possession, custody, or control;
  - C. used language, such as "adolescent," "teen," "teenager," or similar words, or prominently depicted performers, models, or characters who were, or appeared to be, adolescents between 12 and 17 years old, in order to indicate that the product was intended for adolescents; or
  - D. promoted adolescent-oriented themes, activities, incentives, products, or media.

When reporting expenditures for packaging and labeling, the company must report all costs associated with the design, development, and production of changes in product packaging and labeling (excluding the costs of packaging materials, and excluding any costs of fulfilling labeling requirements of the Food and Drug Administration).



- (g) **Movie theater/video/video game advertising (MOV/VID AD)** means advertising preceding a movie shown in a movie theater or placed on a video (DVD, Blu-ray, or VHS) or within a video game (including as a pre-roll, post-roll, or banner advertisement). Report expenditures on, and activities associated with, movie theater/video/video game advertising if any of the following apply:
1. A marketing plan specifically indicates that such advertising was intended to reach adolescents ages 12-17;
  2. The advertising appeared in or contiguous to a motion picture for which adolescents ages 12-17 constituted at least 20% of the viewing audience, according to demographic data or other information within the company's possession, custody, or control;
  3. The advertising appeared in or contiguous to a video game for which adolescents ages 12-17 constituted at least 20% of the users, according to demographic data or other information within the company's possession, custody, or control; or
  4. The advertising:
    - A. prominently featured adolescent-oriented animated or licensed characters;
    - B. prominently featured a celebrity highly popular with adolescents, according to a marketing plan or public opinion research data within the company's possession, custody, or control;
    - C. used language, such as "adolescent," "teen," "teenager," or similar words, or prominently depicted performers, models, or characters who were, or appeared to be, adolescents between 12 and 17 years old, in order to indicate that the advertising was intended for adolescents; or
    - D. promoted adolescent-oriented themes, activities, incentives, products, or media.

When reporting expenditures for movie theater/video/video game advertising, the company must report all creative design/development/production costs and advertising placement costs.

- (h) **In-store advertising and promotions (IN-STORE AD)** means advertising displays and promotions at the retail site, including the offering of free samples and allowances paid to facilitate shelf placement or merchandise displays. Report expenditures on, and activities associated with, in-store advertising and promotions that, pursuant to a marketing plan or industry practice, were designed to appeal to adolescents. Such design elements may involve the height of placement or display, and the use of licensed characters, images of adolescents, and language, such as "adolescent" "teen," "teenager," or similar words.

When reporting expenditures for in-store advertising and promotions, the company must report all costs of displays, signage, and samples, and shelf placement costs, including allowances.

- (i) **Specialty item or premium distribution (PREMIUMS)** means specialty or premium items other than food products that are distributed in connection with the sale of any of the company's food products, whether distributed by sale, by redemption of coupons, codes, or proofs of purchase, within food packages, in conjunction with restaurant meals, as prizes in contests or sweepstakes, or otherwise. Report expenditures on, and activities associated with, specialty item or premium distribution if any of the following apply:
1. A marketing plan specifically indicates that the specialty item or premium distribution was intended to reach adolescents ages 12-17;
  2. The promotion of the specialty or premium item or the item itself:
    - A. prominently featured adolescent-oriented animated or licensed characters;
    - B. prominently featured a celebrity highly popular with adolescents, according to a marketing plan or public opinion research data within the company's possession, custody, or control;
    - C. used language, such as "adolescent," "teen," "teenager," or similar words, or prominently depicted performers, models, or characters who were, or appeared to be, adolescents between 12 and 17 years old, in order to indicate that the item was intended for adolescents; or
    - D. promoted adolescent-oriented themes, activities, incentives, products, or media; or
  3. The specialty or premium item was a toy, doll, action figure, collectable item, puzzle, game, or other product for adolescents.

When reporting expenditures for specialty item or premium distribution, the company must report all net costs (deducting payments by consumers) of items distributed to consumers, including all costs associated with the production or purchase of the items and the distribution of the items. Thus, for purposes of reporting expenditures, the company will not include the costs associated with self-liquidating premiums, as defined in footnote 29, *supra*. Note that this category includes only the costs associated with the item or premium; it does not include costs associated with advertising the item or premium in other media. For example, if a contest to win a toy is advertised on television, the expenditure for the television advertisement must be reported under television advertising, while the net cost of the toys (including costs associated with the production or purchase, and distribution of the toys) must be reported under specialty item or premium distribution.

(j) **Promotion or sponsorship of public entertainment events (EVENTS)** means events, including but not limited to concerts and sporting events, bearing or otherwise displaying the name or logo or any portion of the package of any of the company's food brands or otherwise referring or relating to such food brands, including through billboards, banners, and the distribution of product samples or functional promotional items, including but not limited to, clothing, hats, bags, posters, sporting or racing goods and equipment bearing or otherwise displaying the name or logo or any portion of the package of any of the company's food brands or otherwise referring or relating to such food brands. Report expenditures on, and activities associated with, promotion or sponsorship of public entertainment events if any of the following apply:

1. A marketing plan specifically indicates that the event or promotion at the event was intended to reach adolescents ages 12-17 or that the event would involve the participation or attendance of adolescents;
2. The company actively sought the participation or attendance of adolescents;
3. The event involved adolescent-oriented themes, activities, incentives, products, or media;
4. 20% or more of the participants in, or audience of, the event were adolescents ages 12-17, according to demographic data or other information within the company's possession, custody, or control; or
5. The advertising or promotions at the event:
  - A. prominently featured adolescent-oriented animated or licensed characters;
  - B. prominently featured a celebrity highly popular with adolescents, according to a marketing plan or public opinion research data within the company's possession, custody, or control;
  - C. used language, such as "adolescent," "teen," "teenager," or similar words, or prominently depicted performers, models, or characters who were, or appeared to be, adolescents between 12 and 17 years old, in order to indicate that the advertising or promotions were intended for adolescents; or
  - D. promoted adolescent-oriented themes, activities, incentives, products, or media.

When reporting expenditures for the promotion or sponsorship of public entertainment events, the company must report all costs associated with the promotion and/or sponsorship of the event, including costs to display billboards or banners in the name of any of the company's food brands or referring or relating to such food brands, the cost of

product samples distributed at the event, and all net costs (deducting payments by consumers) associated with the production, offer, sale, or provision without fee of all functional promotional items at or in connection with a public entertainment event. This does not include the costs of such non-specialty items as branded containers, paper cups or plates used for serving food or beverage products.

(k) **Product placements (PROD PLMT)** means permitting, promoting, or procuring the integration of any food product, logo, signage, trade name, or package into an entertainment vehicle, such as a television or radio program, motion picture, video, music recording, electronic or online game, or other form of entertainment. Report expenditures on, and activities associated with, product placements if any of the following apply:

1. A marketing plan specifically indicates that the placement was intended to reach adolescents;
2. The placement occurred in a motion picture for which adolescents ages 12-17 constituted at least 20% of the viewing audience, according to demographic data or other information within the company's possession, custody, or control;
3. The placement occurred in a television program, programming block, or daypart for which adolescents ages 12-17 constituted at least 20% of the viewing audience, as measured on an annual basis;
4. The placement occurred in a video game for which adolescents ages 12-17 constituted at least 20% of the users, according to demographic data or other information within the company's possession, custody, or control; or
5. The entertainment vehicle in which the placement occurred:
  - A. prominently featured an adolescent-oriented animated or licensed character;
  - B. depicted primarily performers, models, or characters who were, or appeared to be, adolescents between 12 and 17 years old or themes, activities, or other content that likely appealed primarily to adolescents; or
  - C. prominently featured a celebrity highly popular with adolescents, according to a marketing plan or public opinion research data within the company's possession, custody, or control.

When reporting expenditures for product placements, the company must report the cost of any payment (monetary or in-kind) made to secure the placements.

- (1) **Character licensing, toy co-branding, and cross-promotions (CHAR LIC)** means licensing or otherwise obtaining permission to use another company's brand, trade name, or related intellectual property in the advertising or promotion of a food product. This promotional activity includes licensing agreements to use the brand, trade name, or related intellectual property in advertisements or promotions, as well as cross-promotional arrangements, such as a marketing partnership with a media company, film studio, theme park, or toy company to promote each other's products by marketing (in any context) a food product or food brand name in conjunction with a character, film, theme park, toy, or similar product. Report expenditures on, and activities associated with, character licensing, toy co-branding, and cross-promotions involving another company's brand, trade name, or related intellectual property if any of the following apply:
1. A marketing plan specifically indicates that use of the other company's brand, trade name, or related intellectual property was intended to reach adolescents;
  2. The other company's brand, trade name, or related intellectual property:
    - A. is or prominently featured an adolescent-oriented animated or licensed character;
    - B. depicted primarily performers, models, or characters who were, or appeared to be, adolescents between 12 and 17 years old or themes, activities, or other content that likely appealed primarily to adolescents; or
    - C. prominently featured a celebrity highly popular with adolescents, according to a marketing plan or public opinion research data within the company's possession, custody, or control;
  3. The other company's brand, trade name, or related intellectual property derives from a motion picture for which adolescents ages 12-17 constituted at least 20% of the viewing audience, according to demographic data or other information within the company's possession, custody, or control;
  4. The other company's brand, trade name, or related intellectual property derives from a television program for which adolescents ages 12-17 constituted at least 20% of the viewing audience, as measured on an annual basis;
  5. The other company's brand, trade name, or related intellectual property derives from a video game for which adolescents ages 12-17 constituted at least 20% of the users, according to demographic data or other information within the company's possession, custody, or control;
  6. The other company's brand, trade name, or related intellectual property is a toy intended primarily for use by adolescents ages 12-17 or primarily used by

adolescents, according to demographic data or other information within the company's possession, custody, or control; or

7. The other company's brand, trade name, or related intellectual property is a theme park:
  - A. that featured adolescent-oriented themes, activities, products, or media; or
  - B. at which 20% or more of the annual attendees were adolescents ages 12-17, according to demographic data or other information within the company's possession, custody, or control.

When reporting expenditures for character licensing, toy co-branding, and cross-promotions in columns 50 through 53 of Attachment E, the company must report only the cost of obtaining the character license, toy co-branding agreement, and/or cross-promotional arrangement (*e.g.*, a licensing fee). Do not report in this category the costs of advertisements and promotions featuring the licensed character, co-branded toy, or cross-promotion (*e.g.*, the costs of a television advertisement featuring the licensed character). Instead, those costs must be reported under the relevant advertising or promotional activity category (*e.g.*, the costs of a television advertisement featuring a licensed character must be reported under television advertising; the cost of packaging showing a licensed character must be reported under packaging).

- (m) **Sponsorship of sports teams or individual athletes (ATHL SPON)** means sponsorship of or provision of equipment or facilities for a professional or amateur athletic team (excluding primary and secondary school athletic teams to be reported under category (p), below) or an individual athlete, including, but not limited to, competitors in football, basketball, baseball, soccer, hockey, tennis, golf, wrestling, karate, judo, weight lifting, volleyball, skiing, skating, snowboarding, skateboarding, surfing, sailing, boating, equestrian, rodeo, automobile, race car, funny car, motorcycle, bicycle, truck, monster truck, tractor-pull, fishing, and hunting events, competitions, tournaments, and races. Report expenditures on, and activities associated with, sponsorships of sports teams or individual athletes if any of the following apply:

1. A marketing plan specifically indicates that the sponsorship was intended to reach or designed to appeal to adolescents ages 12-17;
2. The sponsored athlete was an adolescent, or members of the sponsored team were adolescents;
3. A marketing plan or public opinion research data within the company's possession, custody, or control indicates that the sponsored team or athlete is highly popular with adolescents; or

4. Demographic data or other information within the company's possession, custody, or control indicates that 20% or more of the fan base for the sponsored team or athlete consisted of adolescents ages 12-17.

When reporting expenditures for the sponsorship of sports teams or individual athletes, the company must report the cost of all payments (both monetary and in-kind) to a sports team or athlete that are made in conjunction with or conditioned upon the use of trade names, logos, displays, signage, or other branded materials during public appearances of the sports team or athlete, including during athletic competitions. Do not report in this category expenditures that are reportable in another category (*e.g.*, payment to an athlete to appear in a television ad must be reported in the celebrity endorsements category).

(n) **Word-of-mouth and viral marketing (WOM/VIRAL) means:**

**Word-of-mouth marketing:** providing incentives (financial or otherwise), product samples, or other support to non-employees (including individuals and groups) to promote consumption of a food product to other consumers or to encourage discussion of a food product or brand among consumers.

**Viral marketing:** promotional messages intended to encourage consumers to discuss, or otherwise promote (such as by passing along or sharing the promotional messages), a food product or brand with other consumers, or to encourage consumers to interact with company-sponsored content, through the use of various forms of electronic communication. "Viral" marketing includes, but is not limited to, content developed for video, audio, or image file-sharing Internet websites that integrates a food product, logo, signage, trade name, or food package; company-sponsored blogs or social networking website profiles that discuss a food product or brand (whether or not the content is attributed to the company); and any other content posted on the Internet about a food product that is intended to be sent from one consumer to another (such as through a "send to a friend" email or through a promotional message that attaches to an email sent through a web-based email program).

Report expenditures on, and activities associated with, word-of-mouth and viral marketing if any of the following apply:

1. A marketing plan specifically indicates that the word-of-mouth or viral marketing campaign was intended to reach adolescents ages 12-17;
2. The company knowingly sought the participation of adolescents in the word-of-mouth or viral marketing campaign;
3. The word-of-mouth or viral marketing campaign:
  - A. prominently featured adolescent-oriented animated or licensed characters;



- B. prominently featured a celebrity highly popular with adolescents, according to a marketing plan or public opinion research data within the company's possession, custody, or control;
  - C. used language, such as "adolescent," "teen," "teenager," or similar words, or prominently depicted performers, models, or characters who were, or appeared to be, adolescents between 12 and 17 years old, in order to indicate that the campaign was intended for adolescents; or
  - D. promoted adolescent-oriented themes, activities, incentives, products, or media; or
4. 20% or more of the participants in the word-of-mouth or viral marketing campaign were adolescents ages 12-17, according to demographic data or other information within the company's possession, custody, or control.

When reporting expenditures for word-of-mouth marketing, the company must report the cost of incentives (financial or otherwise) and samples provided to non-employees, and all costs associated with the design, development, and implementation (*i.e.*, recruiting participants and disseminating the incentives) of the word-of-mouth marketing campaign.

When reporting expenditures for viral marketing, the company must report all costs associated with the creative design/development/production and distribution of the promotional messages.

- (o) **Celebrity endorsements (CELEB END)** means an advertising or promotional message (including verbal statements, demonstrations, or depictions of the name, signature, likeness, or other identifying personal characteristics of an individual) relating to the company's food products, when such message is one that consumers are likely to believe reflects the opinions, beliefs, findings, or experience of a public figure (including an entertainer, musician, athlete, or other well-recognized person). Report expenditures on, and activities associated with, celebrity endorsements if any of the following apply:

- 1. A marketing plan specifically indicates that the endorser was used to reach or appeal to adolescents ages 12-17;
- 2. The celebrity endorser:
  - A. was an adolescent;
  - B. was commonly recognized as highly popular with adolescents, or was highly popular with adolescents according to a marketing plan or public opinion research data within the company's possession, custody, or control; or

- C. promoted adolescent-oriented themes, activities, incentives, products, or media; or
- 3. Demographic data or other information within the company's possession, custody, or control indicates that 20% or more of the celebrity's fan base consisted of adolescents ages 12-17.

When reporting expenditures for celebrity endorsements in columns 62 through 65 of Attachment E, the company must report only the cost of all payments (both monetary and in-kind) to a celebrity to endorse any of the company's food products (*e.g.*, an endorsement fee). Do not report in this category the costs associated with advertisements and promotions featuring the celebrity (*e.g.*, the costs of a television advertisement featuring the celebrity endorser). Instead, those costs must be reported under the relevant advertising or promotional activity category (*e.g.*, the costs of a television advertisement featuring a celebrity endorser must be reported under television advertising).

- (p) **In-school marketing (IN-SCHOOL)** means advertising or promotional activity in or around a middle school, junior high school, or high school, including, but not limited to, the use of trade names, logos, displays, signage, or other branded materials in or around cafeterias, vending machines, or gymnasiums, at school events, youth athletic events, athletic fields or arenas, and on school buses, Channel One or other closed circuit television channels. This category includes payments pursuant to food and beverage contracts with schools or school systems and philanthropic donations to schools or particular school clubs, teams, events, or programs, including donations of or discounts on products, coupons for products, and branded materials such as equipment, classroom materials, and curricula created by or sponsored by food companies. This category does not include an advertising or promotional activity that occurred at a middle school, junior high school, or high school at a time when no adolescents were present or likely would have been present (*e.g.*, a PTA meeting).

When reporting expenditures for in-school marketing, the company must report the cost of all payments made pursuant to food and beverage contracts with schools or school systems,<sup>47</sup> as well as the cost of all donations (both monetary and in-kind) to schools or particular school clubs, teams, events, or programs, that are made in conjunction with (or conditioned upon) the use of trade names, logos, displays, signage, or other branded materials in or around the school, as specified above. For student scholarships, report only the costs associated with promoting the scholarship in conjunction with the use of trade names, logos, displays, signage, or other branded materials; do not report the value of the scholarship.

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<sup>47</sup> Report the payments made to the schools or school systems pursuant to such contracts; do not report costs associated with purchasing, leasing, or servicing the vending machines in which products are sold.

- (q) **Advertising in conjunction with philanthropic endeavors (PHLNTHRPY)** means advertising or promotional activity in conjunction with a donation to an organization, program, or event, other than a school or school-sponsored program or event, including, but not limited to, the use of trade names, logos, displays, signage, or other branded materials at or in connection with adolescent-oriented clubs, parks, activities, or community programs or events. Report expenditures on, and activities associated with, advertising in conjunction with philanthropic endeavors if any of the following apply:
1. A marketing plan specifically indicates that the organization, program, or event would reach adolescents ages 12-17 or would involve the participation or attendance of adolescents ages 12-17;
  2. The company actively sought the participation or attendance of adolescents;
  3. The program or event involved adolescent-oriented themes, activities, incentives, products, or media;
  4. 20% or more of the participants in, or attendees or beneficiaries of, the organization, program, or event were adolescents ages 12-17, according to demographic data or other information within the company's possession, custody, or control; or
  5. The advertising or promotional activity:
    - A. prominently featured adolescent-oriented animated or licensed characters;
    - B. prominently featured a celebrity highly popular with adolescents, according to a marketing plan or public opinion research data within the company's possession, custody, or control;
    - C. used language, such as "adolescent," "teen," "teenager," or similar words, or prominently depicted performers, models, or characters who were, or appeared to be, adolescents between 12 and 17 years old, in order to indicate that the advertising or promotions were intended for adolescents; or
    - D. promoted adolescent-oriented themes, activities, incentives, products, or media.

When reporting expenditures for advertising in conjunction with philanthropic endeavors, the company must report the costs associated with donations (both monetary and in-kind) to organizations, programs or events (other than schools or school-sponsored programs or events) that are made in conjunction with (or conditioned upon) the use of trade names, logos, displays, signage, or other branded materials at or in connection with adolescent-oriented clubs, parks, activities, or community programs or

events. Report the cost of marketing materials associated with the philanthropic donation, not the full amount of the donation. (The amount of the donation that is deemed not tax deductible as a charitable contribution because of marketing benefit received by the company may serve as the reported cost, if appropriate.) Do not include any amount for contributions to medical or disease-related charities, even if the ultimate beneficiaries happen to be adolescents.

- (r) **Other promotional activities (OTHER)** means any advertising or promotional activities not covered by another reporting category; describe fully and break down by type. Report expenditures on, and activities associated with, other promotional activities not reported in any other category if a marketing plan specifically indicates that such activities were targeted to adolescents ages 12-17.

When reporting expenditures for other promotional activities, consult with FTC staff as to what constitutes a reportable cost for the particular promotional activity involved.

**Attachment D**  
**Advertising and Promotional Activities for All Audiences**

**INSTRUCTIONS**

Use the following definitions for purposes of reporting the advertising expenditures requested in Specifications 2.D and 2.F. The company must use Attachment E when reporting expenditures and must not modify, delete, or add to the columns on the Attachment. The company must submit Attachment E in Excel in a format that is readable and writable.

The advertising and promotional activity categories set forth below are mutually exclusive. Do not report an expenditure in more than one category.

For all advertising and promotional activity categories, report expenditures to the nearest \$10,000.

**DEFINITIONS AND ADDITIONAL INSTRUCTIONS**

- (a) **Television advertising (TV AD)** means advertising on broadcast, cable, or satellite television channels, including during syndicated programming, or branded messages relating to company sponsorship or underwriting of a television program.

When reporting expenditures for television advertising, the company must report all creative design/development/production costs and advertising placement costs.

- (b) **Radio advertising (RAD AD)** means advertising on AM, FM, HD Radio, or satellite radio channels.

When reporting expenditures for radio advertising, the company must report all creative design/development/production costs and advertising placement costs.

- (c) **Print advertising (PRT AD)** means advertising placed in magazines, comic books, newspapers (including advertising placed in free-standing inserts), or other print publications.

When reporting expenditures for print advertising, the company must report all creative design/development/production costs and advertising placement costs.

- (d) **Company-sponsored Internet sites (WEBSITE AD)** means any company-sponsored Internet site or page that contains information about or images of the company's food brands or products, including, but not limited to, advergames,<sup>48</sup> and that can be accessed

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<sup>48</sup> See the definition of "advergame" at note 37, *supra*.

by computers located in the United States, regardless of where the site is located or the Internet address of the site or page.

When reporting expenditures for company-sponsored Internet sites, the company must report all costs associated with the design, development, production, registration, and maintenance of company-sponsored, -owned, or -operated websites, including all content appearing on company websites (*e.g.*, advergames) that meets the definition above.

(e) **Other Internet and digital advertising (INTERNET AD)** means:

**Other Internet advertising:** advertising and promotional content on or through Internet sites or pages, other than company-sponsored Internet sites, that bears or otherwise displays the name or logo or any portion of the package of any of the company's food brands or otherwise refers or relates to such food brands, including, but not limited to, sponsored hyperlinks, banner or pop-up advertisements, in-stream and in-page audio and video advertisements, sponsored text advertising, sponsored search keywords, and advertising in chat rooms, weblogs, social networking sites, online video games, bulletin boards, and listservs.

**Digital advertising:** advertising and promotional content transmitted to personal computers and other digital devices, including PDAs (personal digital assistants), mobile phones, and other portable devices, whether or not Internet-enabled, that bears or otherwise displays the name or logo or any portion of the package of any of the company's food brands or otherwise refers or relates to such food brands, including, but not limited to, expenditures for advertising or promotional content in electronic mail (email) messages, short message service (SMS or "text") messaging, instant messaging (IM), picture messaging, multimedia messaging, mobile broadcasts, downloads (such as ringtones, wallpapers, and videos), and podcasts.

When reporting expenditures for other Internet and digital advertising, the company must report all creative design/development/production costs and advertising placement/distribution costs.

(f) **Packaging and labeling (PACK/LABEL)** means all product packaging and labeling (including all words and images therein) for any of the company's food products.

When reporting expenditures for packaging and labeling, the company must report all costs associated with the design, development, and production of changes in product packaging and labeling (excluding the costs of packaging materials, and excluding any costs of fulfilling labeling requirements of the Food and Drug Administration).

(g) **Movie theater/video/video game advertising (MOV/VID AD)** means advertising preceding a movie shown in a movie theater or placed on a video (DVD, Blu-ray, or VHS) or within a video game (including as a pre-roll, post-roll, or banner advertisement).

When reporting expenditures for movie theater/video/video game advertising, the company must report all creative design/development/production costs and advertising placement costs.

- (h) **In-store advertising and promotions (IN-STORE AD)** means advertising displays and promotions at the retail site, including the offering of free samples and allowances paid to facilitate shelf placement or merchandise displays.

When reporting expenditures for in-store advertising and promotions, the company must report all costs of displays, signage, and samples, and shelf placement costs, including allowances.

- (i) **Specialty item or premium distribution (PREMIUMS)** means specialty or premium items other than food products that are distributed in connection with the sale of any of the company's food products, whether distributed by sale, by redemption of coupons, codes, or proofs of purchase, within food packages, in conjunction with restaurant meals, as prizes in contests or sweepstakes, or otherwise.

When reporting expenditures for specialty item or premium distribution, the company must report all net costs (deducting payments by consumers) of items distributed to consumers, including all costs associated with the production or purchase of the items and the distribution of the items. Thus, for purposes of reporting expenditures, the company will not include the costs associated with self-liquidating premiums, as defined in footnote 29, *supra*. Note that this category includes only the costs associated with the item or premium; it does not include costs associated with advertising the item or premium in other media. For example, if a contest to win a toy is advertised on television, the expenditure for the television advertisement must be reported under television advertising, while the net cost of the toys (including costs associated with the production or purchase, and distribution of the toys) must be reported under specialty item or premium distribution.

- (j) **Promotion or sponsorship of public entertainment events (EVENTS)** means events, including but not limited to concerts and sporting events, bearing or otherwise displaying the name or logo or any portion of the package of any of the company's food brands or otherwise referring or relating to such food brands, including through billboards, banners, and the distribution of product samples or functional promotional items, including but not limited to, clothing, hats, bags, posters, sporting or racing goods and equipment bearing or otherwise displaying the name or logo or any portion of the package of any of the company's food brands or otherwise referring or relating to such food brands.

When reporting expenditures for the promotion or sponsorship of public entertainment events, the company must report all costs associated with the promotion and/or sponsorship of the event, including costs to display billboards or banners in the name of any of the company's food brands or referring or relating to such food brands, the cost of product samples distributed at the event, and all net costs (deducting payments by



consumers) associated with the production, offer, sale, or provision without fee of all functional promotional items at or in connection with a public entertainment event. This does not include the costs of such non-specialty items as branded containers, paper cups or plates used for serving food or beverage products.

- (k) **Product placements (PROD PLMT)** means permitting, promoting, or procuring the integration of any food product, logo, signage, trade name, or package into an entertainment vehicle, such as a television or radio program, motion picture, video, music recording, electronic or online game, or other form of entertainment.

When reporting expenditures for product placements, the company must report the cost of any payment (monetary or in-kind) made to secure the placements.

- (l) **Character licensing, toy co-branding, and cross-promotions (CHAR LIC)** means licensing or otherwise obtaining permission to use another company's brand, trade name, or related intellectual property in the advertising or promotion of a food product. This promotional activity includes licensing agreements to use the brand, trade name, or related intellectual property in advertisements or promotions, as well as cross-promotional arrangements, such as a marketing partnership with a media company, film studio, theme park, or toy company to promote each other's products by marketing (in any context) a food product or food brand name in conjunction with a character, film, theme park, toy, or similar product.

When reporting expenditures for character licensing, toy co-branding, and cross-promotions in columns 50 through 53 of Attachment E, the company must report only the cost of obtaining the character license, toy co-branding agreement, and/or cross-promotional arrangement (*e.g.*, a licensing fee). Do not report in this category the costs of advertisements and promotions featuring the licensed character, co-branded toy, or cross-promotion (*e.g.*, the costs of a television advertisement featuring the licensed character). Instead, those costs must be reported under the relevant advertising or promotional activity category (*e.g.*, the costs of a television advertisement featuring a licensed character must be reported under television advertising; the cost of packaging showing a licensed character must be reported under packaging).

- (m) **Sponsorship of sports teams or individual athletes (ATHL SPON)** means sponsorship of or provision of equipment or facilities for a professional or amateur athletic team (excluding primary and secondary school athletic teams to be reported under category (p), below) or an individual athlete, including, but not limited to, competitors in football, basketball, baseball, soccer, hockey, tennis, golf, wrestling, karate, judo, weight lifting, volleyball, skiing, skating, snowboarding, skateboarding, surfing, sailing, boating, equestrian, rodeo, automobile, race car, funny car, motorcycle, bicycle, truck, monster truck, tractor-pull, fishing, and hunting events, competitions, tournaments, and races.

When reporting expenditures for the sponsorship of sports teams or individual athletes, the company must report the cost of all payments (both monetary and in-kind) to a sports

team or athlete that are made in conjunction with or conditioned upon the use of trade names, logos, displays, signage, or other branded materials during public appearances of the sports team or athlete, including during athletic competitions. Do not report in this category expenditures that are reportable in another category (*e.g.*, payment to an athlete to appear in a television ad must be reported in the celebrity endorsements category).

(n) **Word-of-mouth and viral marketing (WOM/VIRAL)** means:

**Word-of-mouth marketing:** providing incentives (financial or otherwise), product samples, or other support to non-employees (including individuals and groups) to promote consumption of a food product to other consumers or to encourage discussion of a food product or brand among consumers.

**Viral marketing:** promotional messages intended to encourage consumers to discuss, or otherwise promote (such as by passing along or sharing the promotional messages), a food product or brand with other consumers, or to encourage consumers to interact with company-sponsored content, through the use of various forms of electronic communication. “Viral” marketing includes, but is not limited to, content developed for video, audio, or image file-sharing Internet websites that integrates a food product, logo, signage, trade name, or food package; company-sponsored blogs or social networking website profiles that discuss a food product or brand (whether or not the content is attributed to the company); and any other content posted on the Internet about a food product that is intended to be sent from one consumer to another (such as through a “send to a friend” email or through a promotional message that attaches to an email sent through a web-based email program).

When reporting expenditures for word-of-mouth marketing, the company must report the cost of incentives (financial or otherwise) and samples provided to non-employees, and all costs associated with the design, development, and implementation (*i.e.*, recruiting participants and disseminating the incentives) of the word-of-mouth marketing campaign.

When reporting expenditures for viral marketing, the company must report all costs associated with the creative design/development/production and distribution of the promotional messages.

(o) **Celebrity endorsements (CELEB END)** means an advertising or promotional message (including verbal statements, demonstrations, or depictions of the name, signature, likeness, or other identifying personal characteristics of an individual) relating to the company’s food products, when such message is one that consumers are likely to believe reflects the opinions, beliefs, findings, or experience of a public figure (including an entertainer, musician, athlete, or other well-recognized person).

When reporting expenditures for celebrity endorsements in columns 62 through 65 of Attachment E, the company must report only the cost of all payments (both monetary and

in-kind) to a celebrity to endorse any of the company's food products (*e.g.*, an endorsement fee). Do not report in this category the costs associated with advertisements and promotions featuring the celebrity (*e.g.*, the costs of a television advertisement featuring the celebrity endorser). Instead, those costs must be reported under the relevant advertising or promotional activity category (*e.g.*, the costs of a television advertisement featuring a celebrity endorser must be reported under television advertising).

- (p) **In-school marketing (IN-SCHOOL)** means advertising or promotional activity in or around an educational institution, such as a pre-school, elementary school, middle school, junior high school, high school, trade school, junior college, community college, four-year college, or university. It includes, but is not limited to, the use of trade names, logos, displays, signage, or other branded materials in or around cafeterias, vending machines, or gymnasiums, at school events, athletic events, athletic fields or arenas, and on school buses, Channel One or other closed circuit television channels; this category includes payments pursuant to food and beverage contracts with schools or school systems and philanthropic donations to schools or particular school clubs, teams, events, or programs, including donations of or discounts on products, coupons for products, and branded materials such as equipment, classroom materials, and curricula created by or sponsored by food companies.

When reporting expenditures for in-school marketing, the company must report the cost of all payments made pursuant to food and beverage contracts with schools or school systems,<sup>49</sup> as well as the cost of all donations (both monetary and in-kind) to schools or particular school clubs, teams, events, or programs, that are made in conjunction with (or conditioned upon) the use of trade names, logos, displays, signage, or other branded materials in or around the school, as specified above. For student scholarships, report only the costs associated with promoting the scholarship in conjunction with the use of trade names, logos, displays, signage, or other branded materials; do not report the value of the scholarship.

- (q) **Advertising in conjunction with philanthropic endeavors (PHLNTHRPY)** means advertising or promotional activity in conjunction with a donation to an organization, program, or event, other than a school or school-sponsored program or event, including, but not limited to, the use of trade names, logos, displays, signage, or other branded materials at or in connection with clubs, parks, activities, or community programs or events.

When reporting expenditures for advertising in conjunction with philanthropic endeavors, the company must report the costs associated with donations (both monetary and in-kind) to organizations, programs or events (other than schools or

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<sup>49</sup> Report the payments made to the schools or school systems pursuant to such contracts; do not report costs associated with purchasing, leasing, or servicing the vending machines in which products are sold.

school-sponsored programs or events) that are made in conjunction with (or conditioned upon) the use of trade names, logos, displays, signage, or other branded materials at or in connection with clubs, parks, activities, or community programs or events. Report the cost of marketing materials associated with the philanthropic donation, not the full amount of the donation. (The amount of the donation that is deemed not tax deductible as a charitable contribution because of marketing benefit received by the company may serve as the reported cost, if appropriate.) Do not include any amount for contributions to medical or disease-related charities.

- (r) **Other promotional activities (OTHER)** means any advertising or promotional activities not covered by another reporting category defined in this Attachment D; describe fully and break down by type.

When reporting expenditures for other promotional activities, consult with FTC staff as to what constitutes a reportable cost for the particular promotional activity involved.

**Attachment E**  
**Expenditures for Food Products Promoted to Children or Adolescents in 2009**  
**Instructions Regarding Reportable Expenditures**

When reporting expenditures on Attachment E in response to Specification 2, the company must follow these additional instructions:

1. If the company has any advertisements or promotions that are reportable under Specifications 2.A through 2.F but the advertisements or promotions feature a family of many or all sub-brands within a single product brand, or feature multiple product brands, within one or more food categories, the company must report the related expenditures in accordance with these instructions:
  - a. For multiple brands or sub-brands within a single food category, report the related expenditures on a separate row on Attachment E; in column 2 of this row, list the food category featured in the advertisements or promotions; in column 3, enter “multi-brand advertising”; and in column 4, enter the name of the top-selling brand or sub-brand that is featured in the advertising;
  - b. For multiple brands or sub-brands within two or more food categories, report the related expenditures on separate rows on Attachment E, allocating the expenditures among each of the food categories featured in the advertisements or promotions based on the company’s relative sales for the specific food products in those food categories that are featured in the advertising (report each food category on a separate row); in column 2 of these rows, list the food category for which allocated expenditures are reported; in column 3, enter “multi-brand advertising”; and in column 4, enter the name of the top-selling brand or sub-brand that is featured in the advertising for the food category for which allocated expenditures are reported in the row;<sup>1</sup>
  - c. For advertisements or promotions featuring both regular and diet carbonated

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<sup>1</sup> For example, if a print advertisement features breakfast cereal Brand A and Brand B, and also features snack bar Brand C and Brand D, the company would have two rows of expenditures reported on Attachment E for the advertisement: one for breakfast cereals and one for snack foods. The company would allocate the advertising expenditures among breakfast cereals and snack foods in proportion to the relative combined sales of Brands A and B (breakfast cereals) and Brands C and D (snack foods). In column 2 of the rows, the company would list the food category (breakfast cereals or snack foods) for which allocated expenditures are reported. In column 3, the company would enter “multi-brand advertising.” In column 4, for the breakfast cereals row, the company would enter the name of the brand (either Brand A or Brand B) that was the top-selling cereal brand featured in the advertisement. For the snack foods row, the company would enter the name of the brand (either Brand C or Brand D) that was the top-selling snack bar brand featured in the advertisement.

beverages, report the related expenditures on two separate rows on Attachment E, allocating the expenditures between regular carbonated beverages and diet carbonated beverages based on the company's relative sales for those categories of beverages for the specific beverage brands that are featured in the advertising; in column 2 of these rows, list the food category (*i.e.*, carbonated beverages); in column 3, enter either "regular" or "diet," corresponding with the allocated expenditures reported in the row; and in column 4, enter the name of the top-selling regular or diet carbonated beverage that is featured in the advertising, corresponding with the allocated expenditures reported in the row.

2. If the company has any advertisements or promotions that are reportable under Specifications 2.A through 2.F but the advertisements or promotions are general advertising for the corporate brand and do not feature an individual food product or food products, the company must report the related expenditures on a separate row on Attachment E; in column 3 of this row the company must enter "corporate brand advertising." For restaurant corporate brand advertising, the company must report the related expenditures on a separate row on Attachment E; in column 3 of this row the company must enter the restaurant chain that is advertised; do not attribute the expense to an individual menu item or meal combination.
3. For restaurant foods, the company must report expenditures at the corporate level and, where reasonably feasible, must sample local, regional, and national advertising cooperatives and include estimated total expenditures at those levels in its reported expenditures. For example, if the company spent \$100,000 on child-directed television advertising at the corporate level, and estimates that expenditures by local, regional, and national advertising cooperatives for child-directed television advertising totaled \$50,000, then the company would report \$150,000 in column 6A of Attachment E.
4. If an advertising expenditure is reportable as targeted to children, adolescents, or both children and adolescents, under Specifications 2.A through 2.C, the company must report the entire amount of the expenditure on Attachment E. The company must **not** prorate the expenditure based on a belief that the advertisement was targeted in part to children or adolescents and in part to adults.
5. Do not include character licensing or cross-promotion **fees** or celebrity endorsement **fees** when reporting expenditures for advertisements or promotions that featured licensed characters, cross-promotions, or celebrity endorsers. Instead, those **fees** must be reported only under the following categories: Character licensing, toy co-branding, and cross-promotions (CHAR LIC); and Celebrity endorsements (CELEB END).
6. In promotional activity categories involving the distribution of samples and in-kind payments (*see, e.g.*, the in-store, events, product placement, athletic sponsorship, word-of-mouth/viral, celebrity endorsement, in-school, and philanthropic categories), the company must report its actual costs, rather than the potential retail value of the product(s).

7. For advertising and promotional activity categories involving the sponsorship of community events or organizations (*see, e.g.,* events, in-school, and philanthropic categories), the company must report advertising expenditures and activities that are undertaken at the discretion of local business units, to the extent they can be ascertained through reasonable due diligence efforts, in addition to those undertaken at the direction of the company's central location.
8. If an outside agency fee, or other expenditure, is attributable to the design, development, production, placement, or distribution of an advertisement or promotional activity that is reportable under Specifications 2.A through 2.F, but the company's financial records do not indicate what portion of the expenditure is attributable to the reportable advertisement or promotional activity, the company must estimate the amount of the expenditure that is attributable to the reportable advertisement or promotional activity and include it in the reported expense.
9. If the company had an expenditure that covered multiple advertisements or promotions but only one advertisement or promotion meets a definition in Attachment B or C as being targeted to children or adolescents, the company must estimate the portion of the expenditure that is attributable to the child- or adolescent-targeted advertisement or promotion and include it in the reported expense.
10. The company must not report any advertising expenditures or activities that are exclusively "to-the-trade" and that do not involve consumer-directed advertising or promotions.



**Attachment E**  
**Expenditures for Food Products Promoted to Children or Adolescents in 2009**

[The expenditure figures provided in this Attachment are intended to serve as examples and are not representative of any figures the agency expects to receive from any particular company.]

1	2	3	4	5	6A	6B	6C	7A
COMPANY NAME	FOOD CATEGORY	BRAND/REST NAME	SUB-BRAND NAME/MENU ITEM	NUTRITIONAL PRODUCT LINE	TV AD (2-11)	AMT USING CHAR LIC (TV AD 2-11)	AMT USING CELEB END (TV AD 2-11)	TV AD (12-17)
Great Food Co.	Breakfast Cereals	Great Flakes	Honey Nut Great Flakes	0	1250000	850000	30000	340000
Great Food Co.	Breakfast Cereals	Great Bran	-1	1	20000	0	10000	290000
Great Dairy Co.	Dairy Products	Milk	1% Milk	0	60000	0	40000	540000

**Formatting instructions: Report expenditures in whole numbers, rounded to the nearest \$10,000. If you have no expenditure in a category, enter a "0" in the field; do not leave fields blank. Do not use dollar signs ("\$\$"), commas, or decimal points when reporting expenditures. Use the following codes when responding:**

- "1" = yes (in response to column 5 only)
- "0" = no (in response to column 5 only)
- "-1" = not applicable (in response to column 4 only)

7B	7C	8A	8B	8C	9A	9B	9C	10A
AMT USING CHAR LIC (TV AD 12-17)	AMT USING CELEB END (TV AD 12-17)	TV AD (Overlapping)	AMT USING CHAR LIC (TV AD Overlapping)	AMT USING CELEB END (TV AD Overlapping)	TV AD (All)	AMT USING CHAR LIC (TV AD All)	AMT USING CELEB END (TV AD All)	RAD AD (2-11)
190000	80000	220000	190000	30000	2750000	850000	250000	
0	180000	20000	0	10000	1950000	0	320000	
0	270000	30000	0	30000	1280000	0	410000	

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10B	10C	11A	11B	11C	12A	12B	12C	13A
AMT USING CHAR LIC (RAD AD 2-11)	AMT USING CELEB END (RAD AD 2-11)	RAD AD (12- 17)	AMT USING CHAR LIC (RAD AD 12- 17)	AMT USING CELEB END (RAD AD 12- 17)	RAD AD (Overlapping)	AMT USING CHAR LIC (RAD AD Overlapping)	AMT USING CELEB END (RAD AD Overlapping)	RAD AD (All)

13B	13C	14A	14B	14C	15A	15B	15C	16A
AMT USING CHAR LIC (RAD AD AII)	AMT USING CELEB END (RAD AD AII)	PRT AD (2-11)	AMT USING CHAR LIC (PRT AD 2-11)	AMT USING CELEB END (PRT AD 2-11)	PRT AD (12-17)	AMT USING CHAR LIC (PRT AD 12-17)	AMT USING CELEB END (PRT AD 12-17)	PRT AD (Overlapping)

16B	16C	17A	17B	17C	18A	18B	18C	19A
AMT USING CHAR LIC (PRT AD Overlapping)	AMT USING CELEB END (PRT AD Overlapping)	PRT AD (AII)	AMT USING CHAR LIC (PRT AD AII)	AMT USING CELEB END (PRT AD AII)	WEBSITE AD (2-11)	AMT USING CHAR LIC (WEBSITE AD 2-11)	AMT USING CELEB END (WEBSITE AD 2-11)	WEBSITE AD (12-17)

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19B	19C	20A	20B	20C	21A	21B	21C	22A
AMT USING CHAR LIC (WEBSITE AD 12-17)	AMT USING CELEB END (WEBSITE AD 12-17)	WEBSITE AD (Overlapping)	AMT USING CHAR LIC (WEBSITE AD Overlapping)	AMT USING CELEB END (WEBSITE AD Overlapping)	WEBSITE AD (All)	AMT USING CHAR LIC (WEBSITE AD All)	AMT USING CELEB END (WEBSITE AD All)	INTERNET AD (2-11)

B-68

22B	22C	23A	23B	23C	24A	24B	24C	25A
AMT USING CHAR LIC (INTERNET AD 2-11)	AMT USING CELEB END (INTERNET AD 2-11)	INTERNET AD (12-17)	AMT USING CHAR LIC (INTERNET AD 12-17)	AMT USING CELEB END (INTERNET AD 12-17)	INTERNET AD (Overlapping)	AMT USING CHAR LIC (INTERNET AD Overlapping)	AMT USING CELEB END (INTERNET AD Overlapping)	INTERNET AD (All)

B-69



25B	25C	26A	26B	26C	27A	27B	27C	28A
AMT USING CHAR LIC (INTERNET AD All)	AMT USING CELEB END (INTERNET AD All)	PACK/LABEL (2-11)	AMT USING CHAR LIC (PACK/LABEL 2-11)	AMT USING CELEB END (PACK/LABEL 2-11)	PACK/LABEL (12-17)	AMT USING CHAR LIC (PACK/LABEL 12-17)	AMT USING CELEB END (PACK/LABEL 12-17)	PACK/LABEL (Overlapping)

B-70

28B	28C	29A	29B	29C	30A	30B	30C	31A
AMT USING CHAR LIC (PACK/LABEL Overlapping)	AMT USING CELEB END (PACK/LABEL Overlapping)	PACK/LABEL (AII)	AMT USING CHAR LIC (PACK/LABEL AII)	AMT USING CELEB END (PACK/LABEL AII)	MOV/VID AD (2- 11)	AMT USING CHAR LIC (MOV/VID 2-11)	AMT USING CELEB END (MOV/VID 2-11)	MOV/VID AD (12-17)

B-71

31B	31C	32A	32B	32C	33A	33B	33C	34A
AMT USING CHAR LIC (MOV/VID 12- 17)	AMT USING CELEB END (MOV/VID 12- 17)	MOV/VID AD (Overlapping)	AMT USING CHAR LIC (MOV/VID Overlapping)	AMT USING CELEB END (MOV/VID Overlapping)	MOV/VID AD (All)	AMT USING CHAR LIC (MOV/VID All)	AMT USING CELEB END (MOV/VID All)	IN-STORE AD (2-11)

34B	34C	35A	35B	35C	36A	36B	36C	37A
AMT USING CHAR LIC (IN- STORE 2-11)	AMT USING CELEB END (IN-STORE 2- 11)	IN-STORE AD (12-17)	AMT USING CHAR LIC (IN- STORE 12-17)	AMT USING CELEB END (IN-STORE 12- 17)	IN-STORE AD (Overlapping)	AMT USING CHAR LIC (IN- STORE Overlapping)	AMT USING CELEB END (IN-STORE Overlapping)	IN-STORE AD (All)

B-73

37B	37C	38A	38B	38C	39A	39B	39C	40A
AMT USING CHAR LIC (IN- STORE AII)	AMT USING CELEB END (IN-STORE AII)	PREMIUMS (2- 11)	AMT USING CHAR LIC (PREMIUMS 2- 11)	AMT USING CELEB END (PREMIUMS 2- 11)	PREMIUMS (12- 17)	AMT USING CHAR LIC (PREMIUMS 12- 17)	AMT USING CELEB END (PREMIUMS 12- 17)	PREMIUMS (Overlapping)

B-74

40B	40C	41A	41B	41C	42A	42B	42C	43A
AMT USING CHAR LIC (PREMIUMS Overlapping)	AMT USING CELEB END (PREMIUMS Overlapping)	PREMIUMS (AII)	AMT USING CHAR LIC (PREMIUMS AII)	AMT USING CELEB END (PREMIUMS AII)	EVENTS (2-11)	AMT USING CHAR LIC (EVENTS 2-11)	AMT USING CELEB END (EVENTS 2-11)	EVENTS (12- 17)

B-75

43B	43C	44A	44B	44C	45A	45B	45C	46A
AMT USING CHAR LIC (EVENTS 12- 17)	AMT USING CELEB END (EVENTS 12- 17)	EVENTS (Overlapping)	AMT USING CHAR LIC (EVENTS Overlapping)	AMT USING CELEB END (EVENTS Overlapping)	EVENTS (AII)	AMT USING CHAR LIC (EVENTS AII)	AMT USING CELEB END (EVENTS AII)	PROD PLMT (2- 11)



46B	46C	47A	47B	47C	48A	48B	48C	49A
AMT USING CHAR LIC (PROD PLMT 2- 11)	AMT USING CELEB END (PROD PLMT 2- 11)	PROD PLMT (12-17)	AMT USING CHAR LIC (PROD PLMT 12-17)	AMT USING CELEB END (PROD PLMT 12-17)	PROD PLMT (Overlapping)	AMT USING CHAR LIC (PROD PLMT Overlapping)	AMT USING CELEB END (PROD PLMT Overlapping)	PROD PLMT (All)

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49B	49C	50	51	52	53	54A	54B	54C
AMT USING CHAR LIC (PROD PLMT All)	AMT USING CELEB END (PROD PLMT All)	CHAR LIC (2- 11)	CHAR LIC (12- 17)	CHAR LIC (Overlapping)	CHAR LIC (All)	ATHL SPON (2- 11)	AMT USING CHAR LIC (ATHL SPON 2- 11)	AMT USING CELEB END (ATHL SPON 2- 11)

55A	55B	55C	56A	56B	56C	57A	57B	57C
ATHL SPON (12-17)	AMT USING CHAR LIC (ATHL SPON 12-17)	AMT USING CELEB END (ATHL SPON 12-17)	ATHL SPON (Overlapping)	AMT USING CHAR LIC (ATHL SPON Overlapping)	AMT USING CELEB END (ATHL SPON Overlapping)	ATHL SPON (All)	AMT USING CHAR LIC (ATHL SPON All)	AMT USING CELEB END (ATHL SPON All)

58A	58B	58C	59A	59B	59C	60A	60B	60C
WOM/VIRAL (2-11)	AMT USING CHAR LIC (WOM/VIRAL 2-11)	AMT USING CELEB END (WOM/VIRAL 2-11)	WOM/VIRAL (12-17)	AMT USING CHAR LIC (WOM/VIRAL 12-17)	AMT USING CELEB END (WOM/VIRAL 12-17)	WOM/VIRAL (Overlapping)	AMT USING CHAR LIC (WOM/VIRAL Overlapping)	AMT USING CELEB END (WOM/VIRAL Overlapping)

61A	61B	61C	62	63	64	65	66A	66B
WOM/VIRAL (AII)	AMT USING CHAR LIC (WOM/VIRAL AII)	AMT USING CELEB END (WOM/VIRAL AII)	CELEB END (2- 11)	CELEB END (12-17)	CELEB END (Overlapping)	CELEB END (AII)	IN-SCHOOL (2- 11)	AMT USING CHAR LIC (IN- SCHOOL 2-11)

B-81

66C	67A	67B	67C	68A	68B	68C	69A	69B
AMT USING CELEB END (IN-SCHOOL 2- 11)	IN-SCHOOL (12-17)	AMT USING CHAR LIC (IN- SCHOOL 12- 17)	AMT USING CELEB END (IN-SCHOOL 12-17)	IN-SCHOOL (Overlapping)	AMT USING CHAR LIC (IN- SCHOOL Overlapping)	AMT USING CELEB END (IN-SCHOOL Overlapping)	IN-SCHOOL (AII)	AMT USING CHAR LIC (IN- SCHOOL AII)

B-82

69C	70A	70B	70C	71A	71B	71C	72A	72B
AMT USING CELEB END (IN-SCHOOL All)	PHLNTHRPY (2 11)	AMT USING CHAR LIC (PHLNTHRPY 2 11)	AMT USING CELEB END (PHLNTHRPY 2 11)	PHLNTHRPY (12-17)	AMT USING CHAR LIC (PHLNTHRPY 12-17)	AMT USING CELEB END (PHLNTHRPY 12-17)	PHLNTHRPY (Overlapping)	AMT USING CHAR LIC (PHLNTHRPY Overlapping)

B-83



72C	73A	73B	73C	74A	74B	74C	75A	75B
AMT USING CELEB END (PHLNTHRPY Overlapping)	PHLNTHRPY (AII)	AMT USING CHAR LIC (PHLNTHRPY AII)	AMT USING CELEB END (PHLNTHRPY AII)	OTHER (2-11)	AMT USING CHAR LIC (OTHER 2-11)	AMT USING CELEB END (OTHER 2-11)	OTHER (12-17)	AMT USING CHAR LIC (OTHER 12-17)

B-84

75C	76A	76B	76C	77A	77B	77C	78
AMT USING CELEB END (OTHER 12-17)	OTHER (Overlapping)	AMT USING CHAR LIC (OTHER Overlapping)	AMT USING CELEB END (OTHER Overlapping)	OTHER (AII)	AMT USING CHAR LIC (OTHER AII)	AMT USING CELEB END (OTHER AII)	TOTAL OVERALL CONSUMER- DIRECTED EXPENDITURES

B-85

**Attachment E 2006**  
**Television Advertising Expenditures for QSR Food Products Promoted to**  
**Children or Adolescents in 2006**

1	2	3	4	5	6	7	8	9
COMPANY NAME	FOOD CATEGORY	BRAND/REST NAME	SUB-BRAND NAME/MENU ITEM	NUTRITIONAL PRODUCT LINE	TV AD (2-11)	TV AD (12-17)	TV AD (Overlapping)	TV AD (All)
	Restaurant food							
	Restaurant food							
	Restaurant food							

**Formatting instructions: Report expenditures in whole numbers, rounded to the nearest \$10,000. If you have no expenditure in a category, enter a "0" in the field; do not leave fields blank. Do not use dollar signs ("\$\$"), commas, or decimal points when reporting expenditures. Use the following codes when responding:**

"1" = yes (in response to column 5 only)

"0" = no (in response to column 5 only)

"-1" = not applicable (in response to column 4 only)

**Attachment F**  
**Nutritional Data for Food Products Promoted to Children or Adolescents in**  
**2009**

[The nutritional data provided in this Attachment are intended to serve as examples and are not representative of any data the agency expects to receive from any particular company.]

1	2	3	4	5	6	7	8
Company Name	Food Category	Brand/Rest. Name	Sub-Brand Name/Menu Item	Labeled Serving Size (in milliliters or grams)*	Unit code used for previous response ("10" = milliliters; "20" = grams)	RACC for product (in milliliters or grams)*	Unit code used for previous response ("10" = milliliters; "20" = grams)
Great Food Co.	Breakfast Cereals	Great Flakes	Honey Nut Great Flakes	53	20	55	20
Great Food Co.	Breakfast Cereals	Great Bran	-1	27	20	30	20
Great Food Co.	Dairy Products	Milk	1% Milk	244	20	244	20

**Formatting instructions: All responses must be in numeric form. All nutritional data requests refer to a single serving, unless otherwise noted. Use the following codes when responding:**

- "1" = yes (in response to yes/no questions only)
- "0" = no (in response to yes/no questions only)
- "-1" = not applicable (in response to column 4 only)
- "-2" = unknown

\*The company must report the Labeled Serving Size and RACC in grams whenever FDA labeling rules specify grams or give the option of grams in serving size labeling. See 21 C.F.R. § 101.12. As a result, the company will use milliliters for liquid food products only.

Use FDA rounding rules for purposes of reporting nutrient content.

9	10	11	12	13	14	15	16	17
Total Calories	Calories from Fat	Total Fat, in grams	Saturated Fat, in grams	Trans Fat, in grams	Cholesterol, in milligrams	Sodium, in milligrams	Carbohydrate, total, in grams	Dietary Fiber, in grams
216.0	56.0	6.0	1.0	0.0	0.0	214.0	38.0	3.5
99.0	8.0	0.9	0.1	0.0	0.0	189.0	21.8	2.7
102.0	21.3	2.4	1.5	0.0	12.0	107.0	12.2	0.0

B-88

18	19	20	21	22	23	24	25
Sugars, in grams	Added Sugar Content, in grams	Protein, in grams	Must label either state "not a significant source of protein" or state the corrected amount of protein per serving (yes or no)?	Vitamin A (% of RDI)	Vitamin C (% of RDI)	Vitamin E (% of RDI)	Vitamin D (% of RDI)
8.0	6.0	5.0	0	15	0	0	10
3.6	2.8	2.7	0	10	10	0	10
12.7	0.0	8.2	0	10	0	0	30

B-89

26	27	28	29	30	31	32	33	34
Calcium (% of RDI)	Iron (% of RDI)	Potassium, in milligrams	Magnesium (% of RDI)	All Grains Content, in grams	Whole Grains Content, in grams	Fruit or Fruit Juice Content, in grams	Fruit or Fruit Juice Content, in cups	Vegetable or Vegetable Juice Content, in grams
0	50	170	15	32	32	0	0	0
2	45	94	6	16	16	0	0	0
30	0	366	7	0	0	0	0	0

B-90



35	36	37	38	39	40	41	42	43
Vegetable or Juice Content, in cups	Fat-Free or Low-Fat Milk or Yogurt Content, in grams	Fat-Free or Low-Fat Milk or Yogurt Content, in cups	Fat-Free or Low-Fat Natural Cheese Content, in grams	Fat-Free or Low-Fat Processed Cheese Content, in grams	Fish Content, in grams	Extra Lean Meat or Poultry Content, in grams	Egg or Egg Equivalent Content, in grams	Nut and Seed Content, in grams
0	0	0	0	0	0	0	0	15
0	0	0	0	0	0	0	0	0
0	244	1	0	0	0	0	0	0

B-91

44	45	46	47	48	49	50	51
Cooked Dry Beans Content, in grams	Cooked Dry Beans Content, in cups	Is the product 100% fruit or fruit juice (yes or no)?	Is the product 100% vegetable or vegetable juice (yes or no)?	Is the product 100% non-fat or low-fat milk or yogurt (yes or no)?	Is the product 100% whole grains (yes or no)?	Is the product 100% water (yes or no)?	Is this product new to the market since 2006 (yes or no)?
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	1	0	0	0

B-92

52	53
Did the company file a Special Report for the calendar year 2006 (yes or no)? (If not, skip Column 53)	If this product, or a previous formulation of this product, appears on Attachment G (the company's 2006 food product list), enter the product's Unique Identifier from Attachment G.
1	1
1	2
1	3

B-93

**Attachment G**  
**Nutritional Data for Food Products Promoted to Children or Adolescents in**  
**2006**

1 Unique Identifier	2 Company Name	3 Food Category	4 Brand/Rest. Name	5 Sub-Brand Name/Menu Item	6 Labeled Serving Size (in milliliters or grams)*	7 Unit code used for previous response ("10" = milliliters; "20" = grams)	8 RACC for product (in milliliters or grams)*
1							
2							
3							

**Formatting instructions: All responses must be in numeric form. All nutritional data requests refer to a single serving, unless otherwise noted. Use the following codes when responding:**

- "1" = yes (in response to yes/no questions only)
- "0" = no (in response to yes/no questions only)
- "-1" = not applicable (in response to column 5 only)
- "-2" = unknown

\*The company must report the Labeled Serving Size and RACC in grams whenever FDA labeling rules specify grams or give the option of grams in serving size labeling. See 21 C.F.R. § 101.12. As a result, the company will use milliliters for liquid food products only.

Use FDA rounding rules for purposes of reporting nutrient content.

9	10	11	12	13	14	15	16	17
Unit code used for previous response ("10" = milliliters; "20" = grams)	Total Calories	Calories from Fat	Total Fat, in grams	Saturated Fat, in grams	Trans Fat, in grams	Cholesterol, in milligrams	Sodium, in milligrams	Carbohydrate, total, in grams

18	19	20	21	22	23	24	25
Dietary Fiber, in grams	Sugars, in grams	Added Sugar Content, in grams	Protein, in grams	Must label either state "not a significant source of protein" or state the corrected amount of protein per serving (yes or no)?	Vitamin A (% of RDI)	Vitamin C (% of RDI)	Vitamin E (% of RDI)

26	27	28	29	30	31	32	33	34
Vitamin D (% of RDI)	Calcium (% of RDI)	Iron (% of RDI)	Potassium, in milligrams	Magnesium (% of RDI)	All Grains Content, in grams	Whole Grains Content, in grams	Fruit or Fruit Juice Content, in grams	Fruit or Fruit Juice Content, in cups

35	36	37	38	39	40	41	42	43
Vegetable or Vegetable Juice Content, in grams	Vegetable or Vegetable Juice Content, in cups	Fat-Free or Low-Fat Milk or Yogurt Content, in grams	Fat-Free or Low-Fat Milk or Yogurt Content, in cups	Fat-Free or Low-Fat Natural Cheese Content, in grams	Fat-Free or Low-Fat Processed Cheese Content, in grams	Fish Content, in grams	Extra Lean Meat or Poultry Content, in grams	Egg or Egg Equivalent Content, in grams



44	45	46	47	48	49	50	51
Nut and Seed Content, in grams	Cooked Dry Beans Content, in grams	Cooked Dry Beans Content, in cups	Is the product 100% fruit or fruit juice (yes or no)?	Is the product 100% vegetable or vegetable juice (yes or no)?	Is the product 100% non-fat or low-fat milk or yogurt (yes or no)?	Is the product 100% whole grains (yes or no)?	Is the product 100% water (yes or no)?

52
Did the company market this product (or a newer formulation of this product) during 2009 (yes or no)?

**Attachment H**  
**Activities for Food Products Promoted to Children or Adolescents in 2009**

[The activities listed in this Attachment are intended to serve as examples and are not representative of any information the agency expects to receive from any particular company.]

1	2	3	4	5	6	7	8
Company Name	Food Category	Brand/Rest. Name	Sub-Brand Name/Menu Item	Promotional Activity Category Code	Specific Promotional Activity	Directed to Children (yes/no)	Directed to Adolescents (yes/no)
Great Food Co.	Breakfast Cereals	Great Flakes	Honey Nut Great Flakes	WEBSITE AD	Great Flakes advergaming	1	1
Great Food Co.	Breakfast Cereals	Great Flakes	Honey Nut Great Flakes	WEBSITE AD	Great Flakes sweepstakes to win concert tickets	0	1
Great Food Co.	Breakfast Cereals	Great Flakes	Honey Nut Great Flakes	CHAR LIC	Cross-promotion with Happy Penguin movie characters	1	0
Happy Restaurant Company	Restaurant Foods	Happy Restaurant	Happy Kid's Meal Combinations #1-3	PREMIUMS	Happy Kid's Meal Toy	1	0
Great Soda Co.	Carbonated Beverages	Great Soda	-1	EVENTS	Teen soccer tournament sponsorship	0	1

**Formatting instructions: Use the following codes when responding:**

"1" = yes (in response to yes/no questions only)

"0" = no (in response to yes/no questions only)

"-1" = not applicable

9	10	11	12	13
Directed to Sub-population? (Specify)	Reportable Expenditure? (yes/no)	Sample Bates # or Description	SLP # of Units Sold	Total SLP Cost (in dollars)
-1	0	Screen shots provided at Bates numbers 315-318.	-1	-1
-1	1	Screen shots provided at Bates numbers 318-325.	-1	-1
-1	0	Great Food Co. had a cross-promotion with characters from the Happy Penguin movie in the summer of 2009. No character licensing fees were paid. Great Food Co. featured the characters on product packaging for Great Flakes and ran a contest open to children over 9 years old to win movie tickets. Packaging samples provided at Bates numbers 260-265.	-1	-1
-1	0	Toy samples provided at Bates numbers 89-90.	200,000	\$80,000
Hispanic adolescent boys	1	In February 2009, Great Soda Co. sponsored a teen soccer tournament in Los Angeles, California. Great Soda Co. displayed banners for the Great Soda brand at the event and distributed free samples of the brand to attendees. No samples available.	-1	-1

## **Appendix C**

### **Expenditure and Nutrition Tables**



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**Table C.1: Reported Marketing Expenditures By Promotional Activity, Food Category, and Age Criteria, 2009**  
All figures are in thousands of dollars.

Children 2-11																			
Food Category	TV	Radio	Print	Internet	Web	Viral/ WOM	In-Store	Pack/ Label	Premiums	Product Placement	Movie/ Video	Cross-Promotion Licenses	Athletic Sponsorship	Celebrity Fees	Events	Philanthropy	Other	In-School	Total Reported Child 2-11 Marketing
Restaurant Foods	154,259	80	1,110	9,040	6,930	460	20,870	6,497	341,086	0	155	10,370	950	10	11,270	12,260	1,130	6,791	583,268
Carbonated Beverages	710	29	661	110	249	160	3,732	283	180	0	0	20,780	1,071	10	551	1,020	61	12,657	42,263
Breakfast Cereal	102,032	210	226	15,099	6,503	0	5,190	5,165	26,012	0	518	3,825	0	0	2,770	3,390	2,060	0	173,000
Snack Foods	27,401	130	478	6,447	3,543	0	6,251	6,103	3,208	0	0	12,463	365	0	2,680	320	210	260	69,859
Juice & Non-carbonated Bevs.	12,400	0	730	2,070	942	458	2,955	650	655	160	340	983	56	90	8,841	1,175	342	10,762	43,609
Candy/Froz. Desserts	10,720	0	390	480	1,012	0	4,160	1,030	420	0	0	2,500	330	0	410	150	0	10	21,612
Dairy Products	30,768	897	2,090	1,810	785	0	2,150	3,188	2,379	30	0	2,652	0	720	10	240	0	840	48,559
Prepared Foods & Meals	31,619	110	70	4,290	1,720	300	380	1,870	2,635	0	0	2,660	0	190	2,280	0	270	0	48,394
Baked Goods	3,945	0	0	280	0	0	900	230	140	0	0	150	0	0	20	30	0	10	5,705
Fruits & Vegetables	1,212	0	0	20	593	0	40	682	0	0	0	786	0	0	665	309	50	0	4,358
TOTAL	375,066	1,456	5,756	39,646	22,276	1,378	46,628	25,698	376,715	190	1,013	57,168	2,772	1,020	29,496	18,894	4,123	31,330	1,040,625

Teens 12-17																			
Food Category	TV	Radio	Print	Internet	Web	Viral/ WOM	In-Store	Pack/ Label	Premiums	Product Placement	Movie/ Video	Cross-Promotion Licenses	Athletic Sponsorship	Celebrity Fees	Events	Philanthropy	Other	In-School	Total Reported Teen 12-17 Marketing
Restaurant Foods	129,580	14,290	840	6,170	2,240	0	5,910	2,660	590	280	1,860	1,210	1,030	2,510	7,140	1,380	7,120	470	185,280
Carbonated Beverages	61,890	23,131	2,215	14,510	3,549	4,500	22,815	1,357	11,642	6,660	800	41,356	25,202	3,470	79,176	1,627	7,002	71,384	382,284
Breakfast Cereal	49,348	132	226	6,349	4,443	0	4,320	3,839	25,622	0	518	3,495	0	0	2,730	430	2,010	0	103,462
Snack Foods	33,082	190	378	5,607	5,736	0	9,447	5,311	5,458	0	3,392	6,813	30	6,230	2,857	310	0	260	85,099
Juice & Non-carbonated Bevs.	13,496	2,230	1,409	2,170	6,204	326	831	126	141	220	340	2,264	74	90	13,978	1,534	261	49,521	95,214
Candy/Froz. Desserts	36,169	5,230	1,130	7,640	2,252	1,800	4,350	4,117	1,451	220	1,720	190	330	50	3,070	30	2,450	30	72,228
Dairy Products	11,896	157	5,630	3,050	1,115	10	0	1,868	2,069	20	0	2,672	2,000	500	3,715	1,760	908	2,410	39,780
Prepared Foods & Meals	18,513	0	153	2,633	427	0	2,440	530	628	0	120	20	90	0	422	0	40	0	26,016
Baked Goods	6,407	0	30	5,140	160	1,480	930	240	198	0	0	240	0	0	1,020	20	0	10	15,875
Fruits & Vegetables	3,967	0	0	20	572	0	0	0	0	0	0	0	0	0	660	200	50	0	5,469
TOTAL	364,348	45,360	12,011	53,289	26,697	8,116	51,042	20,047	47,798	7,400	8,750	58,260	28,755	12,850	114,767	7,290	19,841	124,084	1,010,706

(continued)

**Table C.1: Reported Marketing Expenditures By Promotional Activity, Food Category, and Age Criteria, 2009 (continued)**

All figures are in thousands of dollars.

Youth 2-17																			
Food Category	TV	Radio	Print	Internet	Web	Viral/ WOM	In-Store	Pack/ Label	Premiums	Product Placement	Movie/ Video	Cross-Promotion Licenses	Athletic Sponsorship	Celebrity Fees	Events	Philanthropy	Other	In-School	Total Reported Youth 2-17 Marketing
Restaurant Foods	238,689	14,300	1,950	11,030	7,600	460	24,940	9,047	341,636	280	2,015	11,570	1,620	2,520	17,800	13,510	8,110	7,221	714,298
Carbonated Beverages	62,280	23,131	2,215	14,510	3,549	4,500	23,868	1,357	11,712	6,660	800	41,426	25,339	3,470	79,272	1,658	7,062	82,321	395,128
Breakfast Cereal	114,985	342	226	15,099	6,503	0	5,190	5,165	26,012	0	518	3,825	0	0	2,770	3,390	2,060	0	186,085
Snack Foods	55,298	320	478	7,947	7,336	0	10,987	7,881	5,728	0	3,392	12,463	380	6,230	4,047	320	210	270	123,285
Juice & Non-carbonated Bevs.	24,716	2,230	2,090	3,500	7,101	768	3,174	664	786	220	340	2,447	104	90	14,921	1,544	603	55,858	121,156
Candy/Froz. Desserts	39,359	5,230	1,130	7,980	2,552	1,800	4,560	4,327	1,451	220	1,720	2,500	330	50	3,130	180	2,450	38	79,006
Dairy Products	40,933	897	7,720	4,140	1,635	10	2,150	3,188	2,399	50	0	2,672	2,000	1,020	3,725	1,760	908	3,250	78,457
Prepared Foods & Meals	45,724	110	223	4,783	1,727	300	2,440	1,870	2,788	0	120	2,660	90	190	2,692	0	270	0	65,987
Baked Goods	6,745	0	30	5,420	160	1,480	1,210	290	198	0	0	290	0	0	1,020	30	0	20	16,893
Fruits & Vegetables	4,014	0	0	20	593	0	40	682	0	0	0	786	0	0	665	309	50	0	7,160
TOTAL	632,743	46,560	16,063	74,429	38,755	9,318	78,558	34,471	392,709	7,430	8,905	80,638	29,862	13,570	130,041	22,701	21,723	148,977	1,787,455
All Ages*																			
Food Category	TV	Radio	Print	Internet	Web	Viral/ WOM	In-Store	Pack/ Label	Premiums	Product Placement	Movie/ Video	Cross-Promotion Licenses	Athletic Sponsorship	Celebrity Fees	Events	Philanthropy	Other	In-School	Reported All Ages Marketing
Restaurant Foods	1,695,739	210,440	136,896	120,805	27,713	4,440	96,140	26,915	362,196	6,650	3,405	14,170	58,690	4,460	34,280	14,570	130,340	8,697	2,956,546
Carbonated Beverages	419,028	85,521	19,261	143,230	15,219	35,110	167,404	16,211	82,445	10,380	1,020	42,056	194,822	21,650	110,912	4,457	909,715	192,341	2,470,781
Breakfast Cereal	412,010	5,296	56,348	57,508	15,213	6,146	73,402	8,666	40,722	155	518	3,825	21,032	85	4,566	3,592	9,904	0	718,988
Snack Foods	319,545	29,847	58,208	58,952	16,748	5,031	131,183	30,317	32,343	10	3,392	12,723	9,111	6,430	16,652	3,251	68,045	350	802,138
Juice & Non-carbonated Bevs.	280,967	27,870	50,854	50,425	12,494	14,578	85,357	27,344	45,139	870	480	2,697	101,033	9,360	32,759	2,891	159,223	125,524	1,029,864
Candy/Froz. Desserts	241,710	19,360	21,813	42,640	11,710	4,200	116,310	17,647	5,341	3,440	5,840	3,010	3,040	2,380	16,560	1,160	17,920	570	534,651
Dairy Products	258,198	3,934	49,241	24,411	6,208	1,124	42,422	11,066	3,306	2,170	0	2,672	2,010	3,290	13,330	1,798	30,353	3,900	459,433
Prepared Foods & Meals	292,920	13,947	92,340	35,964	6,307	3,359	54,340	10,196	2,991	830	410	2,660	321	970	5,078	765	24,154	0	547,552
Baked Goods	29,399	193	4,456	9,487	571	2,571	12,031	972	226	20	0	580	3,330	0	1,087	1,610	574	20	67,127
Fruits & Vegetables	24,962	60	4,496	2,638	2,408	126	9,781	7,407	244	178	30	786	0	0	1,800	457	543	0	55,915
TOTAL	3,974,478	396,468	493,913	546,060	114,591	76,684	788,370	156,742	574,952	24,703	15,095	85,178	393,389	48,625	237,024	34,551	1,350,770	331,402	9,642,996

\*Companies were required to report spending for "All Ages" only when they had child- or teen-directed marketing for the product. Thus, the "All Ages" data reported here do not include any spending for products that did not have child- or teen-directed marketing.

Table C.2: Percent of Reported Marketing Expenditures for Each Food Category, By Promotional Activity, and Age Criteria, 2009

Children 2-11																			
Food Category	TV	Radio	Print	Internet	Web	Viral/ WOM	In-Store	Pack/ Label	Premiums	Product Placement	Movie/ Video	Cross- Promotion Licenses	Athletic Sponsorship	Celebrity Fees	Events	Philanthropy	Other	In-School	100% of Reported Child 2-11 Marketing (\$1000)
Restaurant Foods	26.4	0.0	0.2	1.5	1.2	0.1	3.6	1.1	58.5	0.0	0.0	1.8	0.2	0.0	1.9	2.1	0.2	1.2	583,268
Carbonated Beverages	1.7	0.1	1.6	0.3	0.6	0.4	8.8	0.7	0.4	0.0	0.0	49.2	2.5	0.0	1.3	2.4	0.1	29.9	42,263
Breakfast Cereal	59.0	0.1	0.1	8.7	3.8	0.0	3.0	3.0	15.0	0.0	0.3	2.2	0.0	0.0	1.6	2.0	1.2	0.0	173,000
Snack Foods	39.2	0.2	0.7	9.2	5.1	0.0	8.9	8.7	4.6	0.0	0.0	17.8	0.5	0.0	3.8	0.5	0.3	0.4	69,859
Juice & Non-carbonated Bevs.	28.4	0.0	1.7	4.7	2.2	1.1	6.8	1.5	1.5	0.4	0.8	2.3	0.1	0.2	20.3	2.7	0.8	24.7	43,609
Candy/Froz. Desserts	49.6	0.0	1.8	2.2	4.7	0.0	19.2	4.8	1.9	0.0	0.0	11.6	1.5	0.0	1.9	0.7	0.0	0.0	21,612
Dairy Products	63.4	1.8	4.3	3.7	1.6	0.0	4.4	6.6	4.9	0.1	0.0	5.5	0.0	1.5	0.0	0.5	0.0	1.7	48,559
Prepared Foods & Meals	65.3	0.2	0.1	8.9	3.6	0.6	0.8	3.9	5.4	0.0	0.0	5.5	0.0	0.4	4.7	0.0	0.6	0.0	48,394
Baked Goods	69.1	0.0	0.0	4.9	0.0	0.0	15.8	4.0	2.5	0.0	0.0	2.6	0.0	0.0	0.4	0.5	0.0	0.2	5,705
Fruits & Vegetables	27.8	0.0	0.0	0.5	13.6	0.0	0.9	15.7	0.0	0.0	0.0	18.0	0.0	0.0	15.3	7.1	1.1	0.0	4,358
TOTAL	36.0	0.1	0.6	3.8	2.1	0.1	4.5	2.5	36.2	0.0	0.1	5.5	0.3	0.1	2.8	1.8	0.4	3.0	1,040,625
Teens 12-17																			
Food Category	TV	Radio	Print	Internet	Web	Viral/ WOM	In-Store	Pack/ Label	Premiums	Product Placement	Movie/ Video	Cross- Promotion Licenses	Athletic Sponsorship	Celebrity Fees	Events	Philanthropy	Other	In-School	100% of Reported Teen 12-17 Marketing (\$1000)
Restaurant Foods	69.9	7.7	0.5	3.3	1.2	0.0	3.2	1.4	0.3	0.2	1.0	0.7	0.6	1.4	3.9	0.7	3.8	0.3	185,280
Carbonated Beverages	16.2	6.1	0.6	3.8	0.9	1.2	6.0	0.4	3.0	1.7	0.2	10.8	6.6	0.9	20.7	0.4	1.8	18.7	382,284
Breakfast Cereal	47.7	0.1	0.2	6.1	4.3	0.0	4.2	3.7	24.8	0.0	0.5	3.4	0.0	0.0	2.6	0.4	1.9	0.0	103,462
Snack Foods	38.9	0.2	0.4	6.6	6.7	0.0	11.1	6.2	6.4	0.0	4.0	8.0	0.0	7.3	3.4	0.4	0.0	0.3	85,099
Juice & Non-carbonated Bevs.	14.2	2.3	1.5	2.3	6.5	0.3	0.9	0.1	0.1	0.2	0.4	2.4	0.1	0.1	14.7	1.6	0.3	52.0	95,214
Candy/Froz. Desserts	50.1	7.2	1.6	10.6	3.1	2.5	6.0	5.7	2.0	0.3	2.4	0.3	0.5	0.1	4.3	0.0	3.4	0.0	72,228
Dairy Products	29.9	0.4	14.2	7.7	2.8	0.0	0.0	4.7	5.2	0.1	0.0	6.7	5.0	1.3	9.3	4.4	2.3	6.1	39,780
Prepared Foods & Meals	71.2	0.0	0.6	10.1	1.6	0.0	9.4	2.0	2.4	0.0	0.5	0.1	0.3	0.0	1.6	0.0	0.2	0.0	26,016
Baked Goods	40.4	0.0	0.2	32.4	1.0	9.3	5.9	1.5	1.2	0.0	0.0	1.5	0.0	0.0	6.4	0.1	0.0	0.1	15,875
Fruits & Vegetables	72.5	0.0	0.0	0.4	10.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	12.1	3.7	0.9	0.0	5,469
TOTAL	36.0	4.5	1.2	5.3	2.6	0.8	5.1	2.0	4.7	0.7	0.9	5.8	2.8	1.3	11.4	0.7	2.0	12.3	1,010,706

(continued)

**Table C.2: Percent of Reported Marketing Expenditures for Each Food Category, By Promotional Activity, and Age Criteria, 2009 (continued)**

Youth 2-17																			
Food Category	TV	Radio	Print	Internet	Web	Viral/ WOM	In-Store	Pack/ Label	Premiums	Product Placement	Movie/ Video	Cross- Promotion Licenses	Athletic Sponsorship	Celebrity Fees	Events	Philanthropy	Other	In-School	100% of Reported Youth 2-17 Marketing (\$1000)
Restaurant Foods	33.4	2.0	0.3	1.5	1.1	0.1	3.5	1.3	47.8	0.0	0.3	1.6	0.2	0.4	2.5	1.9	1.1	1.0	714,298
Carbonated Beverages	15.8	5.9	0.6	3.7	0.9	1.1	6.0	0.3	3.0	1.7	0.2	10.5	6.4	0.9	20.1	0.4	1.8	20.8	395,128
Breakfast Cereal	61.8	0.2	0.1	8.1	3.5	0.0	2.8	2.8	14.0	0.0	0.3	2.1	0.0	0.0	1.5	1.8	1.1	0.0	186,085
Snack Foods	44.9	0.3	0.4	6.4	6.0	0.0	8.9	6.4	4.6	0.0	2.8	10.1	0.3	5.1	3.3	0.3	0.2	0.2	123,285
Juice & Non-carbonated Bevs.	20.4	1.8	1.7	2.9	5.9	0.6	2.6	0.5	0.6	0.2	0.3	2.0	0.1	0.1	12.3	1.3	0.5	46.1	121,156
Candy/Froz. Desserts	49.8	6.6	1.4	10.1	3.2	2.3	5.8	5.5	1.8	0.3	2.2	3.2	0.4	0.1	4.0	0.2	3.1	0.0	79,006
Dairy Products	52.2	1.1	9.8	5.3	2.1	0.0	2.7	4.1	3.1	0.1	0.0	3.4	2.5	1.3	4.7	2.2	1.2	4.1	78,457
Prepared Foods & Meals	69.3	0.2	0.3	7.2	2.6	0.5	3.7	2.8	4.2	0.0	0.2	4.0	0.1	0.3	4.1	0.0	0.4	0.0	65,987
Baked Goods	39.9	0.0	0.2	32.1	0.9	8.8	7.2	1.7	1.2	0.0	0.0	1.7	0.0	0.0	6.0	0.2	0.0	0.1	16,893
Fruits & Vegetables	56.1	0.0	0.0	0.3	8.3	0.0	0.6	9.5	0.0	0.0	0.0	11.0	0.0	0.0	9.3	4.3	0.7	0.0	7,160
TOTAL	35.4	2.6	0.9	4.2	2.2	0.5	4.4	1.9	22.0	0.4	0.5	4.5	1.7	0.8	7.3	1.3	1.2	8.3	1,787,455
All Ages*																			
Food Category	TV	Radio	Print	Internet	Web	Viral/ WOM	In-Store	Pack/ Label	Premiums	Product Placement	Movie/ Video	Cross- Promotion Licenses	Athletic Sponsorship	Celebrity Fees	Events	Philanthropy	Other	In-School	100% of Reported All Ages Marketing (\$1000)
Restaurant Foods	57.4	7.1	4.6	4.1	0.9	0.2	3.3	0.9	12.3	0.2	0.1	0.5	2.0	0.2	1.2	0.5	4.4	0.3	2,956,546
Carbonated Beverages	17.0	3.5	0.8	5.8	0.6	1.4	6.8	0.7	3.3	0.4	0.0	1.7	7.9	0.9	4.5	0.2	36.8	7.8	2,470,781
Breakfast Cereal	57.3	0.7	7.8	8.0	2.1	0.9	10.2	1.2	5.7	0.0	0.1	0.5	2.9	0.0	0.6	0.5	1.4	0.0	718,988
Snack Foods	39.8	3.7	7.3	7.3	2.1	0.6	16.4	3.8	4.0	0.0	0.4	1.6	1.1	0.8	2.1	0.4	8.5	0.0	802,138
Juice & Non-carbonated Bevs.	27.3	2.7	4.9	4.9	1.2	1.4	8.3	2.7	4.4	0.1	0.0	0.3	9.8	0.9	3.2	0.3	15.5	12.2	1,029,864
Candy/Froz. Desserts	45.2	3.6	4.1	8.0	2.2	0.8	21.8	3.3	1.0	0.6	1.1	0.6	0.6	0.4	3.1	0.2	3.4	0.1	534,651
Dairy Products	56.2	0.9	10.7	5.3	1.4	0.2	9.2	2.4	0.7	0.5	0.0	0.6	0.4	0.7	2.9	0.4	6.6	0.8	459,433
Prepared Foods & Meals	53.5	2.5	16.9	6.6	1.2	0.6	9.9	1.9	0.5	0.2	0.1	0.5	0.1	0.2	0.9	0.1	4.4	0.0	547,552
Baked Goods	43.8	0.3	6.6	14.1	0.9	3.8	17.9	1.4	0.3	0.0	0.0	0.9	5.0	0.0	1.6	2.4	0.9	0.0	67,127
Fruits & Vegetables	44.6	0.1	8.0	4.7	4.3	0.2	17.5	13.2	0.4	0.3	0.1	1.4	0.0	0.0	3.2	0.8	1.0	0.0	55,915
TOTAL	41.2	4.1	5.1	5.7	1.2	0.8	8.2	1.6	6.0	0.3	0.2	0.9	4.1	0.5	2.5	0.4	14.0	3.4	9,642,996

\*Companies were required to report spending for "All Ages" only when they had child- or teen-directed marketing for the product. Thus, the "All Ages" data reported here do not include any spending for products that did not have child- or teen-directed marketing.

Table C.3: Reported Marketing Expenditures By Food Category, Promotional Activity Group, and Age Criteria, 2009

Children 2-11													
Food Category	Total Reported Child 2-11 Marketing (\$1000)	Traditional Measured Media		New Media		In-Store and Packaging/ Labeling		Premiums		Other Traditional Promotions		In-School	
		Value (\$1000)	Percentage	Value (\$1000)	Percentage	Value (\$1000)	Percentage	Value (\$1000)	Percentage	Value (\$1000)	Percentage	Value (\$1000)	Percentage
Restaurant Foods	583,268	155,449	26.7	16,430	2.8	27,367	4.7	341,086	58.5	36,145	6.2	6,791	1.2
Carbonated Beverages	42,263	1,400	3.3	518	1.2	4,014	9.5	180	0.4	23,492	55.6	12,657	29.9
Breakfast Cereal	173,000	102,468	59.2	21,602	12.5	10,355	6.0	26,012	15.0	12,563	7.3	0	0.0
Snack Foods	69,859	28,009	40.1	9,990	14.3	12,354	17.7	3,208	4.6	16,038	23.0	260	0.4
Juice & Non-carbonated Bevs.	43,609	13,130	30.1	3,470	8.0	3,605	8.3	655	1.5	11,986	27.5	10,762	24.7
Candy/Froz. Desserts	21,612	11,110	51.4	1,492	6.9	5,190	24.0	420	1.9	3,390	15.7	10	0.0
Dairy Products	48,559	33,755	69.5	2,595	5.3	5,338	11.0	2,379	4.9	3,652	7.5	840	1.7
Prepared Foods & Meals	48,394	31,799	65.7	6,310	13.0	2,250	4.6	2,635	5.4	5,400	11.2	0	0.0
Baked Goods	5,705	3,945	69.1	280	4.9	1,130	19.8	140	2.5	200	3.5	10	0.2
Fruits & Vegetables	4,358	1,212	27.8	613	14.1	722	16.6	0	0.0	1,810	41.5	0	0.0
TOTAL	1,040,625	382,277	36.7	63,300	6.1	72,326	7.0	376,715	36.2	114,677	11.0	31,330	3.0

Teens 12-17													
Food Category	Total Reported Teen 12-17 Marketing (\$1000)	Traditional Measured Media		New Media		In-Store and Packaging/ Labeling		Premiums		Other Traditional Promotions		In-School	
		Value (\$1000)	Percentage	Value (\$1000)	Percentage	Value (\$1000)	Percentage	Value (\$1000)	Percentage	Value (\$1000)	Percentage	Value (\$1000)	Percentage
Restaurant Foods	185,280	144,710	78.1	8,410	4.5	8,570	4.6	590	0.3	22,530	12.2	470	0.3
Carbonated Beverages	382,284	87,236	22.8	22,558	5.9	24,172	6.3	11,642	3.0	165,292	43.2	71,384	18.7
Breakfast Cereal	103,462	49,706	48.0	10,792	10.4	8,159	7.9	25,622	24.8	9,183	8.9	0	0.0
Snack Foods	85,099	33,650	39.5	11,343	13.3	14,757	17.3	5,458	6.4	19,632	23.1	260	0.3
Juice & Non-carbonated Bevs.	95,214	17,135	18.0	8,700	9.1	957	1.0	141	0.1	18,761	19.7	49,521	52.0
Candy/Froz. Desserts	72,228	42,529	58.9	11,692	16.2	8,467	11.7	1,451	2.0	8,060	11.2	30	0.0
Dairy Products	39,780	17,683	44.5	4,175	10.5	1,868	4.7	2,069	5.2	11,575	29.1	2,410	6.1
Prepared Foods & Meals	26,016	18,666	71.7	3,060	11.8	2,970	11.4	628	2.4	692	2.7	0	0.0
Baked Goods	15,875	6,437	40.5	6,780	42.7	1,170	7.4	198	1.2	1,280	8.1	10	0.1
Fruits & Vegetables	5,469	3,967	72.5	592	10.8	0	0.0	0	0.0	910	16.6	0	0.0
TOTAL	1,010,706	421,719	41.7	88,101	8.7	71,090	7.0	47,798	4.7	257,914	25.5	124,084	12.3

(continued)

**Table C.3: Reported Marketing Expenditures By Food Category, Promotional Activity Group, and Age Criteria, 2009 (continued)**

Youth 2-17													
Food Category	Total Reported Youth 2-17 Marketing (\$1000)	Traditional Measured Media		New Media		In-Store and Packaging/ Labeling		Premiums		Other Traditional Promotions		In-School	
		Value (\$1000)	Percentage	Value (\$1000)	Percentage	Value (\$1000)	Percentage	Value (\$1000)	Percentage	Value (\$1000)	Percentage	Value (\$1000)	Percentage
Restaurant Foods	714,298	254,939	35.7	19,090	2.7	33,987	4.8	341,636	47.8	57,425	8.0	7,221	1.0
Carbonated Beverages	395,128	87,626	22.2	22,558	5.7	25,224	6.4	11,712	3.0	165,686	41.9	82,321	20.8
Breakfast Cereal	186,085	115,553	62.1	21,602	11.6	10,355	5.6	26,012	14.0	12,563	6.8	0	0.0
Snack Foods	123,285	56,096	45.5	15,283	12.4	18,867	15.3	5,728	4.6	27,042	21.9	270	0.2
Juice & Non-carbonated Bevs.	121,156	29,036	24.0	11,369	9.4	3,838	3.2	786	0.6	20,269	16.7	55,858	46.1
Candy/Froz. Desserts	79,006	45,719	57.9	12,332	15.6	8,887	11.2	1,451	1.8	10,580	13.4	38	0.0
Dairy Products	78,457	49,550	63.2	5,785	7.4	5,338	6.8	2,399	3.1	12,135	15.5	3,250	4.1
Prepared Foods & Meals	65,987	46,057	69.8	6,810	10.3	4,310	6.5	2,788	4.2	6,022	9.1	0	0.0
Baked Goods	16,893	6,775	40.1	7,060	41.8	1,500	8.9	198	1.2	1,340	7.9	20	0.1
Fruits & Vegetables	7,160	4,014	56.1	613	8.6	722	10.1	0	0.0	1,810	25.3	0	0.0
TOTAL	1,787,455	695,365	38.9	122,502	6.9	113,029	6.3	392,709	22.0	314,872	17.6	148,977	8.3
All Ages *													
Food Category	All Ages Reported Marketing (\$1000)	Traditional Measured Media		New Media		In-Store and Packaging/ Labeling		Premiums		Other Traditional Promotions		In-School	
		Value (\$1000)	Percentage	Value (\$1000)	Percentage	Value (\$1000)	Percentage	Value (\$1000)	Percentage	Value (\$1000)	Percentage	Value (\$1000)	Percentage
Restaurant Foods	2,956,546	2,043,075	69.1	152,958	5.2	123,055	4.2	362,196	12.3	266,565	9.0	8,697	0.3
Carbonated Beverages	2,470,781	523,810	21.2	193,558	7.8	183,615	7.4	82,445	3.3	1,295,011	52.4	192,341	7.8
Breakfast Cereal	718,988	473,654	65.9	78,867	11.0	82,068	11.4	40,722	5.7	43,677	6.1	0	0.0
Snack Foods	802,138	407,600	50.8	80,731	10.1	161,500	20.1	32,343	4.0	119,614	14.9	350	0.0
Juice & Non-carbonated Bevs.	1,029,864	359,691	34.9	77,498	7.5	112,701	10.9	45,139	4.4	309,313	30.0	125,524	12.2
Candy/Froz. Desserts	534,651	282,883	52.9	58,550	11.0	133,957	25.1	5,341	1.0	53,350	10.0	570	0.1
Dairy Products	459,433	311,373	67.8	31,743	6.9	53,488	11.6	3,306	0.7	55,623	12.1	3,900	0.8
Prepared Foods & Meals	547,552	399,207	72.9	45,630	8.3	64,536	11.8	2,991	0.5	35,188	6.4	0	0.0
Baked Goods	67,127	34,048	50.7	12,629	18.8	13,003	19.4	226	0.3	7,201	10.7	20	0.0
Fruits & Vegetables	55,915	29,518	52.8	5,172	9.2	17,188	30.7	244	0.4	3,794	6.8	0	0.0

\*Companies were required to report spending for "All Ages" only when they had child- or teen-directed marketing for the product. Thus, the "All Ages" data reported here do not include any spending for products that did not have child- or teen-directed marketing.

Table C.4: Reported Expenditures for Cross-Promotions and Marketing with Celebrities, 2009

Children 2-11						
Food Category	Total Reported Child 2-11 Marketing (\$1000)	Reported Expenditures for Cross-Promotions		Reported Expenditures for Marketing with Celebrities		Percentage
		Value (\$1000)	Percentage	Value (\$1000)	Percentage	
Restaurant Foods	583,268	428,247	73.4	1,002	0.2	
Carbonated Beverages	42,263	21,710	51.4	150	0.4	
Breakfast Cereal	173,000	32,440	18.8	440	0.3	
Snack Foods	69,859	20,164	28.9	3,860	5.5	
Juice & Non-carbonated Bevs.	43,609	3,344	7.7	220	0.5	
Candy/Froz. Desserts	21,612	7,630	35.3	1,540	7.1	
Dairy Products	48,559	4,880	10.0	13,930	28.7	
Prepared Foods & Meals	48,394	9,840	20.3	6,920	14.3	
Baked Goods	5,705	970	17.0	0	0.0	
Fruits & Vegetables	4,358	1,524	35.0	0	0.0	
TOTAL	1,040,625	530,748	51.0	28,062	2.7	

Teens 12-17						
Food Category	Total Reported Teen 12-17 Marketing (\$1000)	Reported Expenditures for Cross-Promotions		Reported Expenditures for Marketing with Celebrities		Percentage
		Value (\$1000)	Percentage	Value (\$1000)	Percentage	
Restaurant Foods	185,280	24,485	13.2	7,020	3.8	
Carbonated Beverages	382,284	45,846	12.0	23,778	6.2	
Breakfast Cereal	103,462	28,334	27.4	660	0.6	
Snack Foods	85,099	15,308	18.0	14,423	16.9	
Juice & Non-carbonated Bevs.	95,214	3,904	4.1	6,180	6.5	
Candy/Froz. Desserts	72,228	2,810	3.9	1,590	2.2	
Dairy Products	39,780	3,740	9.4	22,155	55.7	
Prepared Foods & Meals	26,016	1,411	5.4	890	3.4	
Baked Goods	15,875	1,477	9.3	0	0.0	
Fruits & Vegetables	5,469	0	0.0	0	0.0	
TOTAL	1,010,706	127,315	12.6	76,696	7.6	

(continued)

**Table C.4: Reported Expenditures for Cross-Promotions and Marketing with Celebrities, 2009 (continued)**

Youth 2-17						
Food Category	Total Reported Youth 2-17 Marketing (\$1000)	Reported Expenditures for Cross-Promotions		Reported Expenditures for Marketing with Celebrities		Percentage
		Value (\$1000)	Percentage	Value (\$1000)	Percentage	
Restaurant Foods	714,298	448,307	62.8	7,932	1.1	
Carbonated Beverages	395,128	46,816	11.8	23,798	6.0	
Breakfast Cereal	186,085	32,498	17.5	660	0.4	
Snack Foods	123,285	23,201	18.8	17,023	13.8	
Juice & Non-carbonated Bevs.	121,156	6,398	5.3	6,180	5.1	
Candy/Froz. Desserts	79,006	7,900	10.0	1,590	2.0	
Dairy Products	78,457	5,555	7.1	35,155	44.8	
Prepared Foods & Meals	65,987	9,881	15.0	7,010	10.6	
Baked Goods	16,893	1,537	9.1	0	0.0	
Fruits & Vegetables	7,160	1,524	21.3	0	0.0	
<b>TOTAL</b>	<b>1,787,455</b>	<b>583,616</b>	<b>32.7</b>	<b>99,348</b>	<b>5.6</b>	
All Ages*						
Food Category	All Ages Reported Marketing (\$1000)	Reported Expenditures for Cross-Promotions		Reported Expenditures for Marketing with Celebrities		Percentage
		Value (\$1000)	Percentage	Value (\$1000)	Percentage	
Restaurant Foods	2,956,546	555,957	18.8	50,740	1.7	
Carbonated Beverages	2,470,781	60,487	2.4	202,066	8.2	
Breakfast Cereal	718,988	35,338	4.9	12,256	1.7	
Snack Foods	802,138	24,543	3.1	22,093	2.8	
Juice & Non-carbonated Bevs.	1,029,864	13,288	1.3	112,883	11.0	
Candy/Froz. Desserts	534,651	8,660	1.6	9,963	1.9	
Dairy Products	459,433	6,887	1.5	111,370	24.2	
Prepared Foods & Meals	547,552	9,881	1.8	8,870	1.6	
Baked Goods	67,127	1,877	2.8	0	0.0	
Fruits & Vegetables	55,915	1,524	2.7	178	0.3	
<b>TOTAL</b>	<b>9,642,996</b>	<b>718,442</b>	<b>7.5</b>	<b>530,419</b>	<b>5.5</b>	

\*Companies were required to report spending for "All Ages" only when they had child- or teen-directed marketing for the product. Thus, the "All Ages" data reported here do not include any spending for products that did not have child- or teen-directed marketing.



**Table C.5: Reported Marketing Expenditures By Promotional Activity, Food Category, and Age Criteria, 2006 (Revised)\***  
All figures are in thousands of dollars.

Children 2-11																			
Food Category	TV	Radio	Print	Internet	Web	Viral/ WOM	In-Store	Pack/ Label	Premiums	Product Placement	Movie/ Video	Cross-Promotion Licenses	Athletic Sponsorship	Celebrity Fees	Events	Philanthropy	Other	In-School	Total Reported Child 2-11 Marketing
Restaurant Foods	91,157	621	1,668	1,340	1,171	392	17,490	4,489	446,022	0	578	11,517	847	362	7,465	10,166	151	9,334	604,771
Carbonated Beverages	1,848	0	576	9	272	74	2,380	9,254	651	600	30	19,032	2,675	0	2,337	852	9,830	45,604	96,024
Breakfast Cereal	142,257	672	1,217	7,493	6,720	0	4,455	9,887	39,846	40	775	12,402	1,800	0	1,336	0	73	10	228,983
Snack Foods	69,304	0	650	5,106	3,852	0	6,982	11,265	4,099	0	480	8,721	417	0	613	105	630	383	112,607
Juice & Non-carbonated Bevs.	24,368	2,533	728	280	153	22	4,540	5,677	1,149	0	388	733	3,973	0	5,991	1,970	2,404	15,392	70,302
Candy/Froz. Desserts	32,950	69	4,010	989	2,274	0	8,454	3,201	549	0	926	3,040	0	311	3,901	33	0	0	60,708
Dairy Products	16,105	179	2,017	1,348	599	0	215	3,122	1,572	0	13	1,504	0	0	2,503	0	0	423	29,602
Prepared Foods & Meals	41,566	0	300	1,204	1,212	0	845	2,645	3,971	0	2,420	3,015	0	0	1,065	0	0	1,578	59,821
Baked Goods	36,798	270	1,574	3,343	1,493	0	1,172	6,652	2,760	70	0	2,218	0	0	4,753	33	0	12	61,147
Fruits & Vegetables	860	63	20	0	370	0	1,017	2,231	450	0	0	1,582	70	220	309	1,043	275	1	8,510
TOTAL	457,213	4,406	12,760	21,111	18,117	488	47,552	58,422	501,070	710	5,610	63,764	9,782	893	30,273	14,202	13,363	72,737	1,332,473

Teens 12-17																			
Food Category	TV	Radio	Print	Internet	Web	Viral/ WOM	In-Store	Pack/ Label	Premiums	Product Placement	Movie/ Video	Cross-Promotion Licenses	Athletic Sponsorship	Celebrity Fees	Events	Philanthropy	Other	In-School	Total Reported Teen 12-17 Marketing
Restaurant Foods	100,386	29,738	1,017	521	180	147	280	0	384	28	908	410	4,517	69	1,700	202	0	0	140,487
Carbonated Beverages	98,829	41,060	2,510	12,573	5,873	2,088	77,887	11,664	3,950	4,548	30	33,969	18,453	3,700	64,949	3,403	21,137	101,296	507,918
Breakfast Cereal	14,135	672	107	4,923	4,254	0	1,464	5,338	25,220	0	700	11,349	1,800	0	1,286	0	8	10	71,266
Snack Foods	25,273	290	310	4,329	3,870	140	1,850	6,514	2,817	24	214	2,766	170	895	977	115	470	330	51,354
Juice & Non-carbonated Bevs.	24,402	3,586	1,402	1,707	1,637	811	4,574	4,678	1,332	460	0	248	5,020	0	7,703	2,488	3,147	45,281	108,476
Candy/Froz. Desserts	69,234	1,573	2,954	2,387	4,498	0	6,066	2,245	1,364	0	3,082	250	0	1,331	3,907	108	0	0	98,998
Dairy Products	5,063	179	11,386	2,086	1,767	1,300	826	2,722	1,843	0	45	1,529	0	275	4,133	0	540	4,785	38,477
Prepared Foods & Meals	11,872	0	300	114	732	0	585	1,479	585	0	0	1,081	0	0	945	0	0	98	17,791
Baked Goods	21,288	270	1,727	3,085	1,509	0	444	2,712	2,292	62	0	1,478	0	0	4,740	33	0	8	39,649
Fruits & Vegetables	860	358	70	0	133	0	710	1,089	806	0	0	40	70	220	470	1,235	275	0	6,336
TOTAL	371,342	77,724	21,782	31,726	24,452	4,485	94,687	38,441	40,593	5,122	4,979	53,120	30,030	6,490	90,809	7,584	25,577	151,808	1,080,751

(continued)

**Table C.5: Reported Marketing Expenditures By Promotional Activity, Food Category, and Age Criteria, 2006 (Revised)\* (continued)**

All figures are in thousands of dollars.

Youth 2-17																			
Food Category	TV	Radio	Print	Internet	Web	Viral/ WOM	In-Store	Pack/ Label	Premiums	Product Placement	Movie/ Video	Cross-Promotion Licenses	Athletic Sponsorship	Celebrity Fees	Events	Philanthropy	Other	In-School	Total Reported Youth 2-17 Marketing
Restaurant Foods	182,841	29,738	2,324	1,861	1,351	392	17,570	4,489	446,022	28	908	11,927	4,652	402	8,295	10,358	151	9,334	732,644
Carbonated Beverages	100,001	41,060	2,510	12,573	5,879	2,088	79,342	11,697	4,391	4,548	30	34,219	18,534	3,700	64,984	3,679	21,137	115,998	526,370
Breakfast Cereal	148,771	672	1,217	7,493	6,725	0	4,529	9,989	40,623	40	775	12,482	1,800	0	1,336	0	81	20	236,553
Snack Foods	82,728	290	960	6,845	5,872	140	8,662	13,077	6,204	24	694	9,301	467	895	1,411	115	630	399	138,713
Juice & Non-carbonated Bevs.	45,351	6,119	2,130	1,967	1,654	814	6,427	6,666	1,754	460	388	858	5,083	0	8,166	2,663	3,147	52,955	146,601
Candy/Froz. Desserts	77,723	1,641	4,732	2,447	5,017	0	8,968	3,619	1,682	0	3,082	3,040	0	1,331	4,302	108	0	0	117,694
Dairy Products	19,979	179	11,386	2,356	1,815	1,300	921	3,184	1,843	0	58	1,529	0	275	4,173	0	540	5,108	54,645
Prepared Foods & Meals	44,892	0	540	1,204	1,422	0	1,220	2,679	4,000	0	2,420	3,026	0	0	1,065	0	0	1,675	64,143
Baked Goods	37,029	270	1,904	3,405	1,519	0	1,562	6,972	2,791	72	0	2,218	0	0	4,753	33	0	20	62,549
Fruits & Vegetables	880	408	70	0	493	0	1,407	2,450	1,206	0	0	1,582	70	405	529	1,788	275	1	11,563
TOTAL	740,195	80,376	27,773	40,152	31,745	4,733	130,609	64,823	510,516	5,172	8,355	80,182	30,606	7,008	99,013	18,744	25,961	185,511	2,091,474

All Ages**																			
Food Category	TV	Radio	Print	Internet	Web	Viral/ WOM	In-Store	Pack/ Label	Premiums	Product Placement	Movie/ Video	Cross-Promotion Licenses	Athletic Sponsorship	Celebrity Fees	Events	Philanthropy	Other	In-School	Reported All Ages Marketing
Restaurant Foods	1,303,819	203,219	68,301	26,558	6,854	3,396	80,445	9,777	495,761	123	1,220	13,236	75,036	1,818	24,692	11,435	15,307	10,659	2,351,655
Carbonated Beverages	594,015	68,664	20,109	46,891	25,585	5,901	233,422	19,651	44,763	6,821	170	35,376	72,515	14,363	79,703	7,185	77,435	169,579	1,522,149
Breakfast Cereal	380,808	672	6,266	8,892	6,727	0	8,470	13,564	42,954	40	775	12,482	1,800	0	1,336	0	348	20	485,154
Snack Foods	359,295	9,839	13,388	7,265	7,903	140	56,529	30,629	11,790	155	2,620	9,301	5,476	895	2,782	761	1,240	591	520,600
Juice & Non-carbonated Bevs.	373,458	15,086	13,492	7,901	3,110	3,176	105,680	10,662	4,259	1,696	872	1,323	100,591	0	14,832	3,125	17,161	89,149	765,573
Candy/Froz. Desserts	250,048	3,238	7,245	4,027	9,631	0	31,892	6,961	2,851	0	3,659	3,040	0	1,331	8,662	2,658	0	0	335,243
Dairy Products	98,664	179	30,207	3,042	2,284	1,300	1,320	3,475	2,438	0	248	1,529	1	425	10,013	0	2,465	5,116	162,705
Prepared Foods & Meals	201,028	980	11,688	2,394	1,422	0	4,050	4,779	4,000	0	2,550	3,028	0	0	1,075	0	0	1,755	238,749
Baked Goods	42,433	270	2,914	3,415	1,594	0	8,403	36,122	3,061	96	0	2,218	0	0	4,782	889	0	22	106,219
Fruits & Vegetables	4,480	1,791	210	0	934	0	8,806	4,264	1,316	0	0	1,582	70	405	909	1,918	275	1	26,961
TOTAL	3,608,048	303,938	173,821	110,386	66,044	13,912	539,017	139,884	613,193	8,931	12,114	83,115	255,490	19,237	148,787	27,971	114,230	276,892	6,515,009

\*This table is a revised version of Tables C.1 in FTC (2008). The new table includes the estimated cost of any premiums in the media category Premiums, to parallel the treatment in the 2009 data. In the earlier report, the actual cost of the toy or other premium was not included in category's spending.

\*\* Companies were required to report spending for "All Ages" in a promotional activity only when they had child- or teen-directed marketing in that activity for the product. Thus, the "All Ages" data reported here do not include any spending for a product in promotional activities that did not have child- or teen-directed marketing. Separately, companies were required to report total marketing for each product. Food category totals based on "Total Marketing" expenditure data are reported in Table II.1 and give a more complete picture of total spending to all ages, resulting in "Total Marketing" expenditures to all ages of \$10.0 billion, compared to the \$6.5 billion reported in this table.

Table C.6: Percent of Reported Marketing Expenditures for Each Food Category, By Promotional Activity, and Age Criteria, 2006 (Revised) \*

Children 2-11																			
Food Category	TV	Radio	Print	Internet	Web	Viral/ WOM	In-Store	Pack/ Label	Premiums	Product Placement	Movie/ Video	Cross- Promotion Licenses	Athletic Sponsorship	Celebrity Fees	Events	Philanthropy	Other	In-School	100% of Reported Child 2-11 Marketing (\$1000)
Restaurant Foods	15.1	0.1	0.3	0.2	0.2	0.1	2.9	0.7	73.8	0.0	0.1	1.9	0.1	0.1	1.2	1.7	0.0	1.5	604,771
Carbonated Beverages	1.9	0.0	0.6	0.0	0.3	0.1	2.5	9.6	0.7	0.6	0.0	19.8	2.8	0.0	2.4	0.9	10.2	47.5	96,024
Breakfast Cereal	62.1	0.3	0.5	3.3	2.9	0.0	1.9	4.3	17.4	0.0	0.3	5.4	0.8	0.0	0.6	0.0	0.0	0.0	228,983
Snack Foods	61.5	0.0	0.6	4.5	3.4	0.0	6.2	10.0	3.6	0.0	0.4	7.7	0.4	0.0	0.5	0.1	0.6	0.3	112,607
Juice & Non-carbonated Bevs.	34.7	3.6	1.0	0.4	0.2	0.0	6.5	8.1	1.6	0.0	0.6	1.0	5.7	0.0	8.5	2.8	3.4	21.9	70,302
Candy/Froz. Desserts	54.3	0.1	6.6	1.6	3.7	0.0	13.9	5.3	0.9	0.0	1.5	5.0	0.0	0.5	6.4	0.1	0.0	0.0	60,708
Dairy Products	54.4	0.6	6.8	4.6	2.0	0.0	0.7	10.5	5.3	0.0	0.0	5.1	0.0	0.0	8.5	0.0	0.0	1.4	29,602
Prepared Foods & Meals	69.5	0.0	0.5	2.0	2.0	0.0	1.4	4.4	6.6	0.0	4.0	5.0	0.0	0.0	1.8	0.0	0.0	2.6	59,821
Baked Goods	60.2	0.4	2.6	5.5	2.4	0.0	1.9	10.9	4.5	0.1	0.0	3.6	0.0	0.0	7.8	0.1	0.0	0.0	61,147
Fruits & Vegetables	10.1	0.7	0.2	0.0	4.3	0.0	11.9	26.2	5.3	0.0	0.0	18.6	0.8	2.6	3.6	12.3	3.2	0.0	8,510
TOTAL	34.3	0.3	1.0	1.6	1.4	0.0	3.6	4.4	37.6	0.1	0.4	4.8	0.7	0.1	2.3	1.1	1.0	5.5	1,332,473

Teens 12-17																			
Food Category	TV	Radio	Print	Internet	Web	Viral/ WOM	In-Store	Pack/ Label	Premiums	Product Placement	Movie/ Video	Cross- Promotion Licenses	Athletic Sponsorship	Celebrity Fees	Events	Philanthropy	Other	In-School	100% of Reported Teen 12-17 Marketing (\$1000)
Restaurant Foods	71.5	21.2	0.7	0.4	0.1	0.1	0.2	0.0	0.3	0.0	0.6	0.3	3.2	0.0	1.2	0.1	0.0	0.0	140,487
Carbonated Beverages	19.5	8.1	0.5	2.5	1.2	0.4	15.3	2.3	0.8	0.9	0.0	6.7	3.6	0.7	12.8	0.7	4.2	19.9	507,918
Breakfast Cereal	19.8	0.9	0.2	6.9	6.0	0.0	2.1	7.5	35.4	0.0	1.0	15.9	2.5	0.0	1.8	0.0	0.0	0.0	71,266
Snack Foods	49.2	0.6	0.6	8.4	7.5	0.3	3.6	12.7	5.5	0.0	0.4	5.4	0.3	1.7	1.9	0.2	0.9	0.6	51,354
Juice & Non-carbonated Bevs.	22.5	3.3	1.3	1.6	1.5	0.7	4.2	4.3	1.2	0.4	0.0	0.2	4.6	0.0	7.1	2.3	2.9	41.7	108,476
Candy/Froz. Desserts	69.9	1.6	3.0	2.4	4.5	0.0	6.1	2.3	1.4	0.0	3.1	0.3	0.0	1.3	3.9	0.1	0.0	0.0	98,998
Dairy Products	13.2	0.5	29.6	5.4	4.6	3.4	2.1	7.1	4.8	0.0	0.1	4.0	0.0	0.7	10.7	0.0	1.4	12.4	38,477
Prepared Foods & Meals	66.7	0.0	1.7	0.6	4.1	0.0	3.3	8.3	3.3	0.0	0.0	6.1	0.0	0.0	5.3	0.0	0.0	0.5	17,791
Baked Goods	53.7	0.7	4.4	7.8	3.8	0.0	1.1	6.8	5.8	0.2	0.0	3.7	0.0	0.0	12.0	0.1	0.0	0.0	39,649
Fruits & Vegetables	13.6	5.6	1.1	0.0	2.1	0.0	11.2	17.2	12.7	0.0	0.0	0.6	1.1	3.5	7.4	19.5	4.3	0.0	6,336
TOTAL	34.4	7.2	2.0	2.9	2.3	0.4	8.8	3.6	3.8	0.5	0.5	4.9	2.8	0.6	8.4	0.7	2.4	14.0	1,080,751

(continued)

**Table C.6: Percent of Reported Marketing Expenditures for Each Food Category, By Promotional Activity, and Age Criteria, 2006 (Revised)\* (continued)**

Youth 2-17																			
Food Category	TV	Radio	Print	Internet	Web	Viral/ WOM	In-Store	Pack/ Label	Premiums	Product Placement	Movie/ Video	Cross- Promotion Licenses	Athletic Sponsorship	Celebrity Fees	Events	Philanthropy	Other	In-School	100% of Reported Youth 2-17 Marketing (\$1000)
Restaurant Foods	25.0	4.1	0.3	0.3	0.2	0.1	2.4	0.6	60.9	0.0	0.1	1.6	0.6	0.1	1.1	1.4	0.0	1.3	732,644
Carbonated Beverages	19.0	7.8	0.5	2.4	1.1	0.4	15.1	2.2	0.8	0.9	0.0	6.5	3.5	0.7	12.3	0.7	4.0	22.0	526,370
Breakfast Cereal	62.9	0.3	0.5	3.2	2.8	0.0	1.9	4.2	17.2	0.0	0.3	5.3	0.8	0.0	0.6	0.0	0.0	0.0	236,553
Snack Foods	59.6	0.2	0.7	4.9	4.2	0.1	6.2	9.4	4.5	0.0	0.5	6.7	0.3	0.6	1.0	0.1	0.5	0.3	138,713
Juice & Non-carbonated Bevs.	30.9	4.2	1.5	1.3	1.1	0.6	4.4	4.5	1.2	0.3	0.3	0.6	3.5	0.0	5.6	1.8	2.1	36.1	146,601
Candy/Froz. Desserts	66.0	1.4	4.0	2.1	4.3	0.0	7.6	3.1	1.4	0.0	2.6	2.6	0.0	1.1	3.7	0.1	0.0	0.0	117,694
Dairy Products	36.6	0.3	20.8	4.3	3.3	2.4	1.7	5.8	3.4	0.0	0.1	2.8	0.0	0.5	7.6	0.0	1.0	9.3	54,645
Prepared Foods & Meals	70.0	0.0	0.8	1.9	2.2	0.0	1.9	4.2	6.2	0.0	3.8	4.7	0.0	0.0	1.7	0.0	0.0	2.6	64,143
Baked Goods	59.2	0.4	3.0	5.4	2.4	0.0	2.5	11.1	4.5	0.1	0.0	3.5	0.0	0.0	7.6	0.1	0.0	0.0	62,549
Fruits & Vegetables	7.6	3.5	0.6	0.0	4.3	0.0	12.2	21.2	10.4	0.0	0.0	13.7	0.6	3.5	4.6	15.5	2.4	0.0	11,563
TOTAL	35.4	3.8	1.3	1.9	1.5	0.2	6.2	3.1	24.4	0.2	0.4	3.8	1.5	0.3	4.7	0.9	1.2	8.9	2,091,474

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All Ages**																			
Food Category	TV	Radio	Print	Internet	Web	Viral/ WOM	In-Store	Pack/ Label	Premiums	Product Placement	Movie/ Video	Cross- Promotion Licenses	Athletic Sponsorship	Celebrity Fees	Events	Philanthropy	Other	In-School	100% of Reported All Ages Marketing (\$1000)
Restaurant Foods	55.4	8.6	2.9	1.1	0.3	0.1	3.4	0.4	21.1	0.0	0.1	0.6	3.2	0.1	1.0	0.5	0.7	0.5	2,351,655
Carbonated Beverages	39.0	4.5	1.3	3.1	1.7	0.4	15.3	1.3	2.9	0.4	0.0	2.3	4.8	0.9	5.2	0.5	5.1	11.1	1,522,149
Breakfast Cereal	78.5	0.1	1.3	1.8	1.4	0.0	1.7	2.8	8.9	0.0	0.2	2.6	0.4	0.0	0.3	0.0	0.1	0.0	485,154
Snack Foods	69.0	1.9	2.6	1.4	1.5	0.0	10.9	5.9	2.3	0.0	0.5	1.8	1.1	0.2	0.5	0.1	0.2	0.1	520,600
Juice & Non-carbonated Bevs.	48.8	2.0	1.8	1.0	0.4	0.4	13.8	1.4	0.6	0.2	0.1	0.2	13.1	0.0	1.9	0.4	2.2	11.6	765,573
Candy/Froz. Desserts	74.6	1.0	2.2	1.2	2.9	0.0	9.5	2.1	0.9	0.0	1.1	0.9	0.0	0.4	2.6	0.8	0.0	0.0	335,243
Dairy Products	60.6	0.1	18.6	1.9	1.4	0.8	0.8	2.1	1.5	0.0	0.2	0.9	0.0	0.3	6.2	0.0	1.5	3.1	162,705
Prepared Foods & Meals	84.2	0.4	4.9	1.0	0.6	0.0	1.7	2.0	1.7	0.0	1.1	1.3	0.0	0.0	0.5	0.0	0.0	0.7	238,749
Baked Goods	39.9	0.3	2.7	3.2	1.5	0.0	7.9	34.0	2.9	0.1	0.0	2.1	0.0	0.0	4.5	0.8	0.0	0.0	106,219
Fruits & Vegetables	16.6	6.6	0.8	0.0	3.5	0.0	32.7	15.8	4.9	0.0	0.0	5.9	0.3	1.5	3.4	7.1	1.0	0.0	26,961
TOTAL	55.4	4.7	2.7	1.7	1.0	0.2	8.3	2.1	9.4	0.1	0.2	1.3	3.9	0.3	2.3	0.4	1.8	4.3	6,515,009

\*This table is a revised version of Tables C.2 in FTC (2008). The new table includes the estimated cost of any premiums in the media category Premiums, to parallel the treatment in the 2009 data. In the earlier report, the actual cost of the toy or other premium was not included in category's spending.

\*\*Companies were required to report spending for "All Ages" in a promotional activity only when they had child- or teen-directed marketing in that activity for the product. Thus, the "All Ages" data reported here do not include any spending for a product in promotional activities that did not have child- or teen-directed marketing for the product. Separately, companies were required to report total marketing for each product. Food category totals based on "Total Marketing" expenditure data are reported in Table I.1 and give a more complete picture of total spending for all ages, resulting in "Total Marketing" expenditures for all ages of \$10.0 billion, compared to the \$6.5 billion reported in this table.

Table C.7: Reported Marketing Expenditures By Food Category, Promotional Activity Group, and Age Criteria, 2006 (Revised)\*

Children 2-11													
Food Category	Total Reported Child 2-11 Marketing (\$1000)	Traditional Measured Media		New Media		In-Store and Packaging/ Labeling		Premiums		Other Traditional Promotions		In-School	
		Value (\$1000)	Percentage	Value (\$1000)	Percentage	Value (\$1000)	Percentage	Value (\$1000)	Percentage	Value (\$1000)	Percentage	Value (\$1000)	Percentage
Restaurant Foods	604,771	93,446	15.5	2,902	0.5	21,979	3.6	446,022	73.8	31,086	5.1	9,334	1.5
Carbonated Beverages	96,024	2,424	2.5	355	0.4	11,634	12.1	651	0.7	35,356	36.8	45,604	47.5
Breakfast Cereal	228,983	144,146	63.0	14,213	6.2	14,342	6.3	39,846	17.4	16,426	7.2	10	0.0
Snack Foods	112,607	69,954	62.1	8,958	8.0	18,247	16.2	4,099	3.6	10,966	9.7	383	0.3
Juice & Non-carbonated Bevs.	70,302	27,629	39.3	456	0.6	10,217	14.5	1,149	1.6	15,459	22.0	15,392	21.9
Candy/Froz. Desserts	60,708	37,029	61.0	3,263	5.4	11,655	19.2	549	0.9	8,211	13.5	0	0.0
Dairy Products	29,602	18,302	61.8	1,947	6.6	3,337	11.3	1,572	5.3	4,020	13.6	423	1.4
Prepared Foods & Meals	59,821	41,866	70.0	2,416	4.0	3,490	5.8	3,971	6.6	6,500	10.9	1,578	2.6
Baked Goods	61,147	38,641	63.2	4,836	7.9	7,824	12.8	2,760	4.5	7,074	11.6	12	0.0
Fruits & Vegetables	8,510	943	11.1	370	4.3	3,248	38.2	450	5.3	3,499	41.1	1	0.0
TOTAL	1,332,473	474,379	35.6	39,716	3.0	105,974	8.0	501,070	37.6	138,597	10.4	72,737	5.5

Teens 12-17													
Food Category	Total Reported Teen 12-17 Marketing (\$1000)	Traditional Measured Media		New Media		In-Store and Packaging/ Labeling		Premiums		Other Traditional Promotions		In-School	
		Value (\$1000)	Percentage	Value (\$1000)	Percentage	Value (\$1000)	Percentage	Value (\$1000)	Percentage	Value (\$1000)	Percentage	Value (\$1000)	Percentage
Restaurant Foods	140,487	131,141	93.3	848	0.6	280	0.2	384	0.3	7,834	5.6	0	0.0
Carbonated Beverages	507,918	142,398	28.0	20,534	4.0	89,551	17.6	3,950	0.8	150,189	29.6	101,296	19.9
Breakfast Cereal	71,266	14,914	20.9	9,177	12.9	6,802	9.5	25,220	35.4	15,143	21.2	10	0.0
Snack Foods	51,354	25,873	50.4	8,339	16.2	8,364	16.3	2,817	5.5	5,630	11.0	330	0.6
Juice & Non-carbonated Bevs.	108,476	29,390	27.1	4,155	3.8	9,252	8.5	1,332	1.2	19,066	17.6	45,281	41.7
Candy/Froz. Desserts	98,998	73,761	74.5	6,885	7.0	8,310	8.4	1,364	1.4	8,678	8.8	0	0.0
Dairy Products	38,477	16,627	43.2	5,153	13.4	3,548	9.2	1,843	4.8	6,522	16.9	4,785	12.4
Prepared Foods & Meals	17,791	12,172	68.4	846	4.8	2,064	11.6	585	3.3	2,026	11.4	98	0.5
Baked Goods	39,649	23,284	58.7	4,594	11.6	3,157	8.0	2,292	5.8	6,313	15.9	8	0.0
Fruits & Vegetables	6,336	1,288	20.3	133	2.1	1,799	28.4	806	12.7	2,310	36.5	0	0.0
TOTAL	1,080,751	470,848	43.6	60,664	5.6	133,127	12.3	40,593	3.8	223,711	20.7	151,808	14.0
(continued)													

(continued)

**Table C.7: Reported Marketing Expenditures By Food Category, Promotional Activity Group, and Age Criteria, 2006 (Revised)\* (continued)**

Youth 2-17													
Food Category	Total Reported Youth 2-17 Marketing (\$1000)	Traditional Measured Media		New Media		In-Store and Packaging/ Labeling		Premiums		Other Traditional Promotions		In-School	
		Value (\$1000)	Percentage	Value (\$1000)	Percentage	Value (\$1000)	Percentage	Value (\$1000)	Percentage	Value (\$1000)	Percentage	Value (\$1000)	Percentage
Restaurant Foods	732,644	214,903	29.3	3,603	0.5	22,059	3.0	446,022	60.9	36,721	5.0	9,334	1.3
Carbonated Beverages	526,370	143,570	27.3	20,540	3.9	91,039	17.3	4,391	0.8	150,832	28.7	115,998	22.0
Breakfast Cereal	236,553	150,660	63.7	14,218	6.0	14,518	6.1	40,623	17.2	16,514	7.0	20	0.0
Snack Foods	138,713	83,978	60.5	12,857	9.3	21,739	15.7	6,204	4.5	13,536	9.8	399	0.3
Juice & Non-carbonated Bevs.	146,601	53,601	36.6	4,434	3.0	13,094	8.9	1,754	1.2	20,764	14.2	52,955	36.1
Candy/Froz. Desserts	117,694	84,097	71.5	7,464	6.3	12,587	10.7	1,682	1.4	11,863	10.1	0	0.0
Dairy Products	54,645	31,544	57.7	5,471	10.0	4,105	7.5	1,843	3.4	6,575	12.0	5,108	9.3
Prepared Foods & Meals	64,143	45,432	70.8	2,626	4.1	3,899	6.1	4,000	6.2	6,511	10.2	1,675	2.6
Baked Goods	62,549	39,203	62.7	4,924	7.9	8,534	13.6	2,791	4.5	7,076	11.3	20	0.0
Fruits & Vegetables	11,563	1,358	11.7	493	4.3	3,857	33.4	1,206	10.4	4,649	40.2	1	0.0
<b>TOTAL</b>	<b>2,091,474</b>	<b>848,344</b>	<b>40.6</b>	<b>76,630</b>	<b>3.7</b>	<b>195,431</b>	<b>9.3</b>	<b>510,516</b>	<b>24.4</b>	<b>275,042</b>	<b>13.2</b>	<b>185,511</b>	<b>8.9</b>

All Ages**													
Food Category	All Ages Reported Marketing (\$1000)	Traditional Measured Media		New Media		In-Store and Packaging/ Labeling		Premiums		Other Traditional Promotions		In-School	
		Value (\$1000)	Percentage	Value (\$1000)	Percentage	Value (\$1000)	Percentage	Value (\$1000)	Percentage	Value (\$1000)	Percentage	Value (\$1000)	Percentage
Restaurant Foods	2,351,655	1,575,339	67.0	36,808	1.6	90,222	3.8	495,761	21.1	142,865	6.1	10,659	0.5
Carbonated Beverages	1,522,149	682,789	44.9	78,377	5.1	253,072	16.6	44,763	2.9	293,569	19.3	169,579	11.1
Breakfast Cereal	485,154	387,746	79.9	15,619	3.2	22,034	4.5	42,954	8.9	16,781	3.5	20	0.0
Snack Foods	520,600	382,522	73.5	15,308	2.9	87,158	16.7	11,790	2.3	23,230	4.5	591	0.1
Juice & Non-carbonated Bevs.	765,573	402,036	52.5	14,187	1.9	116,342	15.2	4,259	0.6	139,601	18.2	89,149	11.6
Candy/Froz. Desserts	335,243	260,531	77.7	13,657	4.1	38,854	11.6	2,851	0.9	19,350	5.8	0	0.0
Dairy Products	162,705	129,050	79.3	6,626	4.1	4,794	2.9	2,438	1.5	14,681	9.0	5,116	3.1
Prepared Foods & Meals	238,749	213,696	89.5	3,816	1.6	8,829	3.7	4,000	1.7	6,653	2.8	1,755	0.7
Baked Goods	106,219	45,617	42.9	5,009	4.7	44,525	41.9	3,061	2.9	7,985	7.5	22	0.0
Fruits & Vegetables	26,961	6,481	24.0	934	3.5	13,070	48.5	1,316	4.9	5,159	19.1	1	0.0
<b>TOTAL</b>	<b>6,515,009</b>	<b>4,085,807</b>	<b>62.7</b>	<b>190,342</b>	<b>2.9</b>	<b>678,900</b>	<b>10.4</b>	<b>613,193</b>	<b>9.4</b>	<b>669,874</b>	<b>10.3</b>	<b>276,892</b>	<b>4.3</b>

\*This table is a revised version of Tables C.3 in FTC (2008). The new table includes the estimated cost of any premiums in the media category Premiums, to parallel the treatment in the 2009 data. In the earlier report, the actual cost of the toy or other premium was not included in category's spending.

\*\*Companies were required to report spending for "All Ages" in a promotional activity only when they had child- or teen-directed marketing in that activity for the product. Thus, the "All Ages" data reported here do not include any spending for a product in promotional activities that did not have child- or teen-directed marketing for that product. Separately, companies were required to report total marketing for each product. Food category totals based on "Total Marketing" expenditure data are reported in Table II.1 and give a more complete picture of total spending to all ages, resulting in "Total Marketing" expenditures to all ages of \$10.0 billion, compared to the \$6.5 billion reported in this table.

Table C.8: Reported Marketing That Uses Cross-Promotions or Celebrities, 2006 (Revised)\*

Children 2-11					
Food Category	Total Reported Child 2-11 Marketing (\$1000)	Reported Expenditures for Cross-Promotions		Reported Expenditures for Marketing with Celebrities	
		Value (\$1000)	Percentage	Value (\$1000)	Percentage
Restaurant Foods	604,771	498,464	82.4	1,862	0.3
Carbonated Beverages	96,024	19,077	19.9	0	0.0
Breakfast Cereal	228,983	56,247	24.6	0	0.0
Snack Foods	112,607	17,123	15.2	0	0.0
Juice & Non-carbonated Bevs.	70,302	3,343	4.8	0	0.0
Candy/Froz. Desserts	60,708	4,224	7.0	684	1.1
Dairy Products	29,602	8,474	28.6	0	0.0
Prepared Foods & Meals	59,821	8,584	14.3	70	0.1
Baked Goods	61,147	5,648	9.2	350	0.6
Fruits & Vegetables	8,510	3,977	46.7	285	3.3
<b>TOTAL</b>	<b>1,332,473</b>	<b>625,162</b>	<b>46.9</b>	<b>3,251</b>	<b>0.2</b>

Teens 12-17					
Food Category	Total Reported Teen 12-17 Marketing (\$1000)	Reported Expenditures for Cross-Promotions		Reported Expenditures for Marketing with Celebrities	
		Value (\$1000)	Percentage	Value (\$1000)	Percentage
Restaurant Foods	140,487	1,460	1.0	1,119	0.8
Carbonated Beverages	507,918	42,634	8.4	3,700	0.7
Breakfast Cereal	71,266	32,495	45.6	0	0.0
Snack Foods	51,354	12,660	24.7	1,455	2.8
Juice & Non-carbonated Bevs.	108,476	658	0.6	0	0.0
Candy/Froz. Desserts	98,998	3,169	3.2	5,014	5.1
Dairy Products	38,477	5,315	13.8	13,852	36.0
Prepared Foods & Meals	17,791	1,220	6.9	70	0.4
Baked Goods	39,649	3,292	8.3	350	0.9
Fruits & Vegetables	6,336	958	15.1	285	4.5
<b>TOTAL</b>	<b>1,080,751</b>	<b>103,861</b>	<b>9.6</b>	<b>25,845</b>	<b>2.4</b>

(continued)



**Table C.8: Reported Marketing That Uses Cross-Promotions or Celebrities, 2006 (Revised)\* (continued)**

Youth 2-17						
Food Category	Total Reported Youth 2-17 Marketing (\$1000)	Reported Expenditures for Cross-Promotions		Reported Expenditures for Marketing with Celebrities		Percentage
		Value (\$1000)	Percentage	Value (\$1000)	Percentage	
Restaurant Foods	732,644	499,884	68.2	1,902	0.3	
Carbonated Beverages	526,370	42,919	8.2	3,700	0.7	
Breakfast Cereal	236,553	56,592	23.9	0	0.0	
Snack Foods	138,713	27,229	19.6	1,455	1.0	
Juice & Non-carbonated Bevs.	146,601	3,473	2.4	0	0.0	
Candy/Froz. Desserts	117,694	6,919	5.9	5,014	4.3	
Dairy Products	54,645	9,456	17.3	13,852	25.3	
Prepared Foods & Meals	64,143	8,595	13.4	70	0.1	
Baked Goods	62,549	6,873	11.0	350	0.6	
Fruits & Vegetables	11,563	4,165	36.0	470	4.1	
<b>TOTAL</b>	<b>2,091,474</b>	<b>666,106</b>	<b>31.8</b>	<b>26,813</b>	<b>1.3</b>	
All Ages**						
Food Category	All Ages Reported Marketing (\$1000)	Reported Expenditures for Cross-Promotions		Reported Expenditures for Marketing with Celebrities		Percentage
		Value (\$1000)	Percentage	Value (\$1000)	Percentage	
Restaurant Foods	2,351,655	544,875	23.2	3,418	0.1	
Carbonated Beverages	1,522,149	43,997	2.9	14,363	0.9	
Breakfast Cereal	485,154	56,603	11.7	0	0.0	
Snack Foods	520,600	37,379	7.2	1,455	0.3	
Juice & Non-carbonated Bevs.	765,573	3,798	0.5	0	0.0	
Candy/Froz. Desserts	335,243	6,919	2.1	5,195	1.5	
Dairy Products	162,705	9,513	5.8	31,674	19.5	
Prepared Foods & Meals	238,749	9,095	3.8	70	0.0	
Baked Goods	106,219	6,873	6.5	350	0.3	
Fruits & Vegetables	26,961	4,165	15.4	470	1.7	
<b>TOTAL</b>	<b>6,515,009</b>	<b>723,217</b>	<b>11.1</b>	<b>56,996</b>	<b>0.9</b>	

\*This table is a revised version of Tables C.3 in FTC (2008). The new table includes the estimated cost of any premiums in the media category Premiums, to parallel the treatment in the 2009 data. In the earlier report, the actual cost of the toy or other premium was not included in category's spending.

\*\*Companies were required to report spending for "All Ages" in a promotional activity only when they had child- or teen-directed marketing in that activity for the product. Thus, the "All Ages" data reported here do not include any spending for a product in promotional activities that did not have child- or teen-directed marketing for that product. Separately, companies were required to report total marketing for each product. Food category totals based on "Total Marketing" expenditure data are reported in Table II.1 and give a more complete picture of total spending to all ages, resulting in "Total Marketing" expenditures to all ages of \$10.0 billion, compared to the \$6.5 billion reported in this table.



Table C.9a: Average Nutritional Characteristics of All Foods Except QSRs, TV Advertising, By Product Type and Age, 2006 and 2009<sup>1</sup>

Children 2-11														
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)	Sodium (mg/serv)	Sugar (g/serv)	Fiber (g/serv)	Whole Grains <sup>3</sup> (g/serv)	Saturated Fat (g/serv)	Transfat (g/serv)	Fat (g/serv)	Calcium (%RDI/serv)	Vitamin D <sup>3</sup> (%RDI/serv)	Potassium <sup>3</sup> (mg/serv)	Vitamin C (%RDI/serv)	Vitamin A (%RDI/serv)	Spending <sup>4</sup> (\$millions)
All Foods Except QSRs (271)	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009
	139.4	134.6	235.0	203.5	12.2	11.2	1.0	1.4	2.5	3.6	1.1	0.8	3.1	2.5
	134.4	134.6	261.3	210.0	9.8	10.6	1.2	1.4	3.6	3.6	0.8	0.6	2.8	2.4
	145.8	136.5	196.3	150.4	12.3	12.2	2.1	1.8	10.8	8.6	2.3	1.2	4.0	3.2
	128.9	133.4	290.8	258.2	8.1	8.9	1.0	1.2	0.6	0.5	0.5	0.5	2.3	2.0
	(21)	(24)	(23)	(8)	(14)	(10)	(4)	(13)	(6)	(6)	(13)	(8)	(7)	(7)
Off Market 2009 (28)	144.2	187.8	13.5	0.4	0.9	1.5	0.0	3.5	2.5	9.8	71.6	10.3	9.2	\$38.6
No Longer Advertised on TV to Children 2009 (90)	145.5	210.2	15.3	0.8	1.2	1.4	0.0	3.4	3.7	3.5	67.4	17.4	4.3	\$133.1
New Product 2009 (34)	118.3	113.9	13.0	1.6	2.0	1.1	0.0	2.5	9.9	9.3	143.3	11.6	3.4	\$29.8
Newly Advertised on TV to Children 2009 (58)	146.9	246.7	12.1	1.5	4.6	1.2	0.0	2.8	6.4	7.4	189.7	5.4	7.5	\$39.0
Teens 12-17														
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)	Sodium (mg/serv)	Sugar (g/serv)	Fiber (g/serv)	Whole Grains <sup>3</sup> (g/serv)	Saturated Fat (g/serv)	Transfat (g/serv)	Fat (g/serv)	Calcium (%RDI/serv)	Vitamin D <sup>3</sup> (%RDI/serv)	Potassium <sup>3</sup> (mg/serv)	Vitamin C (%RDI/serv)	Vitamin A (%RDI/serv)	Spending <sup>4</sup> (\$millions)
All Foods Except QSRs (345)	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009
	154.0	138.5	140.5	166.1	22.4	16.3	0.5	1.1	0.6	2.5	1.7	1.1	3.6	2.8
	156.7	138.3	134.5	131.0	25.0	19.5	0.4	0.7	0.6	2.2	1.5	1.0	3.2	2.2
	170.0	139.1	189.2	128.8	23.5	16.0	1.2	1.4	10.7	8.6	4.8	2.2	11.6	4.6
	152.2	138.0	86.7	133.5	25.8	21.3	0.4	0.6	0.3	1.3	1.2	0.8	2.2	1.8
	(30)	(38)	(32)	(11)	(15)	(13)	(3)	(21)	(7)	(6)	(23)	(7)	(7)	(7)
Off Market 2009 (37)	128.3	124.2	12.8	0.3	0.1	2.4	0.0	4.3	1.7	0.9	22.6	1.1	6.5	\$25.6
No Longer Advertised on TV to Teens 2009 (95)	156.7	171.3	17.1	0.9	0.8	2.0	0.0	4.8	4.6	2.1	65.8	5.0	3.1	\$51.0
New Product 2009 (43)	147.5	214.8	11.3	2.6	5.8	1.5	0.0	3.8	6.0	5.1	198.9	21.1	5.0	\$25.9
Newly Advertised on TV to Teens 2009 (78)	135.2	228.6	10.6	1.4	1.8	1.3	0.1	3.7	2.2	4.2	142.4	3.7	4.4	\$62.2

(continued)

**Table C-9a: Average Nutritional Characteristics of All Foods Except QSRs, TV Advertising, By Product Type and Age, 2006 and 2009<sup>1</sup> (continued)**

All Ages																												
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)	Sodium (mg/serv)	Sugar (g/serv)	Fiber (g/serv)	Whole Grains <sup>3</sup> (g/serv)	Saturated Fat (g/serv)	Transfat (g/serv)	Fat (g/serv)	Calcium (%RDI/serv)	Vitamin D <sup>3</sup> (%RDI/serv)	Potassium <sup>3</sup> (mg/serv)	Vitamin C (%RDI/serv)	Vitamin A (%RDI/serv)	Spending <sup>4</sup> (\$millions)														
	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009														
All Foods Except QSRs (625)	124.4	118.0	134.7	137.4	19.9	17.1	0.6	0.8	1.7	2.2	0.9	0.9	0.0	0.0	2.3	2.4	2.8	3.6	1.9	3.0	58.1	98.2	8.8	7.9	2.5	2.8	\$7,426.2	\$6,683.8
	Advertised Both Years to Youth (189)																											
	116.0	114.6	118.0	105.8	21.4	18.8	0.4	0.5	1.5	2.2	0.6	0.7	0.0	0.0	1.6	2.0	2.3	2.8	1.8	2.6	50.7	65.5	5.6	6.4	1.8	2.1	\$6,041.3	\$5,298.6
	134.8	130.2	119.6	104.6	19.2	18.6	1.1	1.4	16.5	13.0	3.5	3.2	0.5	0.0	6.1	5.6	6.7	5.2	8.6	13.5	67.4	61.8	14.3	17.9	5.9	2.8		
Not Reformulated	110.3	107.7	116.3	106.9	22.1	18.8	0.4	0.5	0.6	1.2	0.4	0.5	0.0	0.0	1.2	1.6	2.2	2.7	1.6	2.3	43.8	67.1	5.4	6.1	1.8	2.1		
Number Products Reformulated	(58)	(63)	(68)	(27)	(37)	(28)	(7)	(41)	(16)	(13)	(48)	(17)	(13)															
Off Market 2009 (80)	102.5	121.0	10.8	0.5	0.5	1.3	0.0	2.8	3.9	1.9	55.6	8.1	7.7	\$286.2														
No Longer Advertised to Youth 2009 (163)	176.5	230.4	14.3	1.7	3.1	2.3	0.1	6.0	4.9	2.9	100.9	26.7	4.7	\$1,098.8														
New Product 2009 (82)	118.8	153.1	12.6	1.4	2.0	1.5	0.0	3.1	7.3	5.2	187.2	19.3	3.3	\$513.4														
Newly Advertised to Youth 2009 (111)	138.1	320.2	9.4	2.2	2.4	1.8	0.1	4.4	6.2	4.8	224.1	10.1	6.8	\$871.8														

<sup>1</sup>Nutrition averages are expenditure-weighted averages based on the products for which the Commission has basic nutrition data (nutrients required in FDA labeling) and TV spending.

<sup>2</sup>Each panel of the table includes only those products with reportable TV marketing expenditures for the relevant audience. Thus, for instance, in the Children 2-11 panel, the "All" row includes all products in the relevant food category that had any reportable TV marketing expenditures to children in 2006 or 2009. Similarly, New Product 2009 includes all new foods that were marketed to children on TV in 2009. For the All Ages panel, expenditure weights reflect spending directed to all ages, but only for products with reportable marketing expenditures, that is, products marketed to youth (children or teens) on TV in either year. For instance, Newly Advertised to Youth 2009 in the All Ages panel reflects All-Ages spending on products newly advertised to children or teens on TV in 2009. Number indicates the number of products in the category.

<sup>3</sup>Data for these nutrients are not required in labeling and thus are not available for all products for which the companies reported basic nutrition data. For this food category, coverage exceeds 96% of spending for whole grains, 73% for potassium, and 62% for vitamin D for all age groups and both years.

<sup>4</sup>Because these spending totals are based on products for which the companies provided at least basic nutrition data, they may be smaller than expenditures reported in Section II. For this food category, companies reported basic nutrition data for at least 99% of spending in each age category and year.

<sup>5</sup>Includes products that were reformulated for the particular nutrient listed in the column heading. The number of products and the amount of spending in the reformulated versus non-reformulated category depends on the nutrient.

Table C.9b: Average Nutritional Characteristics of All Foods Except QSRs, All Marketing, By Product Type and Age, 2006 and 2009<sup>1</sup>

Children 2-11														
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)	Sodium (mg/serv)	Sugar (g/serv)	Fiber (g/serv)	Whole Grains <sup>3</sup> (g/serv)	Saturated Fat (g/serv)	Transfat (g/serv)	Fat (g/serv)	Calcium (%RD/serv)	Vitamin D <sup>3</sup> (%RD/serv)	Potassium <sup>3</sup> (mg/serv)	Vitamin C (%RD/serv)	Vitamin A (%RD/serv)	Spending <sup>4</sup> (\$millions)
All Foods Except QSRs (525)	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009
	132.7 126.5	185.6 171.5	15.6 13.1	0.7 1.1	2.0 3.1	0.8 0.7	0.0 0.0	2.4 2.2	3.2 5.5	5.2 7.5	65.8 97.2	11.5 10.6	5.5 5.4	\$725.3 \$455.9
	127.8 122.2	183.2 158.0	16.1 13.3	0.7 1.0	2.3 3.6	0.6 0.4	0.0 0.0	2.0 1.8	3.1 4.5	5.3 7.6	63.8 70.6	9.3 10.5	5.2 5.7	\$534.0 \$354.3
	140.4 121.6	147.1 125.8	15.5 12.8	1.7 1.5	11.0 8.8	2.3 1.2	0.5 0.0	3.8 3.1	7.2 16.8	9.9 15.4	97.4 84.9	19.9 7.9	4.1 3.2	
Not Reformulated Number Products Reformulated	123.4 122.6 (48)	206.4 187.1 (45)	16.4 13.7 (56)	0.6 0.9 (20)	0.7 1.5 (33)	0.5 0.3 (24)	0.0 0.0 (6)	1.7 1.4 (33)	3.0 3.8 (12)	5.0 6.5 (12)	49.6 62.5 (40)	8.2 10.9 (15)	5.2 6.0 (10)	
Off Market 2009 (68)	139.8	179.8	13.1	0.5	1.1	1.3	0.0	3.2	3.0	8.1	83.0	11.3	9.9	\$51.7
No Longer Advertised to Children 2009 (145)	148.8	197.1	14.6	0.9	1.1	1.5	0.1	3.7	3.8	3.7	69.6	19.8	5.0	\$139.6
New Product 2009 (64)	118.5	121.3	13.2	1.3	1.8	1.1	0.0	2.4	9.4	8.7	151.1	17.9	2.7	\$43.0
Newly Advertised to Children 2009 (102)	158.0	290.3	11.9	1.2	1.2	1.7	0.0	4.1	8.4	5.2	209.6	6.0	5.3	\$58.6

Teens 12-17														
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)	Sodium (mg/serv)	Sugar (g/serv)	Fiber (g/serv)	Whole Grains <sup>3</sup> (g/serv)	Saturated Fat (g/serv)	Transfat (g/serv)	Fat (g/serv)	Calcium (%RDI/serv)	Vitamin D <sup>3</sup> (%RDI/serv)	Potassium <sup>3</sup> (mg/serv)	Vitamin C (%RDI/serv)	Vitamin A (%RDI/serv)	Spending <sup>4</sup> (\$millions)
All Foods Except QSRs (525)	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009
	129.0 116.0	118.2 113.2	24.7 19.2	0.3 0.5	0.5 1.3	0.7 0.6	0.0 0.0	1.6 1.7	2.0 2.2	2.0 3.2	32.7 52.4	6.0 5.3	2.1 2.4	\$939.7 \$824.9
	126.8 116.4	112.4 98.9	26.0 21.1	0.2 0.4	0.5 1.2	0.6 0.5	0.0 0.0	1.3 1.4	1.7 2.1	1.9 3.2	28.9 38.4	4.8 4.9	1.6 2.3	\$840.1 \$684.2
	133.7 116.7	137.8 94.9	20.4 16.9	0.9 1.1	10.2 9.7	3.9 1.6	0.5 0.0	8.3 3.6	6.2 4.2	11.8 18.2	45.5 54.7	33.9 9.9	4.1 3.1	
	125.4 116.4	78.5 103.8	27.6 22.7	0.2 0.3	0.2 0.6	0.4 0.4	0.0 0.0	0.8 1.2	1.6 2.1	1.9 2.6	24.7 33.7	4.3 4.6	1.6 2.3	
Not Reformulated Number Products Reformulated	(47)	(54)	(54)	(18)	(28)	(21)	(5)	(32)	(12)	(8)	(39)	(12)	(9)	
Off Market 2009 (64)	125.9	130.5	12.8	0.4	0.5	1.9	0.0	3.7	1.8	2.4	46.6	6.9	6.7	\$35.7
No Longer Advertised to Teens 2009 (148)	159.4	188.2	14.8	1.2	1.2	2.1	0.0	5.2	5.5	3.3	84.2	20.5	5.0	\$63.9
New Product 2009 (64)	132.4	175.2	12.0	2.0	4.5	1.2	0.0	3.1	5.1	4.4	164.9	22.5	4.0	\$34.2
Newly Advertised to Teens 2009 (92)	107.8	185.3	9.3	0.9	1.1	1.3	0.1	3.2	2.0	2.3	125.5	2.6	2.5	\$106.5

(continued)

**Table C.9b: Average Nutritional Characteristics of All Foods Except QSRs, All Marketing, By Product Type and Age, 2006 and 2009<sup>1</sup> (continued)**

All Ages																
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)	Sodium (mg/serv)	Sugar (g/serv)	Fiber (g/serv)	Whole Grains <sup>3</sup> (g/serv)	Saturated Fat (g/serv)	Transfat (g/serv)	Fat (g/serv)	Calcium (%RDI/serv)	Vitamin D <sup>3</sup> (%RDI/serv)	Potassium <sup>3</sup> (mg/serv)	Vitamin C (%RDI/serv)	Vitamin A (%RDI/serv)	Spending <sup>4</sup> (\$millions)	2006	2009
<b>All Foods Except QSRs (625)</b>	2006 2009 124.4 118.0	2006 2009 134.7 137.4	2006 2009 19.9 17.1	2006 2009 0.6 0.8	2006 2009 1.7 2.2	2006 2009 0.9 0.9	2006 2009 0.0 0.0	2006 2009 2.3 2.4	2006 2009 2.8 3.6	2006 2009 1.9 3.0	2006 2009 58.1 98.2	2006 2009 8.8 7.9	2006 2009 2.5 2.8	2006 2009 \$7,426.2 \$6,683.8		
Advertised Both Years to Youth (189)	116.0 114.6	118.0 105.8	21.4 18.8	0.4 0.5	1.5 2.2	0.6 0.7	0.0 0.0	1.6 2.0	2.3 2.8	1.8 2.6	50.7 65.5	5.6 6.4	1.8 2.1	\$5,298.6		
Reformulated <sup>5</sup> (108)	134.8 130.2	119.6 104.6	19.2 18.6	1.1 1.4	16.5 13.0	3.5 3.2	0.5 0.0	6.1 5.6	6.7 5.2	8.6 13.5	67.4 61.8	14.3 17.9	5.9 2.8			
Not Reformulated	110.3 107.7	116.3 106.9	22.1 18.8	0.4 0.5	0.6 1.2	0.4 0.5	0.0 0.0	1.2 1.6	2.2 2.7	1.6 2.3	43.8 67.1	5.4 6.1	1.8 2.1			
Number Products Reformulated	(58)	(63)	(68)	(27)	(37)	(28)	(7)	(41)	(16)	(13)	(48)	(17)	(13)			
Off Market 2009 (80)	102.5	121.0	10.8	0.5	0.5	1.3	0.0	2.8	3.9	1.9	55.6	8.1	7.7	\$286.2		
No Longer Advertised to Youth 2009 (163)	176.5	230.4	14.3	1.7	3.1	2.3	0.1	6.0	4.9	2.9	100.9	26.7	4.7	\$1,098.8		
New Product 2009 (82)	118.8	153.1	12.6	1.4	2.0	1.5	0.0	3.1	7.3	5.2	187.2	19.3	3.3	\$513.4		
Newly Advertised to Youth 2009 (111)	138.1	320.2	9.4	2.2	2.4	1.8	0.1	4.4	6.2	4.8	224.1	10.1	6.8	\$871.8		

<sup>1</sup>Nutrition averages are expenditure-weighted averages based on the products for which the Commission has basic nutrition data (nutrients required in FDA labeling).

<sup>2</sup>Each panel of the table includes only those products with reportable marketing expenditures for the relevant audience. Thus, for instance, in the Children 2-11 panel, the "All" row includes all products in the relevant food category that had any reportable marketing expenditures to children in 2006 or 2009. Similarly, New Product 2009 includes all new foods that were marketed to children in 2009. For the All Ages panel, expenditure weights reflect spending directed to all ages, but only for products with reportable marketing expenditures, that is, products marketed to youth (children or teens) in either year. For instance, Newly Advertised to Youth 2009 in the All Ages panel reflects All-Ages spending on products newly advertised to children or teens in 2009. Number indicates the number of products in the category.

<sup>3</sup>Data for these nutrients are not required in labeling and thus are not available for all products for which the companies reported basic nutrition data. For this food category, coverage exceeds 98% of spending for whole grains, 75% for potassium, and 65% for vitamin D for all age groups and years.

<sup>4</sup>Because these spending totals are based on products for which the companies provided at least basic nutrition data, they may be smaller than expenditures reported in Section II. For this food category, companies reported basic nutrition data for at least 99% of spending for all age groups and both years.

<sup>5</sup>Includes products that were reformulated for the particular nutrient listed in the column heading. The number of products and the amount of spending in the reformulated versus nonreformulated category depends on the nutrient.

Table C.10a: Average Nutritional Characteristics of Breakfast Cereals, TV Advertising, By Product Type and Age, 2006 and 2009<sup>1</sup>

Children 2-11																
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)	Sodium (mg/serv)	Sugar (g/serv)	Fiber (g/serv)	Whole Grains <sup>3</sup> (g/serv)	Saturated Fat (g/serv)	Transfat (g/serv)	Fat (g/serv)	Calcium (%RDI/serv)	Vitamin D <sup>3</sup> (%RDI/serv)	Potassium <sup>3</sup> (mg/serv)	Vitamin C (%RDI/serv)	Vitamin A (%RDI/serv)	Spending <sup>4</sup> (\$millions)		
	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009
<b>All Cereals (70)</b>	118.9	119.9	174.1	165.1	11.8	11.0	1.3	1.8	6.3	7.4	0.3	0.2	0.0	0.0	1.5	1.1
Advertised Both Years on TV to Children (17)	117.6	116.1	177.2	167.6	11.3	11.0	1.5	1.5	7.6	6.6	0.2	0.2	0.0	0.0	1.4	1.1
Reformulated <sup>5</sup> (12)	117.4	111.4	177.4	151.7	12.1	11.2	2.1	2.2	10.8	10.0	0.0	0.0	0.0	0.0	2.3	2.0
Not Reformulated	117.6	118.3	177.1	177.5	10.8	10.7	1.1	1.1	2.4	1.4	0.2	0.2	0.0	0.0	0.9	0.7
Number Products Reformulated	(6)	(6)	(7)	(5)	(9)	(0)	(0)	(5)	(0)	(3)	(5)	(1)	(0)	(0)		
Off Market 2009 (8)	128.9	154.1	14.1	0.5	3.2	0.5	0.0	1.5	0.0	10.0	30.3	24.4	10.0	10.6		
No Longer Advertised on TV to Children 2009 (25)	119.5	172.1	12.4	1.3	4.0	0.5	0.0	1.8	4.6	7.7	61.5	15.1	7.9	\$38.9		
New Product 2009 (8)	125.7	152.0	10.9	4.1	5.3	0.6	0.0	1.4	0.3	9.5	64.1	14.6	9.7	\$7.0		
Newly Advertised on TV to Children 2009 (12)	141.3	156.6	11.0	2.4	13.2	0.5	0.0	1.0	1.5	18.7	108.3	7.1	10.7	\$12.9		
Teens 12-17																
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)	Sodium (mg/serv)	Sugar (g/serv)	Fiber (g/serv)	Whole Grains <sup>3</sup> (g/serv)	Saturated Fat (g/serv)	Transfat (g/serv)	Fat (g/serv)	Calcium (%RDI/serv)	Vitamin D <sup>3</sup> (%RDI/serv)	Potassium <sup>3</sup> (mg/serv)	Vitamin C (%RDI/serv)	Vitamin A (%RDI/serv)	Spending <sup>4</sup> (\$millions)		
	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009
<b>All Cereals (73)</b>	131.3	125.8	187.1	174.7	11.3	10.1	2.0	2.0	9.8	7.9	0.2	0.3	0.0	0.0	1.4	1.0
Advertised Both Years on TV to Teens (24)	122.5	124.3	188.1	169.2	10.3	10.1	1.9	1.7	10.6	7.8	0.1	0.2	0.0	0.0	1.3	0.9
Reformulated <sup>5</sup> (16)	115.2	118.0	191.1	145.9	12.5	10.7	1.8	1.7	11.3	9.8	0.0	0.0	0.0	0.0	1.8	2.0
Not Reformulated	125.9	128.9	186.9	179.9	9.6	9.4	1.9	1.7	10.1	6.7	0.1	0.2	0.0	0.0	1.1	0.6
Number Products Reformulated	(8)	(7)	(8)	(5)	(9)	(0)	(0)	(8)	(0)	(3)	(9)	(1)	(0)	(0)		
Off Market 2009 (9)	126.8	172.4	12.5	0.4	3.7	0.4	0.0	1.5	0.0	10.0	31.1	20.4	10.0	\$0.8		
No Longer Advertised on TV to Teens 2009 (23)	150.6	187.9	13.2	2.6	9.3	0.3	0.0	1.7	3.0	9.8	124.7	10.5	11.2	\$4.3		
New Product 2009 (8)	148.0	212.5	10.7	4.8	13.3	0.6	0.0	1.4	0.5	9.9	139.1	13.2	10.5	\$4.4		
Newly Advertised on TV to Teens 2009 (9)	120.7	179.1	9.9	1.9	5.2	0.8	0.0	1.2	2.1	19.1	82.2	5.5	12.7	\$8.0		

(continued)

**Table C.10a: Average Nutritional Characteristics of Breakfast Cereals, TV Advertising, By Product Type and Age, 2006 and 2009<sup>1</sup> (continued)**

All Ages																												
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)	Sodium (mg/serv)	Sugar (g/serv)	Fiber (g/serv)	Whole Grains <sup>3</sup> (g/serv)	Saturated Fat (g/serv)	Transfat (g/serv)	Fat (g/serv)	Calcium (%RDI/serv)	Vitamin D <sup>3</sup> (%RDI/serv)	Potassium <sup>3</sup> (mg/serv)	Vitamin C (%RDI/serv)	Vitamin A (%RDI/serv)	Spending <sup>4</sup> (\$millions)														
	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2009													
All Cereals (89)	138.6	127.3	181.4	168.5	10.7	8.7	2.6	3.0	12.5	14.6	0.3	0.1	0.0	0.0	1.5	1.1	7.3	7.9	9.7	10.8	124.3	100.3	13.8	15.0	10.2	9.8	\$380.8	\$412.0
Advertised Both Years on TV to Youth (26)	122.2	129.2	181.7	169.1	9.2	9.2	2.0	2.3	12.2	14.9	0.1	0.1	0.0	0.0	1.2	1.0	10.4	8.4	10.0	11.6	97.7	94.2	15.4	16.4	10.8	9.7	\$237.4	\$330.7
Reformulated <sup>5</sup> (17)	113.5	111.7	199.4	173.6	11.7	10.2	2.1	2.3	11.2	11.4					1.6	2.0			10.0	25.0	118.6	84.9	0.0	10.0				
Not Reformulated	126.1	137.2	177.1	167.7	8.4	8.7	2.0	2.3	12.8	16.4	0.1	0.1	0.0	0.0	1.1	0.8	10.4	8.4	10.0	10.0	87.6	98.2	16.2	16.5	10.8	9.7		
Number Products Reformulated	(8)		(7)		(9)		(5)		(10)		(0)		(0)		(8)		(0)		(3)		(10)		(1)		(0)			
Off Market 2009 (9)	126.5		192.9		11.4		0.3		2.3		0.3		0.0		1.1		0.0		10.0		29.2		20.4		10.0		\$14.7	
No Longer Advertised on TV to Youth 2009 (27)	170.2		179.6		13.4		4.0		14.0		0.5		0.0		2.0		2.3		9.1		184.3		10.1		9.0		\$128.7	
New Product 2009 (9)	134.3		173.1		10.7		4.8		9.3		0.5		0.0		1.3		0.3		9.6		114.4		14.0		10.3		\$10.2	
Newly Advertised on TV to Youth 2009 (18)	117.6		165.5		6.4		5.9		13.9		0.2		0.0		1.6		6.7		8.1		131.5		8.4		10.2		\$71.1	

<sup>1</sup>Nutrition averages are expenditure-weighted averages based on the products for which the Commission has basic nutrition data (nutrients required in FDA labeling) and TV spending.

<sup>2</sup>Each panel of the table includes only those products with reportable TV marketing expenditures for the relevant audience. Thus, for instance, in the Children 2-11 panel, the "All" row includes all products in the relevant food category that had any reportable TV marketing expenditures to children in 2006 or 2009. Similarly, New Product 2009 includes all new foods that were marketed to children on TV in 2009. For the All Ages panel, expenditure weights reflect spending directed to all ages, but only for products with reportable TV marketing expenditures, that is, products marketed to youth (children or teens) in either year. For instance, Newly Advertised to Youth 2009 in the All Ages panel reflects All-Ages spending on products newly advertised to children or teens on TV in 2009. Number indicates the number of products in the category.

<sup>3</sup>Data for these nutrients are not required in labeling and thus are not available for all products for which the companies reported basic nutrition data. For this food category, coverage is or exceeds 100% of spending for whole grains, and 97 % for potassium; for vitamin D, coverage exceeds 95% for children and 75% overall.

<sup>4</sup>Because these spending totals are based on products for which the companies have provided at least basic nutrition data, they may be smaller than expenditures reported in Section II. For this food category, companies reported basic nutrition data for 100% of spending.

<sup>5</sup>Includes products that were reformulated for the particular nutrient listed in the column heading. The number of products and the amount of spending in the reformulated versus non-reformulated category depends on the nutrient.

Table C.10b: Average Nutritional Characteristics of Breakfast Cereals, All Marketing, By Product Type and Age, 2006 and 2009<sup>1</sup>

Children 2-11																												
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)		Sodium (mg/serv)		Sugar (g/serv)		Fiber (g/serv)		Whole Grains <sup>3</sup> (g/serv)		Saturated Fat (g/serv)		Transfat (g/serv)		Fat (g/serv)		Calcium (%RDI/serv)		Vitamin D <sup>3</sup> (%RDI/serv)		Potassium <sup>3</sup> (mg/serv)		Vitamin C (%RDI/serv)		Vitamin A (%RDI/serv)		Spending <sup>4</sup> (\$millions)	
	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009
All Cereals (120)	119.3	118.1	173.1	168.2	11.5	10.6	1.3	1.7	6.2	7.8	0.3	0.2	0.0	0.0	1.3	1.1	4.1	4.3	9.8	11.9	59.8	55.2	12.1	11.3	10.0	10.4	\$229.0	\$172.8
Advertised Both Years to Children (44)	117.8	117.1	172.6	168.0	11.2	10.5	1.3	1.6	6.9	8.1	0.2	0.2	0.0	0.0	1.2	1.1	4.2	4.7	10.0	11.5	61.1	52.9	10.4	11.7	10.2	10.3	\$180.9	\$156.0
Reformulated <sup>5</sup> (27)	118.2	110.7	171.8	158.7	12.8	11.2	1.7	2.1	11.0	10.4	0.9	0.5			2.1	2.0			10.0	25.0	100.0	58.5	0.7	10.0	10.0	6.0		
Not Reformulated	117.6	120.0	172.8	173.0	10.4	10.1	1.2	1.4	3.1	5.3	0.2	0.2	0.0	0.0	0.8	0.8	4.2	4.7	10.0	10.0	43.9	50.6	11.3	11.8	10.2	10.3		
Number Products Reformulated	(11)		(7)		(16)		(10)		(23)		(2)		(0)		(11)		(0)		(4)		(17)		(2)		(1)			
Off Market 2009 (15)	127.8		161.7		13.3		0.4		3.3		0.4		0.0		1.5		0.0		10.0		30.4		23.0		10.0		\$13.8	
No Longer Advertised to Children 2009 (28)	123.7		180.4		12.2		1.4		4.1		0.4		0.0		1.8		5.4		8.8		64.6		16.5		9.0		\$34.3	
New Product 2009 (15)	125.0		152.4		10.9		3.9		5.5		0.6		0.0		1.3		0.4		9.5		62.7		14.9		9.6		\$7.4	
Newly Advertised to Children 2009 (18)	129.2		184.0		10.8		1.5		4.6		0.7		0.0		1.3		0.6		18.9		89.6		1.8		13.5		\$9.4	

Teens 12-17																														
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)		Sodium (mg/serv)		Sugar (g/serv)		Fiber (g/serv)		Whole Grains <sup>3</sup> (g/serv)		Saturated Fat (g/serv)		Transfat (g/serv)		Fat (g/serv)		Calcium (%RDI/serv)		Vitamin D <sup>3</sup> (%RDI/serv)		Potassium <sup>3</sup> (mg/serv)		Vitamin C (%RDI/serv)		Vitamin A (%RDI/serv)		Spending <sup>4</sup> (\$millions)			
	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009
All Cereals (111)	122.3	120.6	172.4	177.6	11.2	9.8	1.3	1.7	6.6	8.5	0.1	0.2	0.0	0.0	1.0	1.2	4.5	4.5	9.9	13.2	57.5	66.5	11.8	10.1	10.0	11.0	\$71.3	\$103.3		
	120.3	119.2	171.7	176.3	11.1	9.8	1.3	1.5	6.6	8.6	0.1	0.2	0.0	0.0	0.9	1.1	4.7	5.0	10.0	12.8	54.0	61.7	11.3	10.5	10.1	10.7	\$59.4	\$88.7		
	117.6	114.7	175.4	168.7	13.4	10.8	1.0	1.4	10.3	10.6					2.2	2.2			10.0	25.0	94.2	63.0	0.0	10.0						
	120.9	121.4	170.5	179.3	10.2	9.1	1.3	1.6	4.6	7.0	0.1	0.2	0.0	0.0	0.6	0.8	4.7	5.0	10.0	10.0	44.4	60.7	11.4	10.6	10.1	10.7				
	(9)		(8)		(13)		(7)		(18)		(0)		(0)		(10)		(0)		(3)		(13)		(1)		(0)					
Off Market 2009 (10)	124.4		199.5		10.1		0.4		3.0		0.3		0.0		1.3		0.1		10.0		31.1		17.9		10.0		\$2.9			
No Longer Advertised to Teens 2009 (32)	135.0		168.9		12.8		2.0		7.6		0.2		0.0		1.6		4.6		9.3		89.0		13.6		9.5		\$9.0			
New Product 2009 (13)	145.7		209.3		10.6		4.6		13.1		0.5		0.0		1.4		0.5		9.8		132.6		13.7		10.5		\$4.7			
Newly Advertised to Teens 2009 (19)	121.6		174.4		9.9		1.8		5.9		0.8		0.0		1.3		1.7		17.9		79.2		4.5		13.2		\$9.9			

(continued)



**Table C.10b: Average Nutritional Characteristics of Breakfast Cereals, All Marketing, By Product Type and Age, 2006 and 2009<sup>1</sup> (continued)**

All Ages														
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)	Sodium (mg/serv)	Sugar (g/serv)	Fiber (g/serv)	Whole Grains <sup>3</sup> (g/serv)	Saturated Fat (g/serv)	Transfat (g/serv)	Fat (g/serv)	Calcium (%RDI/serv)	Vitamin D <sup>3</sup> (%RDI/serv)	Potassium <sup>3</sup> (mg/serv)	Vitamin C (%RDI/serv)	Vitamin A (%RDI/serv)	Spending <sup>4</sup> (\$millions)
<b>All Cereals (122)</b>	2006 2009 139.1 126.0	2006 2009 180.7 175.0	2006 2009 10.4 8.6	2006 2009 2.5 2.8	2006 2009 14.2 14.3	2006 2009 0.3 0.1	2006 2009 0.0 0.0	2006 2009 1.4 1.2	2006 2009 6.6 7.5	2006 2009 9.6 10.7	2006 2009 117.6 97.1	2006 2009 12.5 13.5	2006 2009 10.2 10.1	2006 2009 \$792.0 \$718.8
Advertised Both Years to Youth (47)	128.6 127.7	177.9 178.4	9.7 8.9	2.0 2.2	14.1 15.0	0.2 0.1	0.0 0.0	1.3 1.1	8.5 7.9	10.0 11.4	90.5 88.9	13.0 14.1	10.3 10.3	\$562.7 \$615.8
Reformulated <sup>5</sup> (29)	130.8 118.8	190.8 179.1	12.8 10.2	1.6 2.3	18.0 14.6	2.0 0.5		2.2 2.0		10.0 25.0	108.5 91.4	0.9 10.0	10.0 6.0	
Not Reformulated	127.3 132.8	174.5 178.2	8.5 8.2	2.1 2.2	11.1 15.2	0.1 0.1	0.0 0.0	1.0 0.9	8.5 7.9	10.0 10.0	81.2 87.8	13.3 14.2	10.3 10.3	
Number Products Reformulated	(11)	(8)	(16)	(10)	(23)	(2)	(0)	(12)	(0)	(4)	(17)	(2)	(1)	
Off Market 2009 (15)	125.7	193.1	11.2	0.3	2.5	0.3	0.0	1.1	0.0	10.0	29.3	20.0	10.0	\$24.8
No Longer Advertised to Youth 2009 (28)	169.6	186.8	12.4	4.2	15.7	0.5	0.0	1.8	2.4	8.7	196.9	10.4	9.9	\$204.5
New Product 2009 (15)	136.7	177.6	10.6	5.2	10.6	0.5	0.0	1.3	0.4	9.7	134.3	13.9	10.2	\$11.7
Newly Advertised to Youth 2009 (17)	113.5	151.8	6.3	6.7	10.3	0.1	0.0	1.5	5.7	7.7	144.9	8.9	8.3	\$91.3

<sup>1</sup>Nutrition averages are expenditure-weighted averages based on the products for which the Commission has basic nutrition data (nutrients required in FDA labeling).

<sup>2</sup>Each panel of the table includes only those products with reportable marketing expenditures for the relevant audience. Thus, for instance, in the Children 2-11 panel, the "All" row includes all products in the relevant food category that had any reportable marketing expenditures to children in 2006 or 2009. Similarly, New Product 2009 includes all new foods that were marketed to children in 2009. For the All Ages panel, expenditure weights reflect spending directed to all ages, but only for products with reportable marketing expenditures, that is, products marketed to youth (children or teens) in either year. For instance, Newly Advertised to Youth 2009 in the All Ages panel reflects All-Ages spending on products newly advertised to children or teens in 2009. Number indicates the number of products in the category.

<sup>3</sup>Data for these nutrients are not required in labeling and thus are not available for all products for which the companies reported basic nutrition data. For this food category, coverage exceeds 100% of spending for whole grains and 95% for potassium; for vitamin D, coverage exceeds 94% for children and 76% overall in both years.

<sup>4</sup>Because these spending totals are based on products for which the companies provided at least basic nutrition data, they may be smaller than expenditures reported in Section II. For this food category, companies reported basic nutrition data for 100% of spending.

<sup>5</sup>Includes products that were reformulated for the particular nutrient listed in the column heading. The number of products and the amount of spending in the reformulated versus non-reformulated category depends on the nutrient.



Table C.11a: Average Nutritional Characteristics of Drinks, TV Advertising, By Product Type and Age, 2006 and 2009<sup>1</sup>

Children 2-11																														
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)	Sodium (mg/serv)	Sugar (g/serv)	Fiber (g/serv)	Saturated Fat (g/serv)	Fat (g/serv)	Calcium (%RDI/serv)	Vitamin D <sup>3</sup> (%RDI/serv)	Potassium <sup>3</sup> (mg/serv)	Vitamin C (%RDI/serv)	Vitamin A (%RDI/serv)	Fruit/Juice <sup>6</sup> (g/serv)	Spending <sup>4</sup> (\$millions)	%Spending on																
	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	100% Juice	100% Water												
	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009												
All Drinks (44)	81.3	65.9	98.1	33.0	20.1	15.7	0.0	0.4	0.0	0.0	0.2	1.7	0.0	1.5	65.0	43.9	20.7	11.4	0.2	1.5	43.7	17.3	\$26.2	\$13.1	19%	1%	0%	0%		
Advertised Both Years on TV to Children (12)	81.6	57.0	96.3	50.5	19.4	14.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	7.8	6.9	46.0	20.7	0.0	0.0	9.4	5.7	\$6.2	\$2.9	1%	1%	0%	0%		
Reformulated <sup>5</sup> (6)	77.4	45.0	178.8	110.5	18.0	11.0			50.0	35.0											13.0	12.0								
Not Reformulated	114.6	98.7	18.8	17.0	30.4	26.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	7.2	6.6	46.0	20.7	0.0	0.0	6.5	4.2			1%	1%	0%	0%		
Number Products Reformulated	(3)	(4)	(3)	(0)	(0)	(0)	(0)	(0)	(1)	(0)	(0)	(1)	(0)	(0)	(1)	(1)	(0)	(0)	(0)	(0)	(0)	(1)	(1)	(0)	(0)	(0)	(0)	(0)		
Off Market 2009 (4)	117.6		66.5		23.8		0.3		182.7		17.8		\$0.2								0.0				0%		0%			
No Longer Advertised on TV to Children 2009 (15)	80.8		99.0		20.3		0.0		82.0		0.0		\$19.7								0.0				24%		0%			
New Product 2009 (5)	134.4		126.3		15.6		4.4		327.1		76.9		36.8								17.8				\$1.1		0%		0%	
Newly Advertised on TV to Children 2009 (8)	60.7		16.2		16.1		0.0		21.9		0.6		18.8								0.0				\$9.1		0%		0%	
Teens 12-17																														
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)	Sodium (mg/serv)	Sugar (g/serv)	Fiber (g/serv)	Saturated Fat (g/serv)	Fat (g/serv)	Calcium (%RDI/serv)	Vitamin D <sup>3</sup> (%RDI/serv)	Potassium <sup>3</sup> (mg/serv)	Vitamin C (%RDI/serv)	Vitamin A (%RDI/serv)	Fruit/Juice <sup>6</sup> (g/serv)	Spending <sup>4</sup> (\$millions)	%Spending on																
	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	100% Juice	100% Water										
	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009										
All Drinks (72)	101.4	92.7	98.1	77.8	26.3	23.2	0.0	0.1	11.4	18.4	3.2	10.5	\$123.2	\$75.4	1%	1%	0%	0%			0.0	0.5			0%		0%			
Advertised Both Years on TV to Teens (20)	109.3	108.2	112.3	79.2	28.4	27.8	0.0	0.0	11.2	7.3	3.2	5.5	\$98.4	\$55.2	0%	1%	0%	0%			0.0	0.0	1.3	3.1	\$98.4	\$55.2	0%	1%	0%	0%
Reformulated <sup>5</sup> (11)	92.1	102.2	158.0	88.6	23.4	26.7			30.7	20.6												14.2	12.0							
Not Reformulated	113.3	109.4	43.2	33.0	29.6	28.0	0.0	0.0	3.8	5.6	3.2	5.5			0%	1%	0%	0%			0.0	0.0	0.9	2.7			0%	1%	0%	0%
Number Products Reformulated	(6)	(9)	(6)	(0)	(0)	(0)	(0)	(0)	(5)	(0)	(0)	(2)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(2)	(0)	(0)	(0)	(0)	(0)	(0)	
Off Market 2009 (10)	10.0		49.7		2.1		0.0		7.0		0.9		\$5.9		0%						0.7		0.5				0%			
No Longer Advertised on TV to Teens 2009 (23)	89.0		39.6		22.8		0.0		14.0		4.0		\$19.0		2%						0.0		4.8				2%			
New Product 2009 (7)	47.1		67.0		7.5		0.8		104.5		68.6		\$6.6		0%						5.1		4.2				0%			0%
Newly Advertised on TV to Teens 2009 (12)	52.0		77.3		12.0		0.0		24.8		2.2		\$13.6		2%						0.1		4.1				2%			0%

(continued)

**Table C.11a: Average Nutritional Characteristics of Drinks, TV Advertising, By Product Type and Age, 2006 and 2009<sup>1</sup> (continued)**

All Ages																									
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)	Sodium (mg/serv)	Sugar (g/serv)	Fiber (g/serv)	Saturated Fat (g/serv)	Fat (g/serv)	Calcium (%RDI/serv)	Vitamin D <sup>3</sup> (%RDI/serv)	Potassium <sup>3</sup> (mg/serv)	Vitamin C (%RDI/serv)	Vitamin A (%RDI/serv)	Fruit/Juice <sup>6</sup> (g/serv)	Spending <sup>a</sup> (\$millions)		%Spending on										
													100% Juice	100% Water	2006	2009	2006	2009	2006	2009					
	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2009						
All Drinks (82)	84.5	86.9	67.3	57.0	22.2	22.0	0.0	0.2	1.4	0.0	1.0	29.2	54.7	6.5	16.1	0.1	0.8	7.2	17.9	\$967.4	\$700.0	3%	6%	1%	0%
Advertised Both Years on TV to Youth (30)	87.3	90.9	69.4	55.0	23.0	24.2	0.0	0.0	0.0	0.0	0.1	29.5	31.6	6.3	9.2	0.0	0.0	7.0	12.6	\$888.5	\$533.6	3%	5%	1%	0%
	88.8	73.8	102.7	73.5	22.6	19.4						35.9	19.5					14.5	14.1						
	86.6	97.4	35.8	33.2	23.2	26.0	0.0	0.0	0.0	0.0	0.1	24.0	38.2	6.3	9.2	0.0	0.0	6.8	12.5			3%	5%	1%	0%
	Number Products Reformulated	(11)	(14)	(11)	(0)	(0)	(0)	(0)	(0)	(7)	(0)	(0)	(2)	(0)	(0)	(0)	(0)	(0)	(2)	(0)			(0)	(0)	(0)
Off Market 2009 (10)	27.6	49.5	5.8		0.0	0.1	3.2	0.0	29.7	3.5	2.7	1.5								\$44.9		0%		0%	
No Longer Advertised on TV to Youth 2009 (16)	87.3	35.9	21.6		0.1	0.1	1.3	0.0	22.2	16.6	0.0	19.9								\$33.9		9%		0%	
New Product 2009 (10)	51.4	46.3	11.4		0.5	0.1	2.4	2.0	60.6	40.3	0.4	29.3								\$83.7		2%		0%	
Newly Advertised on TV to Youth 2009 (16)	96.7	81.1	18.7		0.8	1.0	8.6	6.4	195.6	36.4	6.0	40.7								\$82.7		16%		0%	

<sup>1</sup>Nutrition averages are expenditure-weighted averages based on the products for which the Commission has basic nutrition data (nutrients required in FDA labeling) and TV spending. Whole Grains and Transfat content are not included in the table; content is zero for all cells for these nutrients.

<sup>2</sup>Each panel of the table includes only those products with reportable TV marketing expenditures for the relevant audience. Thus, for instance, in the Children 2-11 panel, the "All" row includes all products in the relevant food category that had any reportable TV marketing expenditures to children in 2006 or 2009. Similarly, New Product 2009 includes all new products that were marketed to children on TV in 2009. For the All Ages panel, expenditure weights reflect spending directed to all ages, but only for products with reportable TV marketing expenditures; that is, products marketed to youth (children or teens) on TV in either year. For instance, Newly Advertised to Youth 2009 in the All Ages panel reflects All-Ages spending on products newly advertised to children or teens on TV in 2009. Number indicates the number of products in the category.

<sup>3</sup>Data for these nutrients are not required in labeling and thus are not available for all products for which the companies reported basic nutrition data. For this food category, coverage exceeds 99% of spending for children and 90% of spending overall for potassium; for vitamin D, coverage is 100% for children and exceeds 85% overall in both years.

<sup>4</sup>Because these spending totals are based on products for which the companies provided at least basic nutrition data, they may be smaller than expenditures reported in Section II. For this food category, companies reported basic nutrition data for 100% of spending.

<sup>5</sup>Includes products that were reformulated for the particular nutrient listed in the column heading. The number of products and the amount of spending in the reformulated versus non-reformulated category depends on the nutrient.

<sup>6</sup>The amount of fruit or fruit juice in grams per serving.

Table C.11b: Average Nutritional Characteristics of Drinks, All Marketing, By Product Type and Age, 2006 and 2009<sup>1</sup>

Children 2-11																														
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)	Sodium (mg/serv)	Sugar (g/serv)	Fiber (g/serv)	Saturated Fat (g/serv)	Fat (g/serv)	Calcium (%RDI/serv)	Vitamin D <sup>3</sup> (%RDI/serv)	Potassium <sup>3</sup> (mg/serv)	Vitamin C (%RDI/serv)	Vitamin A (%RDI/serv)	Fruit/Juice <sup>6</sup> (g/serv)	Spending <sup>4</sup> (\$millions)	%Spending on																
	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009		
All Drinks (92)	107.7	89.7	55.5	42.2	28.8	23.8	0.0	0.1	0.0	0.0	0.4	0.7	0.0	0.4	28.9	45.1	10.7	14.4	1.4	0.5	18.4	26.1	\$166.3	\$85.9	8%	9%	10%	7%		
Advertised Both Years to Children (39)	108.2	98.0	56.5	47.3	29.1	26.4	0.0	0.0	0.0	0.0	0.2	0.5	0.0	0.0	22.9	45.5	9.3	14.5	0.8	0.4	14.6	27.7	\$159.0	\$67.7	6%	11%	10%	8%		
Reformulated <sup>5</sup> (14)	82.8	64.9	83.3	64.9	20.9	17.3			0.5	0.0	1.0	0.5			34.8	25.8					13.0	12.0								
Not Reformulated Number Products Reformulated	115.1	108.2	11.5	15.9	31.3	29.1	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.5	0.0	0.0	18.7	50.7	9.3	14.5	0.8	0.4	14.7	28.1			6%	11%	10%	8%
Off Market 2009 (9)	118.6		68.6		19.6		0.4		0.0		0.8		19.6		0.0		288.2		48.5		27.5		16.3		\$1.4		13%		0%	
No Longer Advertised to Children 2009 (20)	90.6		26.7		21.8		0.0		0.0		0.0		0.3		0.3		116.5		38.7		11.7		118.8		\$5.9		54%		1%	
New Product 2009 (11)	88.4		61.6		14.4		1.9		0.1		0.9		9.7		9.7		180.7		80.2		6.1		45.4		\$3.1		3%		0%	
Newly Advertised to Children 2009 (13)	52.7		15.3		14.0		0.0		0.0		0.0		0.0		0.0		18.1		0.1		0.0		15.0		\$15.1		0%		2%	
Teens 12-17																														
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)	Sodium (mg/serv)	Sugar (g/serv)	Fiber (g/serv)	Saturated Fat (g/serv)	Fat (g/serv)	Calcium (%RDI/serv)	Vitamin D <sup>3</sup> (%RDI/serv)	Potassium <sup>3</sup> (mg/serv)	Vitamin C (%RDI/serv)	Vitamin A (%RDI/serv)	Fruit/Juice <sup>6</sup> (g/serv)	Spending <sup>4</sup> (\$millions)	%Spending on																
	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009
All Drinks (123)	111.1	91.2	96.1	65.2	29.2	23.9	0.0	0.0	0.0	0.0	0.1	0.2	0.0	0.1	9.2	12.3	3.0	3.2	0.3	0.1	2.9	3.4	\$616.4	\$477.5	1%	1%	6%	7%		
Advertised Both Years to Teens (50)	112.8	98.4	97.6	63.7	29.7	26.1	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.0	0.0	9.2	10.5	1.6	2.2	0.2	0.1	2.8	3.5	\$597.0	\$423.3	1%	1%	6%	8%
Reformulated <sup>5</sup> (23)	90.0	87.7	129.4	78.1	23.0	23.8			0.5	0.0	1.0	0.5					27.6	28.4	10.0	0.0			14.0	13.9						
Not Reformulated Number Products Reformulated	116.1	100.6	29.0	29.6	30.7	26.5	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.0	0.0	3.8	6.8	1.6	2.2	0.2	0.1	2.7	3.4			1%	1%	6%	8%
Off Market 2009 (14)	30.8		45.7		6.8		0.0		0.0		0.0		0.7		0.0		7.9		18.1		0.6		4.3		\$8.4		0%		0%	
No Longer Advertised to Teens 2009 (27)	79.9		52.0		20.3		0.0		0.0		0.0		0.0		0.0		12.0		63.4		6.1		5.6		\$11.0		1%		4%	
New Product 2009 (13)	56.6		48.7		11.4		0.5		0.0		0.4		4.0		4.1		70.4		50.9		3.0		6.1		\$11.3		1%		0%	
Newly Advertised to Teens 2009 (19)	28.8		84.2		5.7		0.0		0.0		0.0		0.1		0.0		16.9		0.7		0.0		1.3		\$42.9		1%		1%	
(continued)																														

(continued)

**Table C.11b: Average Nutritional Characteristics of Drinks, All Marketing, By Product Type and Age, 2006 and 2009<sup>1</sup> (continued)**

All Ages																															
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)	Sodium (mg/serv)	Sugar (g/serv)	Fiber (g/serv)	Saturated Fat (g/serv)	Fat (g/serv)	Calcium (%RD/serv)	Vitamin D <sup>3</sup> (%RD/serv)	Potassium <sup>3</sup> (mg/serv)	Vitamin C (%RD/serv)	Vitamin A (%RD/serv)	Fruit/Juice <sup>6</sup> (g/serv)	Spending <sup>4</sup> (\$millions)		%Spending on																
													2006	2009	100% Juice	100% Water															
	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	
All Drinks (133)	96.7	87.2	57.6	51.6	25.9	22.9	0.0	0.1	0.0	0.0	0.1	0.2	0.8	0.0	0.4	25.2	38.4	9.9	8.6	0.4	0.4	10.2	11.3	\$4,460.6	\$3,500.6	4%	4%	6%	5%		
Advertised Both Years to Youth (53)	98.5	89.4	60.5	49.7	26.4	24.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.0	0.0	24.7	31.0	5.1	6.2	0.1	0.0	9.1	11.5	\$4,070.3	\$3,132.2	4%	5%	6%	5%		
Reformulated <sup>5</sup> (24)	88.4	92.3	81.0	63.9	22.5	24.7	0.5	0.0	1.0	0.5						33.2	22.6	10.0	0.0			15.1	15.2								
Not Reformulated	100.6	88.6	29.0	31.2	27.3	23.8	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.0	0.0	21.4	34.1	5.1	6.2	0.1	0.0	9.0	11.5			4%	5%	6%	5%		
Number Products Reformulated	(14)	(17)	(17)	(15)	(0)	(1)	(1)	(1)	(1)	(1)	(0)	(0)	(0)	(0)	(0)	(10)	(10)	(1)	(1)	(0)	(0)	(0)	(2)			(0)	(0)	(0)	(0)	(0)	(0)
Off Market 2009 (16)	52.8		52.7		11.0		0.1		0.0		0.2		4.6	0.0		82.6		14.3		5.7		2.5		\$102.0		0%		0%			
No Longer Advertised to Youth 2009 (32)	86.4		18.4		22.9		0.0		0.0		0.0		0.0	0.0		19.4		76.2		1.8		28.4		\$288.4		8%		5%			
New Product 2009 (15)	42.9		41.0		9.7		0.4		0.0		0.0		2.1	1.6		49.2		43.0		0.2		21.6		\$166.7		1%		0%			
Newly Advertised to Youth 2009 (17)	89.2		89.9		16.3		0.8		0.5		1.2		10.0	5.9		159.9		17.2		5.9		5.9	0.0	\$201.7		0%		0%			

<sup>1</sup>Nutrition averages are expenditure-weighted averages based on the products for which the Commission has basic nutrition data (nutrients required in FDA labeling). Whole Grains and Transfat content are not included in the table; content is zero for all cells for these nutrients.

<sup>2</sup>Each panel of the table includes only those products with reportable marketing expenditures for the relevant audience. Thus, for instance, in the Children 2-11 panel, the "All" row includes all products in the relevant food category that had any reportable marketing expenditures to children in 2006 or 2009. Similarly, New Product 2009 includes all new products that were marketed to children in 2009. For the All Ages panel, expenditure weights reflect spending directed to all ages, but only for products with reportable marketing expenditures, that is, products marketed to youth (children or teens) in either year. For instance, Newly Advertised to Youth 2009 in the All Ages panel reflects All-Ages spending on products newly advertised to children or teens in 2009. Number indicates the number of products in the category.

<sup>3</sup>Data for these nutrients are not required in labeling and thus are not available for all products for which the companies reported basic nutrition data. For this food category, coverage exceeds 92% of spending for children and 80% overall for potassium; for vitamin D, coverage exceeds 84% for children and 90% overall in both years.

<sup>4</sup>Because these spending totals are based on products for which the companies provided at least basic nutrition data, they may be smaller than expenditures reported in Section II. For this food category, companies reported basic nutrition data for 100% of spending.

<sup>5</sup>Includes products that were reformulated for the particular nutrient listed in the column heading. The number of products and the amount of spending in the reformulated versus non-reformulated category depends on the nutrient.

<sup>6</sup>The amount of fruit or fruit juice in grams per serving.

Table C.12a: Average Nutritional Characteristics of Dairy Products, TV Advertising, By Product Type and Age, 2006 and 2009<sup>1</sup>

Children 2-11																										
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)	Sodium (mg/serv)	Sugar (g/serv)	Fiber (g/serv)	Whole Grains <sup>3</sup> (g/serv)	Saturated Fat (g/serv)	Transfat (g/serv)	Fat (g/serv)	Calcium (%RDI/serv)	Vitamin D <sup>3</sup> (%RDI/serv)	Potassium <sup>3</sup> (mg/serv)	Vitamin C (%RDI/serv)	Vitamin A (%RDI/serv)	Spending <sup>4</sup> (\$millions)												
	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009												
All Dairy Products (20)	94.5	82.5	70.6	47.3	13.1	12.7	0.0	0.0	1.1	0.5	0.0	0.0	2.0	1.0	12.5	16.3	12.4	10.9	141.9	137.5	0.0	0.1	5.2	4.0	\$16.1	\$30.8
Advertised Both Years on TV to Children (4)	94.6	78.2	47.2	38.8	13.9	12.9	0.0	0.0	1.0	0.2	0.0	0.0	1.8	0.5	10.1	15.0	10.3	10.3	143.3	118.2	0.0	0.0	4.7	6.2	\$12.9	\$18.0
Reformulated <sup>4</sup> (2)	93.7	76.3	46.8	37.9	13.7	12.6	0.0	0.0	1.0	0.2	0.0	0.0	1.8	0.5	25.0	25.0	10.0	10.0	141.9	115.3	0.0	0.0	0.0	4.2		
Not Reformulated Number Products Reformulated	170.0	170.0	80.0	80.0	27.0	27.0	0.0	0.0	1.0	1.0	0.0	0.0	1.5	1.5	10.1	10.3	10.3	10.6	260.0	260.0	0.0	0.0	10.1	10.3		
Off Market 2009 (2)	110.8		82.1		18.3		0.0	0.0	0.0	0.0	0.0	0.0	0.5		18.2		15.0		155.7		0.0		9.1		\$1.3	
No Longer Advertised on TV to Children 2009 (5)	83.7		220.0		4.8		0.0	0.0	2.7		0.0	0.0	4.4		24.7		17.4		123.6		0.1		6.2		\$1.9	
New Product 2009 (8)	88.5		59.4		12.5		0.1		1.0		0.0	0.0	1.8		18.1		11.4		164.7		0.1		0.9		\$12.7	
Newly Advertised on TV to Children 2009 (1)	90.0		60.0		13.0		0.0		0.5		0.0	0.0	1.0		20.0		10.0		180.0		0.0		10.0		\$0.1	
Teens 12-17																										
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)	Sodium (mg/serv)	Sugar (g/serv)	Fiber (g/serv)	Whole Grains <sup>3</sup> (g/serv)	Saturated Fat (g/serv)	Transfat (g/serv)	Fat (g/serv)	Calcium (%RDI/serv)	Vitamin D <sup>3</sup> (%RDI/serv)	Potassium <sup>3</sup> (mg/serv)	Vitamin C (%RDI/serv)	Vitamin A (%RDI/serv)	Spending <sup>4</sup> (\$millions)												
	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009												
All Dairy Products (23)	113.6	108.0	131.9	93.4	12.5	14.6	0.0	0.2	2.1	1.3	0.0	0.0	3.5	2.2	21.0	15.0	17.0	11.1	194.9	157.3	0.2	0.0	9.1	6.8	\$5.1	\$11.9
Advertised Both Years on TV to Teens (5)	111.0	114.1	152.1	119.1	13.4	15.5	0.0	0.0	1.8	1.2	0.0	0.0	3.0	2.1	18.8	17.2	15.2	14.9	150.8	163.5	0.0	0.0	8.0	10.3	\$2.3	\$6.0
Reformulated <sup>4</sup> (4)	80.9	70.1	188.9	149.7	13.7	11.8	0.0	0.0	2.1	1.3	0.0	0.0	3.5	2.4	25.0	20.0	15.0	10.0	95.1	87.9	0.0	0.0	0.0	8.0		
Not Reformulated Number Products Reformulated	156.2	165.7	80.0	80.0	13.3	17.0	0.0	0.0	1.4	1.1	0.0	0.0	2.2	1.7	15.9	16.2	15.3	17.1	234.8	252.2	0.0	0.0	9.4	10.7		
Off Market 2009 (2)	103.2		75.6		16.9		0.0	0.0	0.1		0.0	0.0	0.6		16.8		15.0		144.0		0.0		8.4		\$0.1	
No Longer Advertised on TV to Teens 2009 (4)	116.4		117.1		11.5		0.0	0.0	2.5		0.1		4.1		23.0		18.5		235.6		0.3		10.2		\$2.6	
New Product 2009 (9)	103.0		62.2		15.7		0.6		0.8		0.0	0.0	1.5		13.8		8.8		164.8		0.0		2.2		\$4.7	
Newly Advertised on TV to Teens 2009 (3)	97.7		88.7		5.7		0.0		3.9		0.0	0.0	5.9		9.5		4.2		96.5		0.0		7.6		\$1.2	

(continued)

**Table C.12a: Average Nutritional Characteristics of Dairy Products, TV Advertising, By Product Type and Age, 2006 and 2009<sup>1</sup> (continued)**

All Ages																
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)	Sodium (mg/serv)	Sugar (g/serv)	Fiber (g/serv)	Whole Grains <sup>3</sup> (g/serv)	Saturated Fat (g/serv)	Transfat (g/serv)	Fat (g/serv)	Calcium (%RDI/serv)	Vitamin D <sup>3</sup> (%RDI/serv)	Potassium <sup>3</sup> (mg/serv)	Vitamin C (%RDI/serv)	Vitamin A (%RDI/serv)	Spending <sup>4</sup> (\$millions)	2006	2009
<b>All Dairy Products (27)</b>	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006	2009
Advertised Both Years on TV to Youth (7)	110.9 113.7	124.6 85.0	12.5 16.1	0.0 0.3	0.0 0.0	2.0 1.2	0.0 0.0	3.3 1.9	19.7 17.5	16.8 13.6	182.3 193.8	0.1 0.0	8.7 7.1	\$98.7 \$258.2		
<i>Reformulated<sup>5</sup> (5)</i>	111.7 131.1	134.5 103.9	14.1 19.4	0.0 0.0	0.0 0.0	1.4 1.1	0.0 0.0	2.4 1.8	19.2 18.8	16.7 16.5	172.2 195.6	0.0 0.0	9.5 11.4	\$59.2 \$98.7		
<i>Not Reformulated</i>	80.6 69.8	183.3 143.3	13.7 12.5	0.0 0.0	0.0 0.0	2.1 1.1	0.0 0.0	3.6 2.2	25.0 21.4	15.0 10.0	93.9 88.9	0.0 0.0	0.0 4.6			
<i>Number Products Reformulated</i>	141.6 164.7	81.8 80.2	14.2 21.2	0.0 0.0	0.0 0.0	0.8 1.1	0.0 0.0	1.3 1.6	17.0 18.1	17.4 18.4	247.5 254.0	0.0 0.0	10.8 12.5			
Off Market 2009 (2)	36.5	18.5	4.5	0.0	0.0	0.4	0.0	0.9	4.1	15.0	40.6	0.0	2.1	\$6.0		
No Longer Advertised on TV to Youth 2009 (3)	122.9	126.2	11.0	0.0	0.0	3.3	0.1	5.4	23.4	17.2	225.6	0.4	8.5	\$33.5		
New Product 2009 (11)	101.0	63.8	14.9	0.7	0.0	0.8	0.0	1.4	14.6	9.9	171.6	0.0	2.7	\$117.5		
Newly Advertised on TV to Youth 2009 (4)	108.4	99.7	11.8	0.1	0.0	2.4	0.0	3.8	22.6	17.7	251.7	0.0	9.2	\$42.1		

<sup>1</sup>Nutrition averages are expenditure-weighted averages based on the products for which the Commission has basic nutrition data (nutrients required in FDA labeling) and TV spending.

<sup>2</sup>Each panel of the table includes only those products with reportable TV marketing expenditures for the relevant audience. Thus, for instance, in the Children 2-11 panel, the "All" row includes all products in the relevant food category that had any reportable TV marketing expenditures to children in 2006 or 2009. Similarly, New Product 2009 includes all new foods that were marketed to children on TV in 2009. For the All Ages panel, expenditure weights reflect spending directed to all ages, but only for products with reportable marketing expenditures, that is, products marketed to youth (children or teens) on TV in either year. For instance, Newly Advertised to Youth 2009 in the All Ages panel reflects All-Ages spending on products newly advertised to children or teens on TV in 2009. Number indicates the number of products in the category.

<sup>3</sup>Data for these nutrients are not required in labeling and thus are not available for all products for which the companies reported basic nutrition data. For this food category, coverage is 100% of spending for whole grains and potassium; for vitamin D, coverage exceeds 56% for children and 88% overall in both years.

<sup>4</sup>Because these spending totals are based on products for which the companies provided at least basic nutrition data, they may be smaller than expenditures reported in Section II. For this food category, companies reported basic nutrition data for 100% of spending.

<sup>5</sup>Includes products that were reformulated for the particular nutrient listed in the column heading. The number of products and the amount of spending in the reformulated versus non-reformulated category depends on the nutrient.

Table C.12b: Average Nutritional Characteristics of Dairy Products, All Marketing, By Product Type and Age, 2006 and 2009<sup>1</sup>

Children 2-11														
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)	Sodium (mg/serv)	Sugar (g/serv)	Fiber (g/serv)	Whole Grains <sup>3</sup> (g/serv)	Saturated Fat (g/serv)	Transfat (g/serv)	Fat (g/serv)	Calcium (%RDI/serv)	Vitamin D <sup>3</sup> (%RDI/serv)	Potassium <sup>3</sup> (mg/serv)	Vitamin C (%RDI/serv)	Vitamin A (%RDI/serv)	Spending <sup>4</sup> (\$millions)
	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009
All Dairy Products (29)	98.5 80.7	75.2 57.7	13.6 12.1	0.1 0.0	0.0 0.0	1.2 0.6	0.0 0.0	2.1 1.2	15.7 17.4	16.6 11.0	187.8 135.8	0.2 0.1	6.3 4.3	\$29.6 \$48.3
Advertised Both Years to Children (8)	95.9 77.7	70.6 57.1	13.3 12.1	0.1 0.0	0.0 0.0	1.2 0.4	0.0 0.0	2.1 0.9	14.8 16.9	16.0 10.8	182.0 122.3	0.0 0.0	5.9 5.9	\$26.4 \$32.8
Reformulated <sup>5</sup> (6)	94.6 76.1	64.0 55.8	13.9 12.7	1.0 0.0	0.0 0.0	1.2 0.4	0.0 0.0	2.0 0.8	25.0 24.1	15.0 10.0	141.7 114.1	2.0 0.0	0.0 3.7	
Not Reformulated	102.4 124.2	104.1 96.4	7.7 8.5	0.0 0.0	0.0 0.0	1.5 1.3	0.0 0.0	2.6 2.5	14.3 12.3	16.1 11.7	368.6 339.9	0.0 0.0	9.5 9.1	
Number Products Reformulated	(6)	(6)	(5)	(2)	(1)	(6)	(1)	(5)	(2)	(2)	(5)	(2)	(2)	
Off Market 2009 (7)	120.5	115.4	17.7	0.6	0.0	0.6	0.0	1.6	20.7	16.9	207.7	2.3	9.5	\$2.3
No Longer Advertised to Children 2009 (5)	118.7	106.2	13.3	0.0	0.0	2.4	0.1	3.7	26.1	26.0	309.4	0.6	10.5	\$0.9
New Product 2009 (9)	87.0	59.0	12.1	0.1	0.0	1.0	0.0	1.8	18.4	11.4	164.3	0.2	1.0	\$15.5
Newly Advertised to Children 2009 (0)														\$0.0

Teens 12-17														
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)	Sodium (mg/serv)	Sugar (g/serv)	Fiber (g/serv)	Whole Grains <sup>3</sup> (g/serv)	Saturated Fat (g/serv)	Transfat (g/serv)	Fat (g/serv)	Calcium (%RD/serv)	Vitamin D <sup>3</sup> (%RD/serv)	Potassium <sup>3</sup> (mg/serv)	Vitamin C (%RD/serv)	Vitamin A (%RD/serv)	Spending <sup>4</sup> (\$millions)
	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009
All Dairy Products (32)	107.5 98.8	101.8 94.8	14.2 12.6	0.1 0.1	0.0 0.0	1.6 1.3	0.0 0.0	2.7 2.1	25.8 22.4	25.5 21.2	307.6 258.1	0.2 0.0	9.1 8.8	\$38.5 \$39.5
Advertised Both Years to Teens (8)	106.3 98.3	99.8 99.2	14.3 12.5	0.1 0.0	0.0 0.0	1.5 1.2	0.0 0.0	2.5 2.1	26.0 24.0	26.2 23.7	313.0 276.2	0.1 0.0	9.0 9.7	\$34.6 \$33.9
Reformulated <sup>d</sup> (7)	115.6 79.6	90.3 93.9	14.4 12.1	1.0 0.0	0.0 0.0	1.6 0.8	0.0 0.0	2.1 1.5	25.0 20.0	15.0 10.0	143.6 121.1	2.0 0.0	0.0 8.0	
Not Reformulated	102.2 108.1	104.2 102.0	13.2 13.7	0.0 0.0	0.0 0.0	1.5 1.5	0.0 0.0	2.7 2.4	26.0 24.3	26.5 24.8	367.8 355.8	0.0 0.0	10.0 9.9	
Number Products Reformulated	(5)	(6)	(4)	(1)	(0)	(5)	(0)	(4)	(1)	(1)	(4)	(1)	(1)	
Off Market 2009 (7)	123.3	129.2	18.1	0.3	0.0	0.6	0.0	1.3	24.5	17.8	287.8	1.5	9.7	\$0.8
No Longer Advertised to Teens 2009 (5)	117.2	116.8	11.6	0.0	0.0	2.6	0.1	4.2	23.9	20.2	250.9	0.4	10.0	\$3.1
New Product 2009 (10)	102.3	61.9	15.6	0.5	0.0	0.8	0.0	1.5	13.7	9.0	164.5	0.0	2.4	\$4.9
Newly Advertised to Teens 2009 (2)	101.6	106.2	1.2	0.0	0.0	5.9	0.0	8.8	2.8	0.8	45.7	0.1	6.1	\$0.7

(continued)



**Table C.12b: Average Nutritional Characteristics of Dairy Products, All Marketing, By Product Type and Age, 2006 and 2009<sup>1</sup> (continued)**

All Ages														
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)	Sodium (mg/serv)	Sugar (g/serv)	Fiber (g/serv)	Whole Grains <sup>3</sup> (g/serv)	Saturated Fat (g/serv)	Transfat (g/serv)	Fat (g/serv)	Calcium (%RDI/serv)	Vitamin D <sup>3</sup> (%RDI/serv)	Potassium <sup>3</sup> (mg/serv)	Vitamin C (%RDI/serv)	Vitamin A (%RDI/serv)	Spending <sup>4</sup> (\$millions)
	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009
All Dairy Products (35)	106.6 109.1	127.9 97.9	12.6 14.5	0.1 0.3	0.0 0.0	1.9 1.4	0.0 0.0	3.2 2.3	23.2 18.9	21.0 15.1	236.1 206.5	0.2 0.0	8.5 7.5	\$265.8 \$459.1
Advertised Both Years to Youth (10)	110.6 115.2	137.1 116.9	13.9 15.6	0.0 0.0	0.0 0.0	1.7 1.3	0.0 0.0	2.9 2.2	25.1 22.9	22.2 19.6	259.1 239.6	0.1 0.0	9.2 10.2	\$206.8 \$272.1
Reformulated <sup>5</sup> (8)	105.0 90.1	197.2 152.7	15.2 14.0	1.0 0.0	0.0 0.0	2.3 1.4	0.0 0.0	3.6 2.1	25.0 21.2	15.0 10.0	94.7 101.5	2.0 0.0	0.0 5.1	
Not Reformulated	113.6 130.2	97.1 91.6	12.1 17.0	0.0 0.0	0.0 0.0	1.4 1.3	0.0 0.0	2.6 2.3	25.1 23.2	23.6 21.5	322.5 304.2	0.0 0.0	9.9 10.8	
Number Products Reformulated	(6)	(7)	(5)	(2)	(1)	(6)	(1)	(5)	(2)	(2)	(5)	(2)	(2)	
Off Market 2009 (7)	37.1	27.2	3.8	0.3	0.0	0.6	0.0	1.3	4.1	18.1	34.2	0.9	1.9	\$20.3
No Longer Advertised to Youth 2009 (4)	121.9	131.3	10.1	0.0	0.0	3.5	0.1	5.7	23.2	15.8	209.5	0.4	8.3	\$38.8
New Product 2009 (12)	99.3	64.0	14.6	0.7	0.0	0.7	0.0	1.3	14.5	10.1	172.3	0.0	3.1	\$161.1
Newly Advertised to Youth 2009 (2)	105.5	109.1	2.7	0.1	0.0	5.6	0.0	8.4	4.5	2.7	70.9	0.4	6.4	\$25.9

<sup>1</sup>Nutrition averages are expenditure-weighted averages based on the products for which the Commission has basic nutrition data (nutrients required in FDA labeling).

<sup>2</sup>Each panel of the table includes only those products with reportable marketing expenditures for the relevant audience. Thus, for instance, in the Children 2-11 panel, the "All" row includes all products in the relevant food category that had any reportable marketing expenditures to children in 2006 or 2009. Similarly, New Product 2009 includes all new foods that were marketed to children in 2009. For the All Ages panel, expenditure weights reflect spending directed to all ages, but only for products with reportable marketing expenditures, that is, products marketed to youth (children or teens) in either year. For instance, Newly Advertised to Youth 2009 in the All Ages panel reflects All-Ages spending on products newly advertised to children or teens in 2009. Number indicates the number of products in the category.

<sup>3</sup>Data for these nutrients are not required in labeling and thus are not available for all products for which the companies reported basic nutrition data. For this food category, coverage exceeds 99% of spending for whole grains and potassium; for vitamin D, coverage exceeds 66% for children and 89% overall for both years.

<sup>4</sup>Because these spending totals are based on products for which the companies provided at least basic nutrition data, they may be smaller than expenditures reported in Section II. For this food category, companies reported basic nutrition data for 95% of spending.

<sup>5</sup>Includes products that were reformulated for the particular nutrient listed in the column heading. The number of products and the amount of spending in the reformulated versus non-reformulated category depends on the nutrient.



Table C.13a: Average Nutritional Characteristics of Snack Foods, TV Advertising, By Product Type and Age, 2006 and 2009<sup>1</sup>

Children 2-11																								
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)	Sodium (mg/serv)	Sugar (g/serv)	Fiber (g/serv)	Whole Grains <sup>3</sup> (g/serv)	Saturated Fat (g/serv)	Transfat (g/serv)	Fat (g/serv)	Calcium (%RDI/serv)	Vitamin C (%RDI/serv)	Vitamin A (%RDI/serv)	Spending <sup>4</sup> (\$millions)												
	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009												
<b>All Snack Foods (48)</b>	115.6	109.0	168.0	147.3	5.6	5.3	0.4	0.5	0.0	1.0	1.3	0.7	0.1	0.0	4.3	3.2	2.7	2.7	18.5	6.5	0.2	0.1	\$69.3	\$27.4
Advertised Both Years on TV to Children (7)	106.7	106.2	141.9	144.9	6.0	5.1	0.2	0.2	0.0	0.2	0.5	0.5	0.1	0.0	3.1	3.0	1.8	1.9	13.8	5.1	0.2	0.1	\$32.5	\$19.1
Reformulated <sup>5</sup> (6)	159.4	150.0	91.9	64.0	11.9	10.6			6.4	13.6	0.5	1.0	0.5	0.0					25.0	10.0				
Not Reformulated	101.1	104.2	190.8	195.0	2.1	2.2	0.2	0.2	0.0	0.0	0.5	0.5	0.0	0.0	3.1	3.0	1.8	1.9	0.0	0.0	0.2	0.1		
Number Products Reformulated	(3)		(4)		(3)		(0)		(2)		(1)		(1)		(0)		(0)		(3)		(0)			
Off Market 2009 (6)	82.0		67.8		10.1		0.1		0.1		0.4		0.0	0.0	1.5		0.3		21.4		0.1		\$6.3	
No Longer Advertised on TV to Children 2009 (20)	132.0		216.2		4.3		0.7		0.0		2.2		0.0	0.0	6.2		4.2		22.9		0.2		\$30.6	
New Product 2009 (4)	104.9		110.3		7.2		2.0		4.9		1.1		0.0	0.0	3.1		3.5		5.3		0.0		\$3.6	
Newly Advertised on TV to Children 2009 (11)	123.5		186.7		4.8		0.7		1.4		1.2		0.0	0.0	4.0		5.5		13.1		0.6		\$4.6	
Teens 12-17																								
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)	Sodium (mg/serv)	Sugar (g/serv)	Fiber (g/serv)	Whole Grains <sup>3</sup> (g/serv)	Saturated Fat (g/serv)	Transfat (g/serv)	Fat (g/serv)	Calcium (%RDI/serv)	Vitamin C (%RDI/serv)	Vitamin A (%RDI/serv)	Spending <sup>4</sup> (\$millions)												
	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009												
<b>All Snack Foods (68)</b>	145.3	139.4	237.5	224.2	3.2	3.7	1.3	1.5	0.5	4.3	2.5	2.4	0.0	0.2	7.7	7.3	3.6	2.4	3.2	1.6	0.6	0.6	\$25.2	\$33.1
Advertised Both Years on TV to Teens (17)	148.1	139.3	229.8	181.4	2.5	4.2	1.2	1.2	0.7	2.7	2.7	2.2	0.0	0.0	8.4	7.0	1.4	1.3	1.6	1.3	0.3	0.1	\$19.3	\$14.9
Reformulated <sup>5</sup> (16)	148.1	147.8	268.1	192.6	2.1	3.5	0.7	1.2	7.4	11.9	2.6	1.4	0.5	0.0	8.5	5.8	0.0	2.0	25.0	10.0				
Not Reformulated	148.1	132.1	170.8	164.7	2.8	4.6	1.3	1.2	0.0	0.0	2.7	2.2	0.0	0.0	8.4	7.2	1.6	1.1	0.4	0.2	0.3	0.1		
Number Products Reformulated	(6)		(10)		(5)		(3)		(4)		(2)		(1)		(3)		(1)		(1)		(3)	(0)		
Off Market 2009 (6)	115.6		86.7		10.6		0.6		0.1		1.9		0.0	0.0	4.6		0.1		9.2		0.1		\$0.7	
No Longer Advertised on TV to Teens 2009 (16)	138.8		287.6		4.9		1.5		0.3		1.8		0.0	0.0	5.5		11.9		8.1		2.0		\$5.2	
New Product 2009 (6)	116.5		82.1		6.4		5.6		11.8		1.9		0.0	0.0	4.3		6.4		1.7		0.0		\$2.1	
Newly Advertised on TV to Teens 2009 (23)	142.5		282.2		2.9		1.3		4.2		2.7		0.3		8.0		3.0		1.8		1.1		\$16.1	

(continued)

**Table C.13a: Average Nutritional Characteristics of Snack Foods, TV Advertising, By Product Type and Age, 2006 and 2009<sup>1</sup> (continued)**

All Ages																								
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)		Sodium (mg/serv)		Sugar (g/serv)		Fiber (g/serv)		Whole Grains <sup>3</sup> (g/serv)		Saturated Fat (g/serv)		Transfat (g/serv)		Fat (g/serv)		Calcium (%RDI/serv)		Vitamin C (%RDI/serv)		Vitamin A (%RDI/serv)		Spending <sup>4</sup> (\$millions)	
	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009
<b>All Snack Foods (81)</b>																								
Advertised Both Years on TV to Youth (23)	132.3	135.7	174.0	179.0	4.9	4.1	0.9	1.5	1.2	5.6	1.8	1.6	0.0	0.0	6.4	6.3	2.4	2.1	5.4	1.5	0.7	0.4	\$346.1	\$319.5
Reformulated <sup>5</sup> (20)	133.9	142.8	180.2	180.3	4.2	3.8	1.0	1.1	1.3	3.6	1.8	1.6	0.0	0.0	6.7	6.8	1.3	1.4	3.9	1.7	0.1	0.2	\$238.6	\$222.5
Not Reformulated	145.9	159.8	184.7	192.4	5.2	6.8	0.8	1.7	10.7	16.6	2.8	1.8	0.5	0.0	7.3	6.5	0.0	2.0	25.0	10.0				
Number Products Reformulated	129.7	132.4	176.6	172.2	3.9	2.4	1.0	1.0	0.0	0.0	1.5	1.6	0.0	0.0	6.5	6.9	1.4	1.4	2.2	1.2	0.1	0.2		
	(7)		(11)		(7)		(4)		(4)		(4)		(1)		(4)		(1)		(3)		(0)			
Off Market 2009 (7)	122.2		89.3		10.2		0.9		2.1		2.0		0.0		5.0		2.7		5.8		2.6		\$23.0	
No Longer Advertised on TV to Youth 2009 (24)	130.5		179.7		5.4		0.8		0.6		1.7		0.1		6.2		5.4		9.6		1.7		\$84.5	
New Product 2009 (7)	113.0		122.0		5.7		3.2		6.9		1.7		0.0		4.1		4.3		2.6		0.0		\$13.4	
Newly Advertised on TV to Youth 2009 (20)	120.3		184.7		4.5		2.2		9.5		1.4		0.1		5.2		3.5		0.9		0.8		\$83.6	

<sup>1</sup>Nutrition averages are expenditure-weighted averages based on the products for which the Commission has basic nutrition data (nutrients required in FDA labeling) and TV spending.

<sup>2</sup>Each panel of the table includes only those products with reportable TV marketing expenditures for the relevant audience. Thus, for instance, in the Children 2-11 panel, the "All" row includes all products in the relevant food category that had any reportable TV marketing expenditures to children in 2006 or 2009. Similarly, New Product 2009 includes all new foods that were marketed to children on TV in 2009. For the All Ages panel, expenditure weights reflect spending directed to all ages, but only for products with reportable marketing expenditures, that is, products marketed to youth (children or teens) on TV in either year. For instance, Newly Advertised to Youth 2009 in the All Ages panel reflects All-Ages spending on products newly advertised to children or teens on TV in 2009. Number indicates the number of products in the category.

<sup>3</sup>Data for these nutrients are not required in labeling and thus are not available for all products for which the companies reported basic nutrition data. For this food category, coverage exceeds 93% of spending for children and 83% overall for whole grains. Data on potassium and vitamin D was too low to be reported for this category.

<sup>4</sup>Because these spending totals are based on products for which the companies provided at least basic nutrition data, they may be smaller than expenditures reported in Section II. For this food category, companies reported basic nutrition data for 96% of spending in both years.

<sup>5</sup>Includes products that were reformulated for the particular nutrient listed in the column heading. The number of products and the amount of spending in the reformulated versus non-reformulated category depends on the nutrient.

Table C.13b: Average Nutritional Characteristics of Snack Foods, All Marketing, By Product Type and Age, 2006 and 2009<sup>1</sup>

Children 2-11												
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)	Sodium (mg/serv)	Sugar (g/serv)	Fiber (g/serv)	Whole Grains <sup>3</sup> (g/serv)	Saturated Fat (g/serv)	Transfat (g/serv)	Fat (g/serv)	Calcium (%RDI/serv)	Vitamin C (%RDI/serv)	Vitamin A (%RDI/serv)	Spending <sup>4</sup> (\$millions)
	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009
All Snack Foods (97)	114.2 111.1	156.3 130.3	6.1 6.1	0.4 0.4	0.1 0.6	1.1 0.8	0.1 0.0	4.1 3.6	2.3 2.2	21.8 15.3	0.5 0.3	\$112.6 \$69.9
Advertised Both Years to Children (21)	109.8 109.4	143.4 129.1	6.3 6.3	0.2 0.2	0.1 0.2	0.7 0.7	0.1 0.0	3.5 3.3	1.4 1.7	23.3 16.4	0.2 0.3	\$66.0 \$51.8
Reformulated <sup>5</sup> (15)	125.6 125.7	90.0 95.6	12.0 11.4	1.0 0.8	5.7 8.8	2.1 2.2	0.5 0.0	4.6 6.7	10.0 7.8	33.6 12.6		
Not Reformulated	107.3 103.8	180.0 156.9	3.4 3.6	0.2 0.2	0.0 0.1	0.7 0.6	0.0 0.0	3.5 3.1	1.4 1.6	15.3 19.1	0.2 0.3	
Number Products Reformulated	(8)	(9)	(9)	(2)	(5)	(5)	(1)	(6)	(2)	(5)	(0)	
Off Market 2009 (13)	89.8	79.9	10.1	0.1	0.1	0.6	0.0	1.9	0.7	15.4	2.3	\$10.5
No Longer Advertised to Children 2009 (32)	129.3	201.8	4.6	0.7	0.1	2.1	0.0	5.8	4.5	21.0	0.5	\$36.1
New Product 2009 (10)	94.4	77.8	7.8	1.2	3.1	0.9	0.0	2.4	2.3	14.0	0.0	\$6.0
Newly Advertised to Children 2009 (21)	126.5	161.3	4.2	1.0	1.1	1.3	0.0	5.5	4.1	11.3	0.4	\$12.1
Teens 12-17												
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)	Sodium (mg/serv)	Sugar (g/serv)	Fiber (g/serv)	Whole Grains <sup>3</sup> (g/serv)	Saturated Fat (g/serv)	Transfat (g/serv)	Fat (g/serv)	Calcium (%RDI/serv)	Vitamin C (%RDI/serv)	Vitamin A (%RDI/serv)	Spending <sup>4</sup> (\$millions)
	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009
All Snack Foods (96)	130.6 134.5	186.3 189.7	5.0 4.6	1.0 0.9	0.4 1.7	1.9 1.9	0.0 0.1	6.3 6.8	2.8 1.8	11.3 4.3	0.9 0.3	\$51.1 \$85.1
Advertised Both Years to Teens (25)	129.3 133.9	173.5 170.3	4.6 3.6	0.9 0.8	0.4 0.9	1.9 1.4	0.0 0.0	6.6 6.5	1.0 1.3	12.8 3.9	0.2 0.2	\$39.9 \$56.7
Reformulated <sup>5</sup> (21)	136.5 137.5	188.3 138.1	5.6 5.3	0.7 1.5	8.7 13.9	2.9 1.2	0.5 0.0	8.1 5.3	0.6 2.0	42.8 14.2		
Not Reformulated	123.1 130.5	156.2 192.1	3.6 2.2	0.9 0.8	0.0 0.0	1.8 1.4	0.0 0.0	6.4 6.6	1.0 1.3	1.3 0.7	0.2 0.2	
Number Products Reformulated	(8)	(12)	(7)	(4)	(6)	(3)	(1)	(5)	(2)	(4)	(0)	
Off Market 2009 (10)	110.8	107.1	10.0	0.2	0.0	1.1	0.0	3.6	0.1	3.6	5.9	\$2.7
No Longer Advertised to Teens 2009 (26)	142.9	272.1	5.2	1.4	0.5	1.9	0.0	5.9	11.8	6.4	2.5	\$8.5
New Product 2009 (13)	98.4	56.3	7.9	2.6	5.4	1.3	0.0	2.8	3.9	14.6	0.0	\$4.6
Newly Advertised to Teens 2009 (22)	142.8	262.0	6.2	1.0	2.4	3.2	0.4	8.1	2.5	3.2	0.8	\$23.8

(continued)

**Table C.13b: Average Nutritional Characteristics of Snack Foods, All Marketing, By Product Type and Age, 2006 and 2009<sup>1</sup> (continued)**

All Ages																								
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)		Sodium (mg/serv)		Sugar (g/serv)		Fiber (g/serv)		Whole Grains <sup>3</sup> (g/serv)		Saturated Fat (g/serv)		Transfat (g/serv)		Fat (g/serv)		Calcium (%RDI/serv)		Vitamin C (%RDI/serv)		Vitamin A (%RDI/serv)		Spending <sup>a</sup> (\$millions)	
	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009
All Snack Foods (124)  Advertised Both Years to Youth (35)  Reformulated <sup>5</sup> (26)  Not Reformulated  Number Products Reformulated	131.6	131.9	173.6	175.4	5.4	4.6	0.9	1.3	1.9	4.9	1.8	1.4	0.0	0.0	6.2	5.9	3.0	2.0	6.1	5.2	1.3	0.3	\$835.6	\$802.1
	132.4	135.5	176.4	171.6	4.8	4.5	0.9	1.1	2.4	4.2	1.8	1.4	0.0	0.0	6.4	6.0	1.7	1.8	5.1	6.3	0.3	0.3	\$588.3	\$625.1
	139.1	144.5	183.0	169.3	6.6	7.1	0.9	1.6	12.5	13.1	2.7	1.5	0.5	0.0	5.5	4.5	3.1	3.5	33.5	48.6				
	129.0	128.4	171.4	172.8	4.0	2.8	0.9	1.0	0.1	0.1	1.5	1.4	0.0	0.0	6.6	6.6	1.5	1.5	2.8	2.1	0.3	0.3		
	(11)		(15)		(12)		(5)		(8)		(6)		(1)		(9)		(3)		(5)		(0)			
Off Market 2009 (16)  No Longer Advertised to Youth 2009 (38)	123.9		95.1		9.8		0.7		1.6		1.8		0.0		4.4		5.4		6.3		6.9		\$47.3	
	131.1		183.8		6.1		0.8		0.5		1.8		0.1		6.0		6.4		9.2		2.9		\$199.9	
New Product 2009 (14)  Newly Advertised to Youth 2009 (21)	116.0		139.0		5.4		2.4		5.1		1.8		0.0		4.3		3.9		4.3		0.0		\$24.5	
	120.0		196.9		4.9		2.3		7.3		1.6		0.1		5.6		2.4		1.1		0.3		\$152.5	

<sup>1</sup>Nutrition averages are expenditure-weighted averages based on the products for which the Commission has basic nutrition data (nutrients required in FDA labeling).

<sup>2</sup>Each panel of the table includes only those products with reportable marketing expenditures for the relevant audience. Thus, for instance, in the Children 2-11 panel, the "All" row includes all products in the relevant food category that had any reportable marketing expenditures to children in 2006 or 2009. Similarly, New Product 2009 includes all new foods that were marketed to children in 2009. For the All Ages panel, expenditure weights reflect spending directed to all ages, but only for products with reportable marketing expenditures, that is, products marketed to youth (children or teens) in either year. For instance, Newly Advertised to Youth 2009 in the All Ages panel reflects All-Ages spending on products newly advertised to children or teens in 2009. Number indicates the number of products in the category.

<sup>3</sup>Data for these nutrients are not required in labeling and thus are not available for all products for which the companies reported basic nutrition data. For this food category, coverage exceeds 93% of spending for children and 85% overall for whole grains. Data on potassium and vitamin D was too low to be reported for this category.

<sup>4</sup>Because these spending totals are based on products for which the companies provided at least basic nutrition data, they may be smaller than expenditures reported in Section II. For this food category, companies reported basic nutrition data for 98% of spending.

<sup>5</sup>Includes products that were reformulated for the particular nutrient listed in the column heading. The number of products and the amount of spending in the reformulated versus non-reformulated category depends on the nutrient.



**Table C.14a: Average Nutritional Characteristics of Prepared Foods and Meals, TV Advertising, By Product Type and Age, 2006 and 2009<sup>1</sup> (continued)**

All Ages														
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)	Sodium (mg/serv)	Sugar (g/serv)	Fiber (g/serv)	Whole Grains <sup>3</sup> (g/serv)	Saturated Fat (g/serv)	Transfat (g/serv)	Fat (g/serv)	Calcium (%RDI/serv)	Potassium <sup>3</sup> (mg/serv)	Vitamin C (%RDI/serv)	Vitamin A (%RDI/serv)	Spending <sup>4</sup> (\$millions)	
	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009
<b>All Prepared Foods and Meals (47)</b>	259.7	192.1	848.6	623.7	6.1	6.4	2.3	2.5	0.0	1.7	4.0	2.2	0.2	0.2
Advertised Both Years on TV to Youth (6)	150.2	198.6	815.4	686.1	2.6	3.9	1.6	2.0	0.0	0.0	1.4	1.8	0.1	0.3
Reformulated <sup>5</sup> (4)	440.0	400.0	896.8	666.5	4.8	5.8			3.1	2.2	17.0	15.0	2.7	0.7
Not Reformulated	128.0	180.6	791.5	698.4	2.2	3.3	1.6	2.0	0.0	0.0	1.0	1.7	0.1	0.3
Number Products Reformulated	(1)	(2)	(2)	(0)	(0)	(2)	(0)	(0)	(1)	(1)	(2)	(2)	(1)	(2)
Off Market 2009 (1)	100.0	480.0	1.0	2.0	0.0	0.0	0.0	1.5	2.0		0.0		30.0	
No Longer Advertised on TV to Youth 2009 (11)	392.7	931.3	10.3	3.1	0.1	7.2	0.3	17.2	12.8	290.6	7.9	7.9	\$93.4	
New Product 2009 (8)	242.9	551.0	11.6	3.9	8.9	2.6	0.1	7.2	5.4	529.8	29.8	12.4	\$56.6	
Newly Advertised on TV to Youth 2009 (21)	170.1	617.3	5.7	2.2	0.0	2.3	0.2	5.7	5.4	428.0	9.5	12.3	\$154.4	

<sup>1</sup>Nutrition averages are expenditure-weighted averages based on the products for which the Commission has basic nutrition data (nutrients required in FDA labeling) and TV spending.

<sup>2</sup>Each panel of the table includes only those products with reportable TV marketing expenditures for the relevant audience. Thus, for instance, in the Children 2-11 panel, the "All" row includes all products in the relevant food category that had any reportable TV marketing expenditures to children in 2006 or 2009. Similarly, New Product 2009 includes all new foods that were marketed to children on TV in 2009. For the All Ages panel, expenditure weights reflect spending directed to all ages, but only for products with reportable marketing expenditures, that is, products marketed to youth (children or teens) on TV in either year. For instance, Newly Advertised to Youth 2009 in the All Ages panel reflects All-Ages spending on products newly advertised to children or teens on TV in 2009. Number indicates the number of products in the category.

<sup>3</sup>Data for these nutrients are not required in labeling and thus are not available for all products for which the companies reported basic nutrition data. For this food category, coverage is 100% of spending for whole grains and exceeds 71% for children and 50% overall for potassium; for vitamin D, coverage is too low to be reported.

<sup>4</sup>Because these spending totals are based on products for which the companies provided at least basic nutrition data, they may be smaller than expenditures reported in Section II. For this food category, companies reported basic nutrition data for 100% of spending.

<sup>5</sup>Includes products that were reformulated for the particular nutrient listed in the column heading. The number of products and the amount of spending in the reformulated versus non-reformulated category depends on the nutrient.



**Table C.14b: Average Nutritional Characteristics of Prepared Foods and Meals, All Marketing, By Product Type and Age, 2006 and 2009<sup>1</sup> (continued)**

All Ages														
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)	Sodium (mg/serv)	Sugar (g/serv)	Fiber (g/serv)	Whole Grains <sup>3</sup> (g/serv)	Saturated Fat (g/serv)	Transfat (g/serv)	Fat (g/serv)	Calcium (%RDI/serv)	Potassium <sup>3</sup> (mg/serv)	Vitamin C (%RDI/serv)	Vitamin A (%RDI/serv)	Spending <sup>4</sup> (\$millions)	
	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009
All Prepared Foods and Meals (84)	277.3	207.2	847.9	650.3	0.0	1.5	4.4	2.6	0.2	0.2	11.1	6.8	8.0	6.0
Advertised Both Years to Youth (9)	212.7	201.4	804.2	691.3	0.0	0.0	2.7	1.9	0.2	0.3	6.9	6.2	6.1	3.5
Reformulated <sup>5</sup> (7)	406.8	334.7	822.8	680.8	0.0	0.5	3.1	2.3			17.2	16.2	4.2	1.6
Not Reformulated	137.3	180.4	792.6	698.9	0.0	0.0	2.6	1.7	0.2	0.3	6.1	5.2	6.6	5.3
Number Products Reformulated	(4)	(5)	(3)	(1)	(0)	(3)	(0)	(2)	(4)	(2)	(2)	(3)		
Off Market 2009 (2)	100.8	478.2	1.0	2.0	0.0	0.0	0.0	1.6	2.2	80.0	0.0	29.6		\$23.2
No Longer Advertised to Youth 2009 (12)	401.6	968.9	4.8	3.7	0.1	7.7	0.3	19.0	11.7	293.8	10.7	7.7		\$157.0
New Product 2009 (17)	262.6	593.9	11.6	4.2	9.0	3.0	0.1	8.3	6.6	541.5	27.5	11.1		\$88.1
Newly Advertised to Youth 2009 (44)	194.0	645.6	6.4	2.3	0.1	2.9	0.2	6.7	7.2	404.4	7.9	11.5		\$303.2

<sup>1</sup>Nutrition averages are expenditure-weighted averages based on the products for which the Commission has basic nutrition data (nutrients required in FDA labeling).

<sup>2</sup>Each panel of the table includes only those products with reportable marketing expenditures for the relevant audience. Thus, for instance, in the Children 2-11 panel, the "All" row includes all products in the relevant food category that had any reportable marketing expenditures to children in 2006 or 2009. Similarly, New Product 2009 includes all new foods that were marketed to children in 2009. For the All Ages panel, expenditure weights reflect spending directed to all ages, but only for products with reportable marketing expenditures, that is, products marketed to youth (children or teens) in either year. For instance, Newly Advertised to Youth 2009 in the All Ages panel reflects All-Ages spending on products newly advertised to children or teens in 2009. Number indicates the number of products in the category.

<sup>3</sup>Data for these nutrients are not required in labeling and thus are not available for all products for which the companies reported basic nutrition data. For this food category, coverage exceeds 99% of spending for whole grains and 67% for children and 47% overall for potassium. Coverage for vitamin D is too low to be reported.

<sup>4</sup>Because these spending totals are based on products for which the companies provided at least basic nutrition data, they may be smaller than expenditures reported in Section II. For this food category, companies reported basic nutrition data for 99% of spending.

<sup>5</sup> Includes products that were reformulated for the particular nutrient listed in the column heading. The number of products and the amount of spending in the reformulated versus non-reformulated category depends on the nutrient.



Table C.15a: Average Nutritional Characteristics of Candy and Frozen Desserts, TV Advertising, By Product Type and Age, 2006 and 2009<sup>1</sup>

Children 2-11																
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)	Sodium (mg/serv)	Sugar (g/serv)	Fiber (g/serv)	Whole Grains <sup>3</sup> (g/serv)	Saturated Fat (g/serv)	Transfat (g/serv)	Fat (g/serv)	Calcium (%RDI/serv)	Vitamin D <sup>3</sup> (%RDI/serv)	Potassium <sup>3</sup> (mg/serv)	Vitamin C (%RDI/serv)	Vitamin A (%RDI/serv)	Spending <sup>4</sup> (\$millions)		
	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009
<b>All Candy and Frozen Desserts (31)</b>	168.1	129.9	16.1	24.3	29.4	19.1	0.1	0.1	0.8	1.1	12.4	24.9	0.1	0.0	\$32.9	\$10.7
Advertised Both Years on TV to Children (11)	80.5	136.9	25.0	24.3	13.8	20.0	0.0	0.1	0.1	0.9	2.5	20.9	0.0	0.0	\$7.6	\$7.7
Reformulated <sup>5</sup> (3)	230.0	172.8	52.9	26.3	21.4	23.1	0.0	0.0	8.5	1.7	160.0	2.5	0.0	0.0		
Not Reformulated	78.1	102.3	24.7	23.0	13.7	17.1	0.0	0.2	0.1	1.4	1.2	31.1	0.0	0.0		
Number Products Reformulated	(5)	(4)			(5)	(5)	(2)	(2)	(3)	(2)	(3)	(2)	(2)	(2)		
Off Market 2009 (3)	197.2	29.6	23.5	0.8	0.0	0.0	0.0	9.4	5.5	0.0	86.9	0.0	0.1	0.1	\$3.9	
No Longer Advertised on TV to Children 2009 (9)	193.6	10.5	36.0	0.0	0.0	1.9	0.0	1.9	0.2	0.0	0.3	34.3	0.1	0.1	\$21.5	
New Product 2009 (4)	103.2	21.9	15.9	0.1	0.0	2.2	0.0	2.9	1.3	0.0	44.5	6.4	0.0	0.0	\$2.7	
Newly Advertised on TV to Children 2009 (4)	196.4	49.5	24.1	0.5	0.0	3.8	0.0	6.3	2.7	0.0	67.7	5.7	0.0	0.0	\$0.3	
Teens 12-17																
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)	Sodium (mg/serv)	Sugar (g/serv)	Fiber (g/serv)	Whole Grains <sup>3</sup> (g/serv)	Saturated Fat (g/serv)	Transfat (g/serv)	Fat (g/serv)	Calcium (%RDI/serv)	Vitamin D <sup>3</sup> (%RDI/serv)	Potassium <sup>3</sup> (mg/serv)	Vitamin C (%RDI/serv)	Vitamin A (%RDI/serv)	Spending <sup>4</sup> (\$millions)		
	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009
<b>All Candy and Frozen Desserts (43)</b>	223.4	184.5	43.5	31.0	30.5	28.3	0.5	0.2	1.8	0.9	7.7	11.9	0.0	0.0	\$69.2	\$36.2
Advertised Both Years on TV to Teens (17)	235.7	196.2	45.5	29.0	33.5	29.8	0.3	0.2	1.3	0.9	2.9	6.3	0.0	0.0	\$52.5	\$24.2
Reformulated <sup>5</sup> (7)	276.4	195.5	136.2	60.0	31.7	26.8	0.0	0.0	0.0	0.0	160.0	10.8	0.0	0.2		
Not Reformulated	221.7	196.4	15.4	20.8	36.0	31.7	0.3	0.2	1.3	1.0	1.4	5.7	29.1	24.5		
Number Products Reformulated	(6)	(5)			(9)	(9)	(3)	(3)	(2)	(2)	(3)	(2)	(3)	(3)		
Off Market 2009 (5)	211.5	39.7	22.9	0.9	0.0	6.3	0.0	10.7	5.5	0.0	23.1	0.0	0.0	0.0	\$5.8	
No Longer Advertised on TV to Teens 2009 (10)	170.8	36.0	19.8	0.9	0.0	3.3	0.0	7.3	2.3	0.0	29.6	2.8	0.2	0.2	\$11.0	
New Product 2009 (4)	164.9	25.7	22.8	0.2	0.0	3.7	0.0	5.0	2.3	0.0	31.5	0.0	0.0	0.0		\$1.7
Newly Advertised on TV to Teens 2009 (7)	160.2	36.6	25.5	0.2	0.0	1.1	0.0	2.0	0.5	0.0	21.6	1.8	0.0	0.0	\$10.2	

(continued)

**Table C.15a: Average Nutritional Characteristics of Candy and Frozen Desserts, TV Advertising, By Product Type and Age, 2006 and 2009<sup>1</sup> (continued)**

All Ages															
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)	Sodium (mg/serv)	Sugar (g/serv)	Fiber (g/serv)	Whole Grains <sup>3</sup> (g/serv)	Saturated Fat (g/serv)	Transfat (g/serv)	Fat (g/serv)	Calcium (%RD/serv)	Vitamin D <sup>3</sup> (%RD/serv)	Potassium <sup>3</sup> (mg/serv)	Vitamin C (%RD/serv)	Vitamin A (%RD/serv)	Spending <sup>4</sup> (\$millions)	
<b>All Candy and Frozen Desserts (44)</b>	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2009
	215.0	203.7	56.1	66.5	24.0	23.6	0.9	0.8	0.0	0.0	5.1	5.4	0.0	0.0	0.0
	230.9	212.6	68.4	72.7	27.1	24.4	0.6	0.8	0.0	0.0	5.6	5.7	0.0	0.0	0.0
	261.9	216.4	118.7	97.5	25.5	23.5	0.0	0.6	0.0	0.0	6.9	6.5	0.0	0.0	0.0
<b>Reformulated<sup>5</sup> (7)</b>	206.4	202.9	34.6	39.4	30.5	28.4	0.6	0.8	0.0	0.0	4.4	4.5	0.0	0.0	0.0
	206.4	202.9	34.6	39.4	30.5	28.4	0.6	0.8	0.0	0.0	4.4	4.5	0.0	0.0	0.0
	206.4	202.9	34.6	39.4	30.5	28.4	0.6	0.8	0.0	0.0	4.4	4.5	0.0	0.0	0.0
	206.4	202.9	34.6	39.4	30.5	28.4	0.6	0.8	0.0	0.0	4.4	4.5	0.0	0.0	0.0
<b>Not Reformulated Number Products Reformulated</b>	206.4	202.9	34.6	39.4	30.5	28.4	0.6	0.8	0.0	0.0	4.4	4.5	0.0	0.0	0.0
	206.4	202.9	34.6	39.4	30.5	28.4	0.6	0.8	0.0	0.0	4.4	4.5	0.0	0.0	0.0
	206.4	202.9	34.6	39.4	30.5	28.4	0.6	0.8	0.0	0.0	4.4	4.5	0.0	0.0	0.0
	206.4	202.9	34.6	39.4	30.5	28.4	0.6	0.8	0.0	0.0	4.4	4.5	0.0	0.0	0.0
<b>Off Market 2009 (5)</b>	181.1	40.5	19.7	0.8	0.0	0.0	0.0	0.0	5.0	0.0	52.0	0.0	0.4	0.4	\$33.6
	181.1	40.5	19.7	0.8	0.0	0.0	0.0	0.0	5.0	0.0	52.0	0.0	0.4	0.4	\$33.6
	181.1	40.5	19.7	0.8	0.0	0.0	0.0	0.0	5.0	0.0	52.0	0.0	0.4	0.4	\$33.6
	181.1	40.5	19.7	0.8	0.0	0.0	0.0	0.0	5.0	0.0	52.0	0.0	0.4	0.4	\$33.6
<b>No Longer Advertised on TV to Youth 2009 (10)</b>	206.2	45.7	21.5	1.3	0.0	4.3	0.0	9.9	4.3	0.0	22.6	0.4	1.0	1.0	\$93.5
	206.2	45.7	21.5	1.3	0.0	4.3	0.0	9.9	4.3	0.0	22.6	0.4	1.0	1.0	\$93.5
	206.2	45.7	21.5	1.3	0.0	4.3	0.0	9.9	4.3	0.0	22.6	0.4	1.0	1.0	\$93.5
	206.2	45.7	21.5	1.3	0.0	4.3	0.0	9.9	4.3	0.0	22.6	0.4	1.0	1.0	\$93.5
<b>New Product 2009 (5)</b>	181.6	40.1	20.9	0.8	0.0	6.8	0.0	10.2	7.2	0.0	156.4	0.6	0.8	0.8	\$29.8
	181.6	40.1	20.9	0.8	0.0	6.8	0.0	10.2	7.2	0.0	156.4	0.6	0.8	0.8	\$29.8
	181.6	40.1	20.9	0.8	0.0	6.8	0.0	10.2	7.2	0.0	156.4	0.6	0.8	0.8	\$29.8
	181.6	40.1	20.9	0.8	0.0	6.8	0.0	10.2	7.2	0.0	156.4	0.6	0.8	0.8	\$29.8
<b>Newly Advertised on TV to Youth 2009 (7)</b>	180.1	58.7	22.3	0.4	0.0	2.7	0.0	4.5	1.9	0.0	55.9	1.0	0.0	0.0	\$37.6
	180.1	58.7	22.3	0.4	0.0	2.7	0.0	4.5	1.9	0.0	55.9	1.0	0.0	0.0	\$37.6
	180.1	58.7	22.3	0.4	0.0	2.7	0.0	4.5	1.9	0.0	55.9	1.0	0.0	0.0	\$37.6
	180.1	58.7	22.3	0.4	0.0	2.7	0.0	4.5	1.9	0.0	55.9	1.0	0.0	0.0	\$37.6

<sup>1</sup>Nutrition averages are expenditure-weighted averages based on the products for which the Commission has basic nutrition data (nutrients required in FDA labeling) and TV spending.

<sup>2</sup>Each panel of the table includes only those products with reportable TV marketing expenditures for the relevant audience. Thus, for instance, in the Children 2-11 panel, the "All" row includes all products in the relevant food category that had any reportable TV marketing expenditures to children in 2006 or 2009. Similarly, New Product 2009 includes all new foods that were marketed to children on TV in 2009. For the All Ages panel, expenditure weights reflect spending directed to all ages, but only for products with reportable marketing expenditures, that is, products marketed to youth (children or teens) on TV in either year. For instance, Newly Advertised to Youth 2009 in the All Ages panel reflects All-Ages spending on products newly advertised to children or teens on TV in 2009. Number indicates the number of products in the category.

<sup>3</sup>Data for these nutrients are not required in labeling and thus are not available for all brands for which the companies reported basic nutrition data. For this food category, coverage exceeds 100% of spending for whole grains and 84% for potassium; for vitamin D, coverage exceeds 70% for children and 39% overall in both years.

<sup>4</sup>Because these spending totals are based on products for which the companies provided at least basic nutrition data, they may be smaller than expenditures reported in Section II. For this food category, companies reported basic nutrition data for 100% of spending.

<sup>5</sup>Includes products that were reformulated for the particular nutrient listed in the column heading. The number of products and the amount of spending in the reformulated versus non-reformulated category depends on the nutrient.

**Table C.15b: Average Nutritional Characteristics of Candy and Frozen Desserts, All Marketing, By Product Type and Age, 2006 and 2009<sup>1</sup>**

Children 2-11														
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)	Sodium (mg/serv)	Sugar (g/serv)	Fiber (g/serv)	Whole Grains <sup>3</sup> (g/serv)	Saturated Fat (g/serv)	Transfat (g/serv)	Fat (g/serv)	Calcium (%RD/serv)	Vitamin D <sup>3</sup> (%RD/serv)	Potassium <sup>3</sup> (mg/serv)	Vitamin C (%RD/serv)	Vitamin A (%RD/serv)	Spending <sup>4</sup> (\$millions)
	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009
<b>All Candy and Frozen Desserts (53)</b>	137.3 111.7	15.3 24.0	23.6 17.1	0.2 0.1	0.0 0.0	1.6 0.8	0.0 0.0	2.3 1.5	0.7 0.7	0.0 0.0	9.3 14.8	14.7 2.4	0.0 0.0	\$60.7 \$21.6
Advertised Both Years to Children (15)	89.4 122.3	20.7 24.7	15.3 18.2	0.1 0.1	0.0 0.0	0.8 0.7	0.0 0.0	1.3 1.5	0.3 0.7	0.0 0.0	4.8 12.0	0.0 0.0	0.0 0.0	\$20.4 \$15.4
Reformulated <sup>5</sup> (5)	202.0 151.6	54.5 27.1	24.1 20.3	0.0 0.0	0.0 0.0	4.9 1.6	0.0 0.0	7.2 2.6	0.0 0.0	0.0 0.0	160.0 6.1	0.0 0.0	0.0 0.0	
Not Reformulated	67.4 100.6	14.7 23.2	13.6 16.6	0.1 0.2	0.0 0.0	0.0 0.1	0.0 0.0	0.3 0.9	0.3 1.0	0.0 0.0	3.0 14.9	0.0 0.0	0.0 0.0	
Number Products Reformulated	(9)	(8)	(9)	(4)	(4)	(8)	(4)	(7)	(4)	(4)	(5)	(4)	(4)	
Off Market 2009 (5)	195.6	29.4	23.3	0.8	0.0	5.6	0.0	9.2	5.4	0.0	85.3	0.0	0.1	\$4.2
No Longer Advertised to Children 2009 (25)	157.6	10.6	28.4	0.1	0.0	1.6	0.0	2.1	0.4	0.0	0.8	24.8	0.1	\$36.1
New Product 2009 (4)	80.0	20.9	13.8	0.0	0.0	1.0	0.0	1.3	0.6	0.0	44.1	8.3	0.0	\$5.9
Newly Advertised to Children 2009 (4)	196.4	49.5	24.1	0.5	0.0	3.8	0.0	6.3	2.7	0.0	67.7	5.7	0.0	\$0.3

Teens 12-17														
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)	Sodium (mg/serv)	Sugar (g/serv)	Fiber (g/serv)	Whole Grains <sup>3</sup> (g/serv)	Saturated Fat (g/serv)	Transfat (g/serv)	Fat (g/serv)	Calcium (%RD/serv)	Vitamin D <sup>3</sup> (%RD/serv)	Potassium <sup>3</sup> (mg/serv)	Vitamin C (%RD/serv)	Vitamin A (%RD/serv)	Spending <sup>4</sup> (\$millions)
	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009
<b>All Candy and Frozen Desserts (64)</b>	206.3 183.6	42.7 30.5	28.5 28.2	0.4 0.2	0.0 0.0	3.6 2.5	0.0 0.0	6.4 3.5	1.6 0.9	0.0 0.0	7.6 15.4	19.1 16.9	0.0 0.0	\$99.0 \$72.2
Advertised Both Years to Teens (21)	216.5 192.8	44.0 31.1	31.0 29.7	0.3 0.2	0.0 0.0	3.5 2.6	0.0 0.0	6.0 3.6	1.2 0.6	0.0 0.0	2.9 9.5	24.5 22.1	0.0 0.0	\$75.9 \$54.4
Reformulated <sup>6</sup> (8)	271.0 163.9	130.3 57.9	31.4 25.0	0.0 0.0	0.0 0.0	5.2 1.9	0.0 0.0	13.5 3.3	0.0 0.0	0.0 0.0	155.8 33.0	0.0 0.0	4.0 0.3	
Not Reformulated	196.1 204.0	12.6 21.0	30.6 33.4	0.3 0.2	0.0 0.0	2.9 2.8	0.0 0.0	3.4 3.7	1.2 0.6	0.0 0.0	1.4 6.1	24.5 24.2	0.0 0.0	
Number Products Reformulated	(9)	(8)	(12)	(5)	(4)	(9)	(4)	(8)	(4)	(4)	(6)	(4)	(5)	
Off Market 2009 (7)	209.8	39.3	22.8	0.9	0.0	6.3	0.0	10.6	5.4	0.0	23.1	0.0	0.0	\$5.9
No Longer Advertised to Teens 2009 (23)	160.1	38.1	19.4	0.8	0.0	2.9	0.0	6.5	2.0	0.0	27.1	1.8	0.1	\$17.2
New Product 2009 (5)	149.0	24.8	21.2	0.2	0.0	3.1	0.0	4.2	1.9	0.0	31.3	1.5	0.0	\$2.0
Newly Advertised to Teens 2009 (8)	156.6	29.2	23.9	0.2	0.0	2.0	0.0	3.1	1.7	0.0	34.0	1.2	0.0	\$15.8

(continued)

**Table C.15b: Average Nutritional Characteristics of Candy and Frozen Desserts, All Marketing, By Product Type and Age, 2006 and 2009<sup>1</sup> (continued)**

All Ages														
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)	Sodium (mg/serv)	Sugar (g/serv)	Fiber (g/serv)	Whole Grains <sup>3</sup> (g/serv)	Saturated Fat (g/serv)	Transfat (g/serv)	Fat (g/serv)	Calcium (%RDI/serv)	Vitamin D <sup>3</sup> (%RDI/serv)	Potassium <sup>3</sup> (mg/serv)	Vitamin C (%RDI/serv)	Vitamin A (%RDI/serv)	Spending <sup>4</sup> (\$millions)
	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009
<b>All Candy and Frozen Desserts (65)</b>	212.6	202.1	59.5	77.4	23.3	23.2	0.9	0.7	0.0	0.0	4.9	5.0	0.0	0.0
Advertised Both Years to Youth (23)	224.5	210.6	76.4	86.4	25.3	23.8	0.7	0.8	0.0	0.0	5.3	5.2	0.0	0.0
Reformulated <sup>5</sup> (9)	253.0	209.7	113.5	109.3	24.4	22.6	0.0	0.6	0.0	0.0	6.7	6.0	0.0	0.0
Not Reformulated	189.9	212.8	35.8	45.9	27.9	29.9	0.7	0.8	0.0	0.0	4.1	4.4	0.0	0.0
Number Products Reformulated	(11)	(10)	(14)	(7)	(5)	(10)	(5)	(10)	(5)	(5)	(7)	(5)	(6)	(6)
Off Market 2009 (7)	173.7		39.5		18.8		0.7		4.4	0.0	43.5	0.0	0.3	\$43.9
No Longer Advertised to Youth 2009 (23)	205.2		40.0		21.4		1.4		4.1	0.0	20.7	0.6	0.8	\$166.8
New Product 2009 (5)	165.2		42.0					8.4	7.3	0.0	155.1	1.0	1.4	\$52.7
Newly Advertised to Youth 2009 (7)	174.5		44.7					4.9	2.5	0.0	59.7	1.0	0.0	\$59.2

<sup>1</sup>Nutrition averages are expenditure-weighted averages based on the products for which the Commission has basic nutrition data (nutrients required in FDA labeling).

<sup>2</sup>Each panel of the table includes only those products with reportable marketing expenditures for the relevant audience. Thus, for instance, in the Children 2-11 panel, the "All" row includes all products in the relevant food category that had any reportable marketing expenditures to children in 2006 or 2009. Similarly, New Product 2009 includes all new foods that were marketed to children in 2009. For the All Ages panel, expenditure weights reflect spending directed to all ages, but only for products with reportable marketing expenditures, that is, products marketed to youth (children or teens) in either year. For instance, Newly Advertised to Youth 2009 in the All Ages panel reflects All-Ages spending on products newly advertised to children or teens in 2009. Number indicates the number of products in the category.

<sup>3</sup>Data for these nutrients are not required in labeling and thus are not available for all products for which the companies reported basic nutrition data. For this food category, coverage exceeds 100% of spending for whole grains and 77% for children and 90% overall for potassium; for vitamin D, coverage exceeds 69% for children and 39% overall in both years.

<sup>4</sup>Because these spending totals are based on products for which the companies provided at least basic nutrition data, they may be smaller than expenditures reported in Section II. For this food category, companies reported basic nutrition data for 100% of spending.

<sup>5</sup>Includes products that were reformulated for the particular nutrient listed in the column heading. The number of products and the amount of spending in the reformulated versus non-reformulated category depends on the nutrient.

Table C.16a: Average Nutritional Characteristics of Baked Goods, TV Advertising, By Product Type and Age, 2006 and 2009<sup>1</sup>

Children 2-11																								
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)		Sodium (mg/serv)		Sugar (g/serv)		Fiber (g/serv)		Whole Grains <sup>3</sup> (g/serv)		Saturated Fat (g/serv)		Transfat (g/serv)		Fat (g/serv)		Calcium (%RDI/serv)		Vitamin C (%RDI/serv)		Vitamin A (%RDI/serv)		Spending <sup>4</sup> (\$millions)	
	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009
All Baked Goods (17)	186.7	195.1	306.0	242.2	11.5	13.4	0.3	0.6	0.0	0.0	1.7	2.0	0.0	0.1	5.2	6.4	4.4	3.5	0.0	0.2	14.3	8.0	\$36.8	\$3.9
Advertised Both Years on TV to Children (3)	191.3	188.9	287.8	302.7	10.4	8.6	0.4	0.6	0.0	0.0	1.7	2.0	0.0	0.1	5.4	5.9	4.4	4.9	0.0	0.0	14.4	13.5	\$11.0	\$2.0
Reformulated <sup>5</sup> (1)			190.0	180.0											9.0	8.0	10.0	0.0			10.0	0.0		
Not Reformulated	191.3	188.9	287.9	322.3	10.4	8.6	0.4	0.6	0.0	0.0	1.7	2.0	0.0	0.1	5.4	5.6	4.4	5.6	0.0	0.0	14.4	15.6		
Number Products Reformulated	(0)		(1)		(0)		(0)		(0)		(0)		(0)		(1)		(1)		(0)		(1)			
Off Market 2009 (4)	174.6		286.3		12.5		0.3		0.0		1.9		0.0		4.7		2.9		0.0		12.9		\$14.9	
No Longer Advertised on TV to Children 2009 (7)	198.8		351.5		11.1		0.1		0.0		1.4		0.0		5.7		6.4		0.0		16.1		\$10.9	
New Product 2009 (2)	201.8		183.6		18.7		0.7		0.0		2.1		0.0		7.5		2.9		0.5		0.0		\$1.5	
Newly Advertised on TV to Children 2009 (1)	200.0		170.0		17.0		0.0		0.0		1.5		0.0		5.0		0.0		0.0		10.0		\$0.5	

Teens 12-17																								
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)		Sodium (mg/serv)		Sugar (g/serv)		Fiber (g/serv)		Whole Grains <sup>3</sup> (g/serv)		Saturated Fat (g/serv)		Transfat (g/serv)		Fat (g/serv)		Calcium (%RDI/serv)		Vitamin C (%RDI/serv)		Vitamin A (%RDI/serv)		Spending <sup>4</sup> (\$millions)	
	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009
All Baked Goods (20)	176.6	193.3	175.9	227.1	15.5	12.8	0.0	0.5	0.0	0.0	1.8	2.2	0.0	0.2	4.6	6.4	0.5	2.5	0.0	0.2	10.4	7.0	\$21.3	\$6.4
Advertised Both Years on TV to Teens (3)	199.2	190.6	178.8	257.4	16.4	9.8	0.0	0.6	0.0	0.0	1.5	2.3	0.0	0.3	5.1	6.3	0.5	3.1	0.0	0.0	10.3	10.0	\$6.3	\$3.7
Reformulated <sup>5</sup> (1)			190.0	180.0											9.0	8.0	10.0	0.0		10.0	0.0			
Not Reformulated	199.2	190.6	178.6	292.9	16.4	9.8	0.0	0.6	0.0	0.0	1.5	2.3	0.0	0.3	5.0	5.5	0.3	4.6	0.0	0.0	10.3	14.6		
Number Products Reformulated	(0)		(1)		(0)		(0)		(0)		(0)		(0)		(1)		(1)		(0)		(1)			
Off Market 2009 (4)	152.7		164.1		14.7		0.0		0.0		2.0		0.0		3.8		0.2		0.0		10.2		\$10.9	
No Longer Advertised on TV to Teens 2009 (9)	205.9		203.4		16.1		0.0		0.0		1.9		0.0		5.9		1.3		0.0		10.9		\$4.0	
New Product 2009 (3)	195.9		189.8		16.9		0.6		0.0		2.2		0.0		7.1		2.3		0.8		0.0		\$1.9	
Newly Advertised on TV to Teens 2009 (1)	200.0		170.0		17.0		0.0		0.0		1.5		0.0		5.0		0.0		0.0		10.0		\$0.7	

(continued)

**Table C.16a: Average Nutritional Characteristics of Baked Goods, TV Advertising, By Product Type and Age, 2006 and 2009<sup>1</sup> (continued)**

All Ages																								
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)		Sodium (mg/serv)		Sugar (g/serv)		Fiber (g/serv)		Whole Grains <sup>3</sup> (g/serv)		Saturated Fat (g/serv)		Transfat (g/serv)		Fat (g/serv)		Calcium (%RD/serv)		Vitamin C (%RD/serv)		Vitamin A (%RD/serv)		Spending <sup>4</sup> (\$millions)	
	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009
<b>All Baked Goods (21)</b>	191.3	192.3	288.4	189.9	12.0	11.5	0.3	0.8	0.0	0.0	2.1	2.9	0.1	0.6	5.9	7.4	4.7	1.2	0.0	0.1	12.9	2.8	\$42.4	\$29.4
Advertised Both Years on TV to Youth (4)	194.1	192.9	259.4	193.6	10.5	10.2	0.5	0.8	0.0	0.0	2.5	3.1	0.2	0.7	6.7	7.5	5.7	0.9	0.0	0.0	12.1	3.1	\$15.1	\$24.4
Reformulated <sup>5</sup> (2)	220.0	230.0	190.0	180.0			0.0	1.0							10.2	8.3	10.0	0.0			10.0	0.0		
Not Reformulated	191.0	191.3	273.0	227.4	10.5	10.2	0.5	0.8	0.0	0.0	2.5	3.1	0.2	0.7	5.4	5.2	4.8	3.2	0.0	0.0	12.6	10.7		
Number Products Reformulated	(1)		(1)		(0)		(1)		(0)		(0)		(0)		(2)		(1)		(0)		(1)			
Off Market 2009 (4)	174.6		286.3		12.5		0.3		0.0		1.9		0.0		4.7		2.9		0.0		12.9		\$14.9	
No Longer Advertised on TV to Youth 2009 (8)	207.9		325.8		13.2		0.2		0.0		2.0		0.2		6.5		5.8		0.0		14.0		\$12.5	
New Product 2009 (4)	187.5		171.9		17.9		0.7		0.0		1.9		0.0		7.1		2.6		0.4		0.1		\$4.3	
Newly Advertised on TV to Youth 2009 (1)	200.0		170.0		17.0		0.0		0.0		1.5		0.0		5.0		0.0		0.0		10.0		\$0.8	

<sup>1</sup>Nutrition averages are expenditure-weighted averages based on the products for which the Commission has basic nutrition data (nutrients required in FDA labeling) and TV spending.

<sup>2</sup>Each panel of the table includes only those products with reportable TV marketing expenditures for the relevant audience. Thus, for instance, in the Children 2-11 panel, the "All" row includes all products in the relevant food category that had any reportable TV marketing expenditures to children in 2006 or 2009. Similarly, New Product 2009 includes all new foods that were marketed to children on TV in 2009. For the All Ages panel, expenditure weights reflect spending directed to all ages, but only for products with reportable marketing expenditures, that is, products marketed to youth (children or teens) on TV in either year. For instance, Newly Advertised to Youth 2009 in the All Ages panel reflects All-Ages spending on products newly advertised to children or teens on TV in 2009. Number indicates the number of products in the category.

<sup>3</sup>Data for these nutrients are not required in labeling and thus are not available for all brands for which the companies reported basic nutrition data. For this food category, coverage exceeds 100% of spending for children and 93% overall for whole grains. For potassium and vitamin D, coverage is too low to be reported.

<sup>4</sup>Because these spending totals are based on products for which the companies provided at least basic nutrition data, they may be smaller than expenditures reported in Section II. For this food category, companies reported basic nutrition data for 100% of spending.

<sup>5</sup>Includes products that were reformulated for the particular nutrient listed in the column heading. The number of products and the amount of spending in the reformulated versus non-reformulated category depends on the nutrient.

Table C.16b: Average Nutritional Characteristics of Baked Goods, All Marketing, By Product Type and Age, 2006 and 2009<sup>1</sup>

Children 2-11													
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)	Sodium (mg/serv)	Sugar (g/serv)	Fiber (g/serv)	Whole Grains <sup>3</sup> (g/serv)	Saturated Fat (g/serv)	Transfat (g/serv)	Fat (g/serv)	Calcium (%RD/serv)	Vitamin C (%RD/serv)	Vitamin A (%RD/serv)	Spending <sup>4</sup> (\$millions)	
	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	
<b>All Baked Goods (41)</b>	188.3 193.9	271.7 266.2	13.0 11.5	0.2 0.6	0.2 0.0	1.8 2.3	0.0 0.0	5.3 6.7	3.4 4.6	0.0 0.2	12.2 9.1	\$61.1	\$5.7
Advertised Both Years to Children (6)	188.7 191.8	231.6 300.4	14.0 8.9	0.2 0.6	0.0 0.0	1.9 2.3	0.0 0.1	5.3 6.4	2.7 5.5	0.0 0.0	10.4 13.0	\$31.2	\$4.0
Reformulated <sup>5</sup> (4)	220.0 230.0	190.0 180.0	19.0 17.1	0.0 1.0				9.7 10.8	3.6 0.0		10.0 0.0		
Not Reformulated	188.3 188.0	233.1 309.3	13.1 7.7	0.2 0.6	0.0 0.0	1.9 2.3	0.0 0.1	5.1 5.6	2.5 6.0	0.0 0.0	10.4 14.0		
Number Products Reformulated	(1)	(1)	(2)	(1)	(0)	(0)	(0)	(2)	(2)	(0)	(1)		
Off Market 2009 (12)	177.2	293.7	12.3	0.3	0.5	1.9	0.1	4.8	2.7	0.0	13.1	\$17.0	
No Longer Advertised to Children 2009 (20)	201.9	339.0	11.7	0.1	0.2	1.5	0.0	5.8	5.9	0.0	15.4	\$13.0	
New Product 2009 (3)	198.6	189.1	17.4	0.6	0.0	2.2	0.0	7.2	2.4	0.8	0.1	\$1.8	\$0.0
Newly Advertised to Children 2009 (0)													
Teens 12-17													
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)	Sodium (mg/serv)	Sugar (g/serv)	Fiber (g/serv)	Whole Grains <sup>3</sup> (g/serv)	Saturated Fat (g/serv)	Transfat (g/serv)	Fat (g/serv)	Calcium (%RD/serv)	Vitamin C (%RD/serv)	Vitamin A (%RD/serv)	Spending <sup>4</sup> (\$millions)	
	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	2006 2009	
<b>All Baked Goods (34)</b>	186.1 194.4	189.1 210.3	15.5 14.4	0.1 0.3	0.3 0.0	1.8 1.9	0.1 0.1	5.0 5.6	0.8 1.6	0.0 0.1	10.2 9.0	\$39.6	\$15.9
Advertised Both Years to Teens (6)	196.2 194.2	182.0 213.1	16.2 14.1	0.1 0.2	0.0 0.0	1.7 1.8	0.1 0.1	5.3 5.4	1.0 1.5	0.0 0.0	9.7 10.2	\$21.2	\$14.0
Reformulated <sup>5</sup> (4)	220.0 230.0	190.0 180.0	18.9 17.4	0.0 1.0				9.3 8.2	6.0 0.0		10.0 0.0		
Not Reformulated	196.1 194.1	181.5 216.3	16.0 13.8	0.1 0.2	0.0 0.0	1.7 1.8	0.1 0.1	5.0 5.1	0.4 1.7	0.0 0.0	9.7 11.1		
Number Products Reformulated	(1)	(1)	(2)	(1)	(0)	(0)	(0)	(2)	(2)	(0)	(1)		
Off Market 2009 (9)	158.7	190.2	14.2	0.1	0.6	2.0	0.1	4.0	0.3	0.0	10.9	\$12.7	
No Longer Advertised to Teens 2009 (16)	208.8	213.1	16.0	0.1	0.5	1.9	0.0	6.0	1.4	0.0	10.7	\$5.8	
New Product 2009 (3)	195.9	189.8	16.9	0.6	0.0	2.2	0.0	7.1	2.3	0.8	0.0		\$1.9
Newly Advertised to Teens 2009 (0)													\$0.0

(continued)

**Table C.16b: Average Nutritional Characteristics of Baked Goods, All Marketing, By Product Type and Age, 2006 and 2009<sup>1</sup> (continued)**

All Ages																								
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)		Sodium (mg/serv)		Sugar (g/serv)		Fiber (g/serv)		Whole Grains <sup>3</sup> (g/serv)		Saturated Fat (g/serv)		Transfat (g/serv)		Fat (g/serv)		Calcium (%RDI/serv)		Vitamin C (%RDI/serv)		Vitamin A (%RDI/serv)		Spending <sup>4</sup> (\$millions)	
	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009
All Baked Goods (43)	180.6	189.5	234.7	190.8	15.0	13.5	0.2	0.6	0.1	0.0	2.4	2.9	0.1	0.3	5.7	7.1	3.3	1.6	0.0	0.1	7.5	3.1	\$153.4	\$67.1
Advertised Both Years to Youth (6)	177.0	191.0	212.9	193.8	15.8	13.0	0.1	0.6	0.0	0.0	2.6	3.1	0.1	0.4	5.9	7.2	3.2	1.5	0.0	0.0	5.1	3.6	\$109.1	\$58.5
Reformulated <sup>5</sup> (4)	220.0	230.0	190.0	180.0	19.0	17.9	0.0	1.0							10.7	9.4	3.2	0.0			10.0	0.0		
Not Reformulated	172.2	184.6	214.9	201.9	13.2	11.9	0.2	0.5	0.0	0.0	2.6	3.1	0.1	0.4	4.8	4.9	3.2	3.4	0.0	0.0	4.7	5.7		
Number Products Reformulated	(1)		(1)		(2)		(1)		(0)		(0)		(0)		(2)		(2)		(0)		(1)			
Off Market 2009 (12)	175.3		277.9		12.7		0.3		0.6		1.9		0.1		4.7		2.3		0.0		12.8		\$23.6	
No Longer Advertised to Youth 2009 (21)	205.9		300.5		13.1		0.2		0.1		2.0		0.1		6.3		5.0		0.0		13.8		\$20.7	
New Product 2009 (4)	179.9		170.6		16.7		0.7		0.0		1.9		0.0		6.8		2.2		0.4		0.1		\$8.7	
Newly Advertised to Youth 2009 (0)																							\$0.0	

<sup>1</sup>Nutrition averages are expenditure-weighted averages based on the products for which the Commission has basic nutrition data (nutrients required in FDA labeling).

<sup>2</sup>Each panel of the table includes only those products with reportable marketing expenditures for the relevant audience. Thus, for instance, in the Children 2-11 panel, the "All" row includes all products in the relevant food category that had any reportable marketing expenditures to children in 2006 or 2009. Similarly, New Product 2009 includes all new foods that were marketed to children in 2009. For the All Ages panel, expenditure weights reflect spending directed to all ages, but only for products with reportable marketing expenditures, that is, products marketed to youth (children or teens) in either year. For instance, Newly Advertised to Youth 2009 in the All Ages panel reflects All-Ages spending on products newly advertised to children or teens in 2009. Number indicates the number of products in the category.

<sup>3</sup>Data for these nutrients are not required in labeling and thus are not available for all brands for which the companies reported basic nutrition data. For this food category, coverage exceeds 94% of spending for children and 88% overall for whole grains. For potassium and vitamin D, coverage is too low to be reported.

<sup>4</sup>Because these spending totals are based on products for which the companies provided at least basic nutrition data, they may be smaller than expenditures reported in Section II. For this food category, companies reported basic nutrition data for 100% of spending.

<sup>5</sup>Includes products that were reformulated for the particular nutrient listed in the column heading. The number of products and the amount of spending in the reformulated versus non-reformulated category depends on the nutrient.



**Table C.17: Average Nutritional Characteristics of QSRs, TV Advertising, By Product Type and Age, 2006 and 2009**<sup>1</sup>

Children 2-11																
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)	Sodium (mg/serv)	Sugar (g/serv)	Fiber (g/serv)	Saturated Fat (g/serv)	Transfat (g/serv)	Fat (g/serv)	Spending <sup>3</sup> (\$millions)								
	2006	2009	2006	2009	2006	2009	2006	2009								
All QSRs (95)	431.0	349.6	738.6	682.1	23.2	17.0	1.7	1.4	5.3	4.8	1.6	0.2	16.9	13.5	\$83.2	\$135.7
Advertised Both Years on TV to Children (10)	275.2	308.1	549.9	559.7	11.3	14.7	0.6	0.5	3.7	3.9	0.4	0.0	10.1	12.0	\$38.7	\$57.2
Reformulated <sup>4</sup> (5)	381.9	389.6	627.1	601.2	5.7	5.9	1.0	2.0	6.1	7.8	1.0	0.0	13.4	15.3		
Not Reformulated	207.3	210.3	500.3	509.6	11.4	14.9	0.6	0.5	3.7	3.9	0.0	0.0	8.0	8.0		
Number Products Reformulated	(6)	(7)		(3)		(2)				(2)		(5)		(5)		
Off Market 2009 (17)	362.8		759.8		30.4		0.7		3.8		1.2		15.3		\$7.5	
No Longer Advertised on TV to Children 2009 (22)	607.7		931.5		34.2		2.9		7.3		2.9		24.5		\$37.0	
New Product 2009 (24)	370.4		702.3		21.0		2.0		5.2		0.3		13.8		\$62.5	
Newly Advertised on TV to Children 2009 (22)	416.7		1041.7		9.7		1.9		6.6		0.5		17.8		\$16.0	

Teens 12-17																
Product Type <sup>2</sup> (Number)	Calories (kcal/serv)		Sodium (mg/serv)		Sugar (g/serv)		Fiber (g/serv)		Saturated Fat (g/serv)		Transfat (g/serv)		Fat (g/serv)		Spending <sup>4</sup> (\$millions)	
	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009	2006	2009
<b>All QSRs (170)</b>	520.5	477.7	1117.0	1103.5	10.8	11.6	3.0	3.0	8.0	7.9	1.8	0.6	25.9	23.4	\$77.3	\$106.5
Advertised Both Years on TV to Teens (26)	404.6	451.4	743.1	891.8	8.2	8.0	2.1	2.6	5.9	7.2	1.5	0.6	20.4	22.5	\$23.6	\$19.0
Reformulated <sup>4</sup> (16)	426.9	436.6	820.6	920.5	9.5	8.0	2.9	3.0	6.2	5.7	3.2	0.1	23.4	23.8		
Not Reformulated	351.0	489.0	533.0	772.2	7.8	7.9	1.7	2.4	5.8	8.6	0.6	0.7	10.6	18.0		
Number Products Reformulated	(18)		(21)	(8)		(11)			(12)	(12)		(18)				
Off Market 2009 (31)	635.5		1446.9		11.0		3.3		10.8		1.7		32.4		\$26.7	
No Longer Advertised on TV to Teens 2009 (32)	508.2		1117.8		13.0		3.5		7.1		2.2		24.3		\$27.1	
New Product 2009 (44)	483.1		1150.9		12.7		3.8		7.6		0.5		23.2		\$57.3	
Newly Advertised on TV to Teens 2009 (37)	483.9		1146.3		11.9		1.9		9.1		0.6		24.3		\$30.2	

<sup>1</sup>Nutrition averages are expenditure-weighted averages based on the products for which the Commission has basic nutrition data (nutrients required in FDA labeling) and TV spending.

<sup>2</sup>Each panel of the table includes only those products with reportable TV marketing expenditures for the relevant audience. Thus, for instance, in the Children 2-11 panel, the "All" row includes all products in the relevant food category that had any reportable TV marketing expenditures to children in 2006 or 2009. Similarly, New Product 2009 includes all new foods that were marketed to children on TV in 2009.

<sup>3</sup>Because these spending totals are based on products for which the companies reported basic nutrition data, they may be smaller than expenditures reported in Section II. For this category, the companies provided basic nutrition data for 91% and 98% of spending for children and 77% and 96% for teens in 2006 and 2009, respectively.

<sup>4</sup>Includes products that were reformulated for the particular nutrient listed in the column heading. The number of products and the amount of spending in the reformulated versus non-reformulated category depends on the nutrient.



## **Appendix D**

### **Analysis of Online and Mobile Marketing**



## **Appendix D**

### **Analysis of Online and Mobile Marketing**

As observed in Section II.C, most food categories increased youth-directed advertising for company-sponsored websites, paid ads on third-party websites (“display ads”), and digital, word-of-mouth, and viral marketing (collectively, “new media”). QSRs, fruit and vegetable companies, and prepared food and meal companies demonstrated the largest relative increases in new media expenditures directed to children and teens, compared to 2006. Overall, the reporting companies spent \$122.5 million in 2009 on new media for the reported brands, a 50.5% increase in inflation-adjusted dollars; \$38.8 million was for company-sponsored websites, and \$74.4 million was for advertising on third-party Internet sites and digital marketing, such as mobile marketing.

The top-five food categories ranked in terms of absolute dollars spent in 2009 on child-directed new media were: (1) breakfast cereal (\$21.6 million), (2) QSRs (\$16.4 million), (3) snack foods (\$10 million), (4) prepared foods and meals (\$6.3 million), and (5) juice and non-carbonated beverages (\$3.5 million). The top-five new media categories for teens were: (1) carbonated beverages (\$22.6 million), (2) candy/frozen desserts (\$11.7 million), (3) snack foods (\$11.3 million), (4) breakfast cereal (\$10.8 million), and (5) juice and non-carbonated beverages (\$8.7 million). These reported new media expenditures largely correlated with child exposure to these forms of online advertising during 2009. The reported expenditures also roughly correlated with teen exposure to display advertising.

Ad impressions on websites popular with youth do not tell the entire story in the online environment. Food companies also reached children and younger teens through their own websites and via social media sites like Facebook. These online media are not necessarily as costly as display advertising, yet potentially have a farther, and more immersive, reach than display advertising. Finally, although hard data are scant, anecdotal evidence from marketing plans indicates that companies increasingly are reaching out to teens through their mobile devices.

## **I. Online Display Advertising**

### **A. Methodology**

#### ***1. 2008 Report***

For the 2008 report, the Commission gauged the extent to which food marketers targeted children and teens on the Internet in 2006. Based on data from Nielsen Online, the Commission designated a website child-oriented if, for at least two months in 2006,<sup>1</sup> *either* (a) the site's unique audience composition index (UACI) for children 2-11 was 200 or higher,<sup>2</sup> *or* (b) the site's unique audience composition percentage (UACP) for children was at least 20% (approximately double the percentage of children or teens who comprised the total population of active Internet users). A website was considered teen-oriented if, for at least two months in 2006, *either* (a) the site's UACI for teens 12-17 was 200 or higher, *or* (b) the UACP for teens was at least 20%. In a few instances when Nielsen data were unavailable, the Commission categorized websites as child- and/or teen-oriented based solely on their content.

The analysis for the 2008 report showed that display ads for food and beverages had generated roughly two billion impressions on child-oriented websites in 2006. Large proportions of all online ad impressions for baked goods, breakfast cereals, and snacks were generated on child-oriented websites. For teens, display ads – primarily for carbonated beverages and QSRs – generated more than nine billion impressions (mostly from MySpace).

Nielsen data also showed that in some months visitors to websites hosted by food companies spent up to thirty or more minutes on such sites. Further, they tended to visit multiple food company websites each month, as well as child-oriented websites that featured significant quantities of food and beverage display advertising.

#### ***2. 2012 Report***

For this report, the Commission used comScore's Ad Metrix service to identify all display advertising on child- and teen-oriented websites during 2009. As a check, the Commission also purchased data from Nielsen's AdRelevance Service showing the top food and beverage display ads on those sites. Further, the Commission obtained demographic information on selected food company websites.

The Commission slightly modified its methodology for selecting child- and teen-oriented websites. For the 2008 report, the Commission defined a child- or teen-oriented website based on the percentage of children or teens in the audience (or the UACIs for those age groups). One potential shortcoming is that this metric does not capture the depth of the visitors' experience with a website. For example, many children may visit a particular website, but if they view only the home page and/or spend less than one minute per month on the site, it is questionable whether that site is really child-oriented. Also, there may be sites on which children or teens explore considerably more of the content than adults, but do not qualify as child- or teen-oriented websites because the UACI for children or teens is less than 200. Arguably, some of those sites should be considered child- or teen-oriented when visitors in those age groups disproportionately view the sites' content.

When analyzing 2009 data, the Commission relied on two metrics that capture the depth of experience with a website. First, a site's page view composition index (PVCi) for children or teens represents the extent to which pages viewed at a website are over- or under-represented compared to the average number of pages viewed by children or teens across all websites they visit. A PVCi significantly above 100 for a website shows that the age group consumes more content on that site than would be predicted based on that age group's consumption of web pages generally. Second, the demographic average minutes per visitor represents the average number of minutes per month that a child or teen visitor spent on the website. This metric would preclude a site from being considered child- or teen-oriented where those age groups spend minimal time on them.

**a. Children**

Based on the foregoing considerations, the Commission defined child-oriented websites as follows. First, the Commission narrowed the universe of all ad-supported websites to those sites where the average monthly UACI for children during calendar year 2009<sup>3</sup> was 150 or higher (in contrast to 200 or higher in one or more months). Second, the Commission narrowed the resulting subset of sites to those with an average monthly PVCi for children of at least 200 for calendar year 2009. Third, the Commission eliminated sites on which children spent, on average, less than five minutes per month. The end result was a list of sites for which children were over-represented in terms of visitation (150+ average UACI or higher) and in terms of their

depth of experience (200+ average PSCI), and with which children had spent a non-trivial amount of time per month (more than 5 minutes). The Commission used a parallel methodology to derive the teen-oriented sites.

## **B. Results**

### ***1. Children***

Using the criteria outlined above, comScore identified 18 websites and media entities (agglomerations of websites). *See* Table D.1.



**Table D.1: Top Child-Oriented Websites & Media Entities, per comScore (2009)**

4kids Entertainment
ANDKON.COM
CARTOONNETWORK.COM
Disney Online
FREEWORLDGROUP.COM
FUNBRAIN.COM
GAMES2GIRLS.COM
MARAPETS.COM
MINICLIP.COM
Nickelodeon Family & Parents*
Nickelodeon Kids†
Nickelodeon Kids and Family Games‡
NINJAKIWI.COM
OYUNLAR1.COM
PBSKIDS.ORG
STARDOLL.COM
STARWARS.COM
Y8.COM

Source: comScore

\*The Nickelodeon Family & Parents media property consists of several websites, including the Nickjr.com sites, ParentsConnect.com, PetNamesWorld.com, NickAtNite.com, DoraLinks.com, and MyNoggin.com.

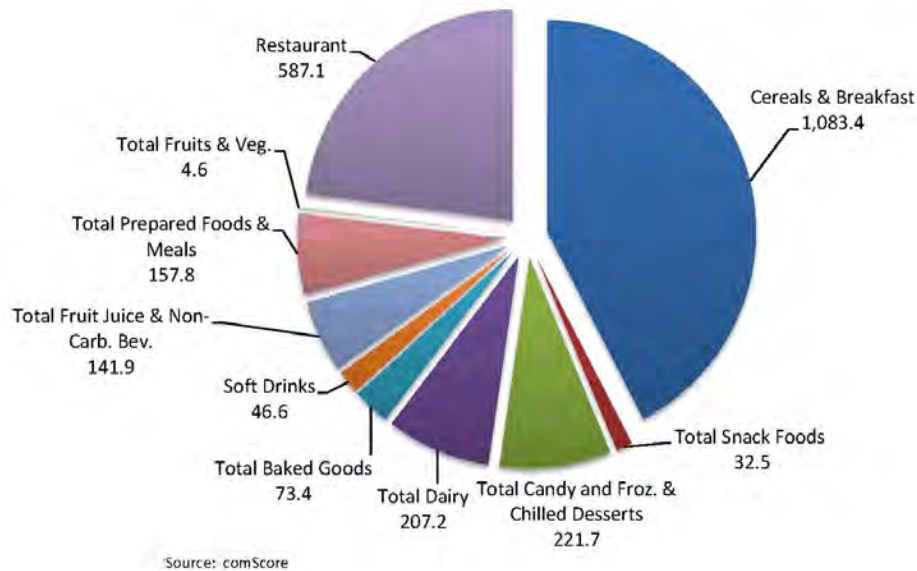
†The Nickelodeon Kids media property consists of several websites, including Neopets, the Nick.com sites, BigGreenHelp.com, NickMobile.com, NickSplat.com, PetPetPark.com, MundoNick.com, NickToonsNetwork.com, PacificCoastAcademy.com, MundoBob.com, and iCarly.com.

‡The Nickelodeon Kids and Family Games media entity consists of several websites, including AddictingGames.com, Shockwave.com, Gameblast, TeenNick GamePony, Neopets, several Nick.com and Nickjr.com sites, and Neopets.

The 18 child-oriented websites generated over 2.1 billion display ad impressions for food products, accounting for nearly 19% of all display ad impressions on those sites.<sup>4</sup> This number closely matches the 1.96 billion food ad impressions that Nielsen detected on 19 child-oriented websites during 2006.<sup>5</sup> In 2006, most of the impressions for food ads on child-oriented sites fell in the breakfast cereal (662 million), snack food (492 million), and QSR (274 million)

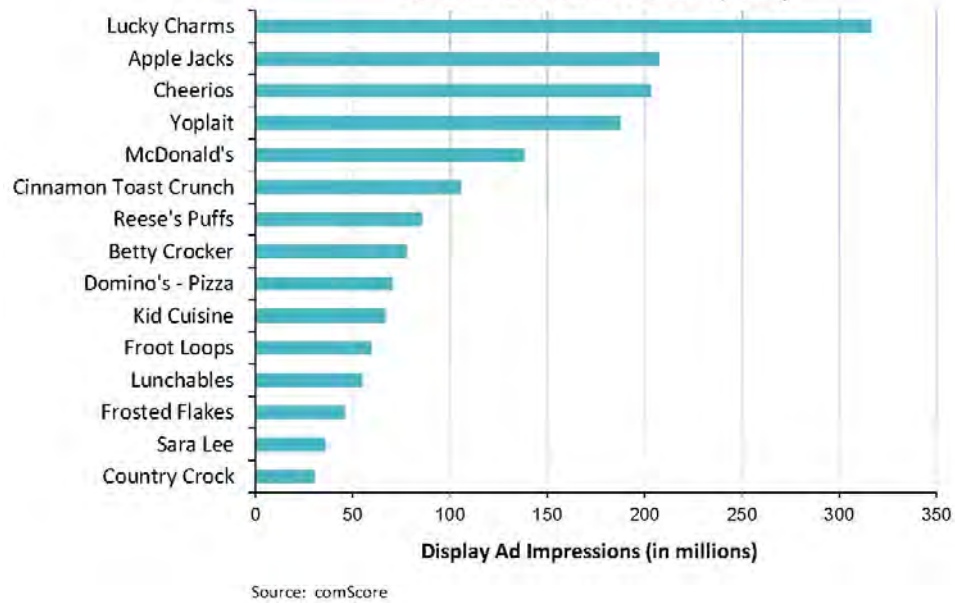
categories.<sup>6</sup> In 2009, the breakfast cereal (1 billion) and QSR (587 million) categories generated most of the display ad impressions for food on child-oriented websites. *See* Figure D.1.

**Figure D.1: Display Ad Impressions (in millions) on Child-Oriented Websites, by Food Category (2009)**



The most advertised food products on child-oriented websites included several pre-sweetened cereals, prepared meals, and flavored yogurt. *See* Figure D.2.

**Figure D.2: Top 15 Foods Ranked by Display Ad Impressions on Child-Oriented Websites (2009)**



## 2. Adolescents

Using the criteria outlined above, comScore identified 49 teen-oriented websites and media entities. *See* Table D.2.

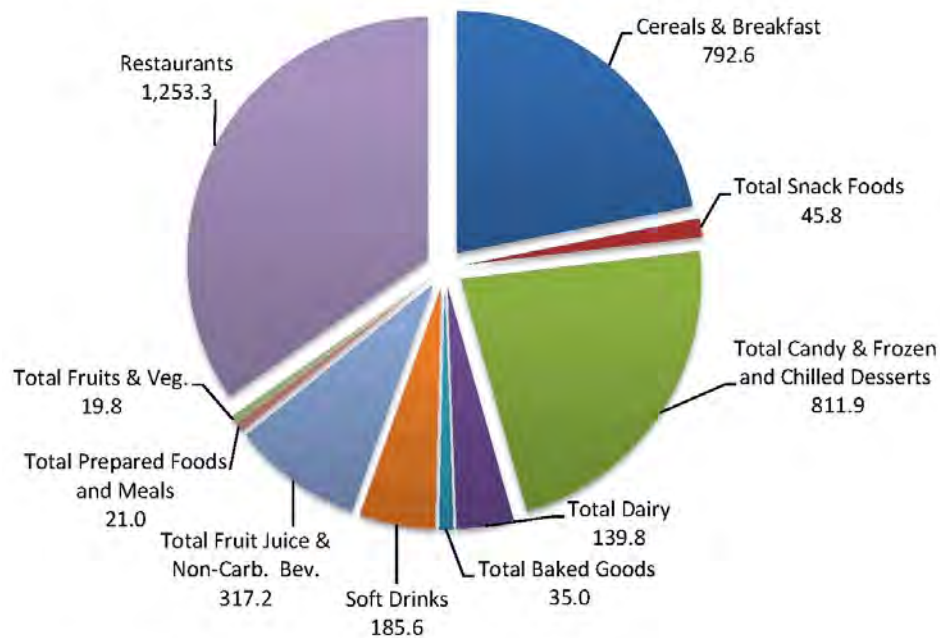
Table D.2: Top Adolescent-Oriented Websites & Media Entities (2009)	
123PEPPY.COM	MARAPETS.COM
2DPLAY.COM	MINICLIP.COM
4kids Entertainment	MOFUNZONE.COM
ABC Family	MOSTFUNGAMES.COM
Alloy Digital Network - Potential Reach	MTVN Teens Network
ANIMELYRICS.COM	MUSIC.COM
ARMORGAMES.COM	Nabbr - Potential Reach
ARTISTdirect Network	NEWGROUNDS.COM
BEBO.COM	Nick Kids Network
BLNK.COM	Nickelodeon Casual Games
CHEATCC.COM	Nickelodeon Kids and Family Games
CRAZYMONGKEYGAMES.COM	Nickelodeon Teens
DailyRadar	NINJAKIWI.COM
DEVIANTART.COM	OCEANUP.COM
Double Fusion Network - Potential Reach	Ology Media - Potential Reach
DOWN-SOUTH.COM	PHONEZOO.COM
DRESSUPGAMES.COM	PHOTOBUCKET.COM
FANFICTION.NET	PICNIK.COM
FREEWORLDGROUP.COM	PICZO.COM
G4TV.COM	PLAYHUB.COM
GAIAONLINE.COM	PROBOARDS.COM
GAMES2GIRLS.COM	RAPBASEMENT.COM
GAMESHARK.COM	RUNEHQ.COM
GameSpot	SPARKNOTES.COM
GAMESPY.COM	STARDOLL.COM
GAMEWINNERS.COM	TEENSPOT.COM
GiantRealm	UGO Entertainment
Grand Play Media	URBANDICTIONARY.COM
Hearst Teen Network	WEBS.COM
HOTFREELAYOUTS.COM	XANGA.COM
KONGREGATE.COM	Y3.COM
ManiaTV Network Media - Potential Reach	

Source: comScore

In 2009, teen-oriented websites generated more than 2.3 billion display ad impressions for food products, accounting for about 7% of all display ad impressions on those sites.<sup>7</sup> Although Nielsen detected 9.4 billion display ad impressions for food products on 48 teen-oriented websites during 2006, more than 9 billion of those impressions occurred on MySpace. As noted in the 2008 report, MySpace ceased to be a teen-oriented website in 2007.<sup>8</sup> Therefore, the analysis for 2009 did not include any display ad impressions for food products on MySpace and other general audience social networking websites, such as Facebook. As noted below, however, at least some food companies view general audience social networking sites as an important medium for reaching teens.

In 2006, most of the impressions for food ads on teen-oriented sites, excluding MySpace, fell in the QSR (158 million), carbonated beverages (86 million), and candy and frozen and chilled desserts (52 million) categories.<sup>9</sup> In 2009, the QSR (1.3 billion), candy and frozen and chilled desserts (812 million), and breakfast cereal (793 million) categories generated most of the display ad impressions for food on teen-oriented websites. *See* Figure D.3.

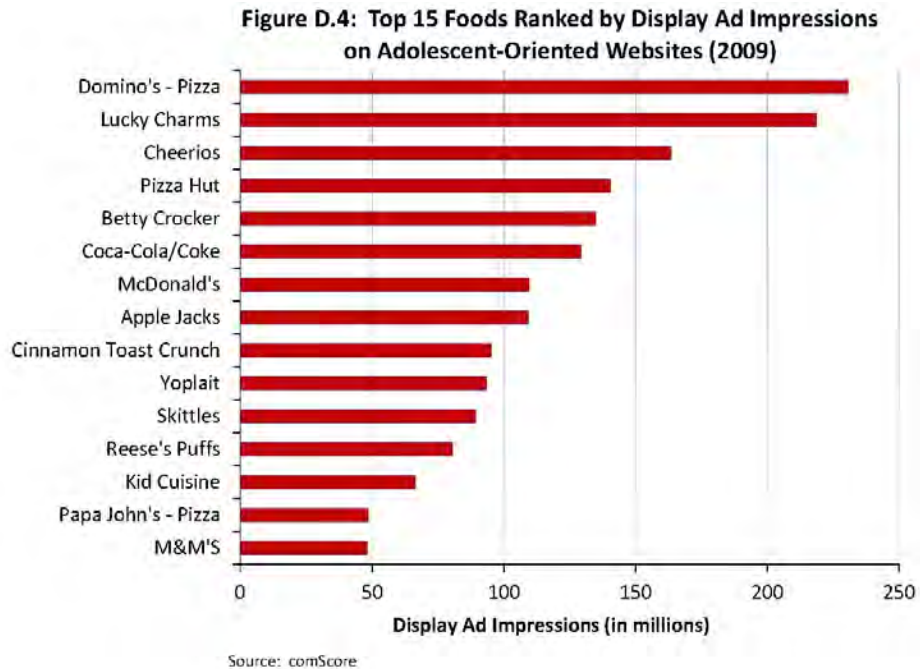
**Figure D.3: Display Ad Impressions (in millions) on Adolescent-Oriented Websites, by Food Category (2009)**



Source: comScore

The most advertised food products on teen-oriented websites included several pre-sweetened cereals and QSRs, as well as snacks and a flavored yogurt. *See* Figure D.4.





## II. Online Social Media

Child-directed virtual worlds ran a significant amount of display advertising for foods. Nine of the top-ten consumer goods advertised on 13 of the most popular online worlds for children were foods. *See* Table D.3.

**Table D.3: Top 10 Consumer Products Advertised on Child-Oriented Virtual Worlds (Mar. - Dec. 2009)**

Product	Impressions (000)
Lucky Charms	87,146
Cheerios	78,181
Skittles	67,363
Kid Cuisine	57,082
Popsicle	49,335
CapriSun	46,284
Apple Jacks	34,780
Domino's - Pizza	32,910
Sour Patch Kids	28,318
Gillette	28,010

Source: comScore AdMetrix Advertiser Report (Mar. - Dec. 2009). The table shows total display ad impressions for products in the Consumer Goods category on the following websites: BarbieGirls.com, ClubPenguin.com, GaiaOnline.com, Habbo.com, Marapets.com, Neopets.com, Nick.com/Nickropolis,

In addition, these virtual worlds contained food-branded entertainment that comScore's Ad Metrix and Nielsen Online's AdRelevance services, which focus on display advertising, do not necessarily capture. A marketing plan from one major food company noted that "[b]rands see [virtual worlds] as a way to establish relationships with young consumers and to grow and deepen those relationships over time." The plan cited Neopets as having an "'immersive advertising model' [that] imbeds branded virtual merchandise and games throughout the site." The plan discussed another company's candy product that was promoted on Habbo.com through a teen-targeted, virtual "beach party" that attracted 325,000 visitors. Another product was promoted through a virtual three-room factory on Nicktropolis.com. Over 57 million impressions drove children to the factory, and they spent an average of nearly two hours in one of the rooms.<sup>10</sup>

One candy company conducted a tracking study on 400 children ages 6 to 17, and found that nearly two in five respondents followed one popular candy brand on Facebook, and one in four respondents followed another. Although Facebook does not disproportionately reach children or teens,<sup>11</sup> millions of them visit and spend a substantial amount of time on Facebook each month.<sup>12</sup> Accordingly, at least for certain foods, Facebook can be an efficient and far-reaching, yet low-cost, marketing tool to keep children and teens engaged with the brands.

### **III. Food Company Websites**

Food company websites remain a viable part of integrated marketing campaigns, but their popularity has not grown appreciably since 2006. In general, such sites tend to reach far fewer children compared to the reach of the media and social networking websites that children frequently visit for entertainment. More than two million children ages 2-11 (and nearly three million 6-14-year-olds) per month visited at least one of 73 food company websites most likely to attract children during the last four months of 2009.<sup>13</sup> See Tables D.4 (row (a)) and D.5 (row (a)).

Table D.4: Age 2-11 Audience Duplication* between Food Company Websites Most Likely to Attract Children					
	Total Unique Visitors Ages 2-11 (000)	Unique Audience Composition % (UACP) Ages 2-11	Unique Audience Composition Index (UACI) Age 2-11	Page View Composition Index (PVCi) Age 2-11	Avg. Minutes per 2-11-Year-Old Visitor
<b>Total Internet</b>	<b>18,959</b>	<b>9</b>	<b>100</b>	<b>100</b>	<b>662</b>
<b>(a) 2-11-Year-Olds Who Visited 1 or More Food Co. Sites</b>	2,150	9	91	337	16
<b>(b) 2-11-Year-Olds Who Visited 2 or More Food Co. Sites</b>	517	9	91	361	35
<b>(c) 2-11-Year-Olds Who Visited 1 or More <u>Child-Oriented</u>† Food Co. Sites</b>	909	24	253	629	27
<b>(d) 2-11-Year-Olds Who Visited 2 or More <u>Child-Oriented</u>† Food Co. Sites</b>	167	29	310	n/a	n/a

Source: comScore Media Metrix. Averages for the four months ending December 2009.

\*Audience duplication between websites means that different websites had the same 2-11-year-old visitors in a given month.

†Food company websites that had an average unique audience composition index (UACI) for 2-11-year-olds of at least 150 during 2009.



**Table D.5: Age 6-14 Audience Duplication\* between Food Company Websites Most Likely to Attract Children**

	<b>Total Unique Visitors Ages 6-14 (000)</b>	<b>Unique Audience Composition % (UACP) Ages 6-14</b>	<b>Unique Audience Composition Index (UACI) Age 6-14</b>	<b>Page View Composition Index (PVCi) Age 6-14</b>	<b>Avg. Minutes per 6-14-Year-Old Visitor</b>
<b>Total Internet</b>	<b>25,200</b>	<b>13</b>	<b>100</b>	<b>100</b>	<b>967</b>
<b>(a) 6-14-Year-Olds Who Visited 1 or More Food Co. Sites</b>	2,956	11	88	228	17
<b>(b) 6-14-Year-Olds Who Visited 2 or More Food Co. Sites</b>	690	11	89	258	38
<b>(c) 6-14-Year-Olds Who Visited 1 or More Child-Oriented† Food Co. Sites</b>	1,155	28	216	463	31
<b>(d) 6-14-Year-Olds Who Visited 2 or More Child-Oriented† Food Co. Sites</b>	193	33	260	736	110

Source: comScore Media Metrix. Averages for the four months ending December 2009.

\*Audience duplication between websites means that different websites had the same 6-14-year-old visitors in a given month.

†Food company websites that had an average unique audience composition index (UACI) for 2-11-year-olds of at least 150 during 2009.

Although these visitation numbers appear large, few individual food sites averaged more than 100,000 child visitors per month; most had significantly less than 50,000. Four food brand sites – Millsberry.com (284,000), HappyMeal.com (189,000), MyCokeRewards.com (177,000), and McWorld.com (139,000) – consistently exceeded the 100,000-child threshold. *See* Table D.6.<sup>14</sup> By comparison, four media and social networking sites popular with children each averaged two million or more child visitors per month, three others averaged significantly more than one million, and four more averaged more than 500,000. *See* Table D.8.

**Table D.6: Average Monthly Youth Audiences for, and Minutes Spent at, Child-Oriented, Food Company Websites (2009)**

	Ages 2-11		Ages 6-14		Ages 2-17	
	Unique Visitors (000)	Monthly Minutes	Unique Visitors (000)	Monthly Minutes	Unique Visitors (000)	Monthly Minutes
<b>Total Internet</b>	<b>18,656</b>	<b>809</b>	<b>24,775</b>	<b>1,045</b>	<b>39,815</b>	<b>1,097</b>
AppleJacks.com	72	8	84	7	114	7
BewareTheGush.com	39	n/a	30	n/a	41	3
Butterfinger.com	10	n/a	12	n/a	11	3
ClubBK.com‡	45	n/a	47	14	50	14
CornPops.com	18	n/a	9	n/a	17	1
FrootLoops.com	59	n/a	64	2	88	1
FrostedFlakes.com‡	13	n/a	17	n/a	20	2
Gogurt.com	68	1	59	1	63	1
HappyMeal.com	189	9	204	9	248	10
LuckyCharms.com	41	n/a	31	4	55	4
McWorld.com‡	139	7	146	5	166	5
Millsberry.com	284	45	440	68	602	65
MMS.com	28	n/a	40	1	59	5
MyCoke.com	23	n/a	27	n/a	34	2
MyCokeRewards.com‡	177	12	259	12	372	11
NabiscoWorld.com	30	n/a	38	n/a	53	4
PFGoldfish.com	74	n/a	80	14	101	8
PopTarts.com	23	n/a	32	n/a	38	2
PostCereals.com	23	n/a	20	n/a	20	1
Postopia.com	61	n/a	95	29	128	24
ReesesPuffs.com	19	n/a	18	9	23	10
Twix.com	13	n/a	14	n/a	19	2
Wonka.com	29	n/a	42	n/a	50	4

Source: comScore (Media Trend Report January-December 2009). For purposes of this table, a food company website was deemed child-oriented if it had an average 2-11-year-old UACI of 150 or higher during 2009. Unless otherwise noted, all reported figures are a twelve-month average.

‡Average of three-month rolling averages from August through December 2009.

**Table D.7: Average Monthly Youth Audiences for, and Minutes Spent at, Other Food Company Websites (2009)**

	Ages 2-11		Ages 6-14		Ages 2-17	
	Unique Visitors (000)	Monthly Minutes	Unique Visitors (000)	Monthly Minutes	Unique Visitors (000)	Monthly Minutes
<b>Total Internet</b>	<b>18,656</b>	<b>809</b>	<b>24,775</b>	<b>1,045</b>	<b>39,815</b>	<b>1,097</b>
BurgerKing.com	42	n/a	62	3	98	3
ChuckE Cheese.com	143	5	176	6	263	7
Coca-Cola.com	23	n/a	26	n/a	39	1
Dominos.com	176	7	254	7	432	7
Hersheys.com	25	n/a	43	n/a	59	7
Kelloggs.com	57	2	86	2	130	2
KFC.com	35	3	49	4	85	3
KraftFoods.com	184	5	238	5	339	5
McDonalds.com	98	4	137	3	259	3
PapaJohns.com	103	2	148	1	224	1
Pepsi.com	11	n/a	17	n/a	23	n/a
Pillsbury.com	81	n/a	110	4	164	3
PizzaHut.com	195	11	255	9	438	9
SonicDriveIn.com	71	n/a	52	3	88	3
SubwayKids.com	3	n/a	3	n/a	3	n/a
TacoBell.com	19	n/a	30	n/a	67	3
Topps.com	10	n/a	13	n/a	17	n/a
Wendys.com	38	n/a	50	n/a	86	3

Source: comScore (Media Trend Report January-December 2009).

**Table D.8: Average Monthly Youth Audiences for, and Minutes Spent at, Child-Oriented Media Websites (Aug-Dec 2009)**

	Ages 2-11		Ages 6-14	
	Unique Visitors (000)	Monthly Minutes	Unique Visitors (000)	Monthly Minutes
<b>Total Internet</b>	<b>18,667</b>	<b>748</b>	<b>25,074</b>	<b>1,035</b>
Andkon.com	315	42	481	45
BarbieGirls.com	456	22	522	21
CartoonNetwork.com	1,999	30	2,600	32
Disney Online†	5,738	49	7,420	46
Funbrain.com	715	17	970	18
GaiaOnline.com	370	182	806	218
Games2Girls.com	309	52	389	37
Lego.com	784	41	896	39
Miniclip.com	1,551	60	2,313	57
Nickelodeon Kids & Teens‡	2,682	75	3,410	73
NickJr.com	1,355	102	1,153	73
Poptropica.com	1,364	105	1,646	106
Stardoll.com	503	116	757	92
Y8.com	679	103	985	80
WebKinz.com	2,319	15	2,362	16
WeeWorld	192	89	315	81

Source: comScore (Media Trend Report August-December 2009). Reported numbers are the average of 3-month rolling averages between August and December 2009.

†Disney Online encompasses numerous media properties, including ABC Kids, Disney Channel, JETIX, Club Penguin, Disney XD, Funschool.com, Kaboose.com, and Zeeks.com.

‡Nickelodeon Kids & Teens encompasses numerous media properties, including Neopets and Nick.com.

Children 2-11 averaged only 16 minutes per month on one or more of the 73 food company sites during the last four months of 2009, slightly more than 2% of the 662 total minutes they averaged online during that time. *See* Table D.4. The three million visitors ages 6-14 averaged 17 minutes per month, less than 2% of the 967 minutes they logged online.<sup>15</sup> Further, with few exceptions, most children spent little time on any individual food company site, including those sites with much child-oriented content. *See* Tables D.6 and D.7. Millsberry.com (45 minutes for children) and Postopia.com (29 minutes for 6-14-year-olds) were the only notable outliers. Overall, the time children spent on food websites stands in sharp contrast to the time they spent on media sites, including virtual worlds such as GaiaOnline.com (182 minutes), Stardoll.com (116

minutes), and Poptropica.com (108 minutes). *See* Table D.8. As noted above, however, such virtual worlds sites ran a significant amount of display advertising for foods.

As was reported in 2008 (for the 2006 time period), a sizable subset of youth regularly visited and spent significant time on multiple food company websites each month during 2009.<sup>16</sup> Through the four months ending December 2009, more than a half million children 2-11, and nearly 700,000 6-14-year-olds, averaged more than 30 minutes per month on two or more of the 73 food sites examined. *See* Tables D.4 (row (b)) and D.5 (row (b)). Also, nearly 200,000 6-14-year-olds spent, on average, 110 minutes per month on multiple child-oriented food sites,<sup>17</sup> over 11% of their monthly Internet time. *See* Table D.5 (row (d)). Thus, a significant minority of children regularly exposed themselves to food brand websites, in addition to viewing a substantial number of display ads for foods on the media websites.<sup>18</sup>

#### **IV. Mobile Advertising**

Company marketing plans indicate that food marketers targeted mobile advertising to children and teens. This is not surprising given the large percentages of youth who own cell phones. In 2009, according to a Kaiser Family Foundation study, 31% of 8-10-year-olds, 69% of 11-14-year-olds, and 85% of 15-18-year-olds owned cell phones.<sup>19</sup> Nearly half of 8- to 18-year-olds use their cell phones to send text messages, and those users spend about an hour and a half per day on the activity.<sup>20</sup> That age group spends more of their cell phone time on media-related activities than talking, averaging 49 daily minutes of either listening to music (17), playing games (17), or watching television (15).<sup>21</sup> Moreover, cell phones can be an especially effective medium for reaching Hispanic and black youth, who average more than twice and three times, respectively, the number of minutes that white youth spend on their cell phones listening to music, playing games, and watching television.<sup>22</sup> It is likely, therefore, that black and Hispanic youth are exposed to more mobile food marketing than their white counterparts.<sup>23</sup> Some of these activities – such as downloadable mobile content and text message promotions – are detailed in Section IV.B.2.b of this report.

It is difficult to quantify youth exposure (let alone, minority youth exposure) to mobile advertising because the leading syndicated services that monitor the mobile space can provide only limited data. For 2009 and earlier, only comScore's AdMetrix Mobile service employed mobile

phone panelists under the age of 18. None of their panelists, however, was under age 13, so the available data relate only to teens 13-17. Moreover, the data address only SMS (short message service), or text-based, ads. They do not capture marketing through company-branded smartphone applications,<sup>24</sup> quick-response bar codes read by a cell phone's camera, or mobile banner ads served by the mobile network provider.<sup>25</sup>

As shown in Table D.11, the number of teen mobile subscribers increased from 41.7 million at the end of 2007 to 54.4 million at the end of 2009. About one in five teen-aged subscribers reported receiving at least one text ad per month by the end of 2009, up very slightly from 2007. Among all subscribers, there was a slight increase (1%) in the relative number of text ads for food products and restaurants between 2007 and 2009. The data suggest similar upward trends for teens. Between a quarter and a third of all subscribers reported responding to a text ad for a food or a restaurant. The data point to similarly high response levels by teens.

In short, the data suggest two reasons for the increase in teens' exposure to text-based mobile ads for food between 2007 and 2009. First, more teens had cell phones in 2009. Second, food marketers' share of text-based advertising increased relative to other product categories.

**Table D.11: Trends in Food & Restaurant Text Advertising on Mobile Devices (2007 vs. 2009)**

	Dec. 2007†		Dec. 2009†	
	All Subscribers	Age 13-17	All Subscribers	Age 13-17
Total Mobile Subscribers	219,000,000	16,732,605	234,000,000	18,196,197
Subscribers Receiving at Least 1 Text Ad	41,718,099	2,948,888	54,447,148	3,679,957
% of Subscribers Receiving at Least 1 Text Ad	19.05%	17.62%	23.27%	20.22%
Subscribers Receiving at Least 1 Food† Ad	1,477,607	61,277	4,243,895	297,211
% of Subscribers Receiving at Least 1 Food Ad	0.67%	0.37%	1.81%	1.63%
Subscribers Receiving at Least 1 Restaurant Ad	1,363,356	105,613	3,828,815	192,194
% of Subscribers Receiving at Least 1 Restaurant Ad	0.62%	0.63%	1.64%	1.06%
Subscribers Responding to Food Ads	430,642	33,439	1,212,429	81,571
% Who Responded to a Food Ad (of Subscribers Who Received 1 or More Food Ads)	29.14%	54.57%	28.57%	27.45%
Subscribers Responding to Restaurant Ads	364,069	38,570	1,065,873	54,072
% Who Responded to a Restaurant Ad (of Subscribers Receiving 1 or More Restaurant Ads)	26.70%	36.52%	27.84%	28.13%

Source: comScore AdMetrix Mobile

†Average over three months. †This category includes food, drink, and confectionary text ads. \*Responding to an ad means replying to the text message, clicking on a link to a website that was in the text message, or calling a telephone number that was included in the text message.

Numbers in green font are directional only. Data fall below minimum sample size for projectability.

## Endnotes

1. The Commission required a website to satisfy the 20% UACP/200 UACI threshold for at least two months in the relevant year to avoid misclassifying a site based on what might have been one anomalous month of web traffic. This standard was more rigorous than the definition of child- and teen-oriented websites from the Orders to File Special Report that the FTC had sent to the 44 food marketers. The Order deemed a site child- or teen-oriented if the site met or exceeded the audience thresholds for at least one month during the year. *See* 2008 Report at App. B, B-15, B-29.
2. A children's or teen's unique audience composition index (UACI) of 200 for a website means that children or teens were 100% more likely to have visited that site than would have been predicted based on the percentage of children or teen Internet users.
3. The Nielsen Online data for website metrics were based on six months of data (July through December 2009).
4. The Commission used comScore's Ad Metrix database to determine the range of display advertising on the child-oriented websites. According to Ad Metrix, more than 1,200 products were advertised on child-oriented websites during 2009. The top 300 products accounted for nearly 93% of all display ad impressions on these sites.
5. Source: Nielsen Online NetView (U.S. Home & Office) & AdRelevance (based on custom food and beverage advertiser groups).
6. Source: Nielsen Online NetView (U.S. Home & Office) & AdRelevance (based on custom food and beverage advertiser groups).
7. According to comScore's Ad Metrix service, more than 1,600 products were advertised on teen-oriented websites during 2009. The top 300 products accounted for nearly 90% of all display ad impressions on these sites.
8. 2008 Report at App. D, D-4.
9. Source: Nielsen Online NetView (U.S. Home & Office) & AdRelevance (based on custom food and beverage advertiser groups).
10. According to press reports, Skittles was promoted through a campaign on GaiaOnline, whereby users could earn items that could be traded or sold to other users. As a result, such campaigns can lead to far longer engagement with the brand than a banner ad. *See* Chris Sherman, *How Gaia Online Made Users Love Ads With Branded Virtual Goods*, Engage Digital (Apr. 14, 2009), available at [www.engagedigital.com/blog/2009/04/14/how-gaia-online-made-users-love-ads-with-branded-virtual-goods/](http://www.engagedigital.com/blog/2009/04/14/how-gaia-online-made-users-love-ads-with-branded-virtual-goods/) ("The usual engagement time of a user interacting with a Gaia branded campaign area is between 15 to 30 minutes, not counting time a user might spend interacting with a brand by just wearing branded apparel or playing with branded goods....Increasingly brands see Gaia as



an integral part of their campaign for the 13-24 US population.”).

11. On average, over the nine months ending September 2010, children ages 2-11 comprised 2.1% of Facebook’s audience, and teens ages 12-17 comprised 10.1%. comScore, *Media Metrix Target Trend Report (Jan. - Sep. 2010)* (2010).

12. On average, over the nine months ending September 2010, more than 2.7 million children ages 2-11 and 13.2 million teens ages 12-17 visited Facebook each month. *Id.* Children spent an average of 72 minutes a month on Facebook, and teens averaged 242 minutes.

13. After excluding websites for bubble gum, peanut butter, and other food categories not covered by the Special Order, the Commission examined youth visitation to 73 food company websites likely to (a) contain content that appealed to them, such as advergames, or (b) promote food products that are either marketed to children or that children are likely to consume. This list of websites was compiled from prior research on advergaming websites, as well as a search of the comScore database for websites affiliated with the 48 food companies covered by this report. *See, e.g.,* Rudd Center for Food Policy & Obesity, *Cereal F.A.C.T.S.: Evaluating the Nutrition Quality and Marketing of Children’s Cereals* 39, 70 (Oct. 2009), available at [www.cerealfacts.org/media/Cereal\\_FACTS\\_Report.pdf](http://www.cerealfacts.org/media/Cereal_FACTS_Report.pdf); Lee, Choi, Quilliam & Cole, *Playing with Food: Content Analysis of Food Advergames*, J. Consumer Affairs 129, 149-51 (2009); Montgomery & Chester, *Interactive Food and Beverage Marketing: Targeting Adolescents in the Digital Age*, J. Adolescent Health S18 (2009); Moore & Rideout, *The Online Marketing of Food to Children: Is it Just Fun and Games?*, J. Pub. Pol’y & Marketing 202, 217 (2007). The Rudd Center used a similar approach for its research on child visitation to food company websites in 2009. *See* Harris, Speers, Schwartz, and Brownell, *U.S. Food Company Branded Advergames on the Internet: Children’s Exposure and Effects on Snack Consumption*, J. of Children & Media (2011), available at [www.yaleruddcenter.org/resources/upload/docs/what/advertising/AdvergamesSnackConsumption\\_JCM\\_11.30.11.pdf](http://www.yaleruddcenter.org/resources/upload/docs/what/advertising/AdvergamesSnackConsumption_JCM_11.30.11.pdf). The Rudd Center study found that youth tended to explore more pages on food sites with advergames compared to food sites without advergames.

Fewer than half of the 73 sites were disproportionately visited by children – *i.e.*, had an average UACI for children of at least 150 during 2009. *See infra* note 17. The 73 sites were: 3Musketeers.com, AppleJacks.com, BenandJerrys.com, BewareTheGush.com, BurgerKing.com, Butterfinger.com, CadburySchweppes Co., Cheerios.com, Cheetos.com, Chex.com, ChuckECheese.com, ClubBK.com, Coca-Cola.com, CornPops.com, DairyQueen.com, Dole.com, Dominos.com, DoveChocolate.com, Dreyers.com, Dr.Pepper.com, DunkinDonuts.com, FritoLay.com, FrootLoops.com, FrostedFlakes.com, FrostedMiniWheats.com, Godiva.com, GoGurt.com, Gushers.com, HappyMeal.com, Hersheys.com, HostessCakes.com, JuicyJuice.com, Kelloggs.com, KFC.com, KidCuisine.com, KraftFoods.com, LittleDebbie.com, LuckyCharms.com, McDonalds.com, McWorld.com, Millsberry.com, MMS.com, MyCoke.com, MyCokeRewards.com, NabiscoWorld.com, NestleUSA.com, PapaJohns.com, Pepsi.com, PFGoldfish.com, Pillsbury.com, PizzaHut.com, Planters.com, PopTarts.com, PostCereals.com, Postopia.com, QuakerOats.com, ReesesPuffs.com, RiceKrispies.com, Skittles.com, Snickers.com, Sprite.com, Starbucks.com,

Starburst.com, Subway.com, SubwayFreshBuzz.com, SubwayKids.com, TacoBell.com, Topps.com, Twix.com, VenomEnergy.com, Wendys.com, WhyMilk.com, and Wonka.com.

14. There were several *non*-child-oriented food company sites (*i.e.*, with a UACI for children of less than 150) that averaged more than 100,000 child visitors during 2009: KraftFoods.com (184,000), Dominos.com (176,000), PizzaHut.com (195,000), ChuckE Cheese.com (143,000), and PapaJohns.com (103,000). *See* Table D.7.

15. Though children 2-11 and 6-14-year-olds did not disproportionately visit food company sites in the aggregate, they did tend to explore these sites in greater depth compared to adults, as evidenced by the PPCI numbers. *See* Tables D.4 and D.5 and App. D., § I.A.2, *supra*, which defines the PPCI metric.

16. For example, a third or more of the visitors to BewareTheGush.com, Cadbury Schweppes, KidCuisine.com, Postopia.com, and MMS.com also visited Millsberry.com. Similar percentages of children visited both Postopia.com and BewareTheGush.com or Twix.com. comScore, *Media Metrix (Cross-Visitation Report Jan.-Dec. 2009)* (2009).

17. Of the 73 food company websites examined, 30 tended to disproportionately attract children, meaning that, on average during 2009, the UACI for children was 150 or greater. The following food company sites met this criterion: 3Musketeers.com, AppleJacks.com, BewareTheGush.com, Butterfinger.com, Cheetos.com, ClubBK.com, CornPops.com, Dole.com, DoveChocolate.com, FrootLoops.com, Frosted Flakes.com, FrostedMiniWheats.com, GoGurt.com, Gushers.com, HappyMeal.com, KidCuisine.com, LuckyCharms.com, McWorld.com, Millsberry.com, MyCoke.com, PFGGoldfish.com, PopTarts.com, PostCereals.com, Postopia.com, ReesesPuffs.com, Sprite.com, Twix.com, VenomEnergy.com, WhyMilk.com, and Wonka.com.

18. The Commission anticipates that these numbers will go down in the future, because some of the major child-directed food websites, including Millsberry.com, are no longer operating. *See* Newsletter, Council of Better Business Bureaus Children's Food and Beverage Advertising Initiative (Mar. 2011) 2, *available at* [www.bbb.org/us/children-food-beverage-advertising-initiative/info/#newsletters](http://www.bbb.org/us/children-food-beverage-advertising-initiative/info/#newsletters).

19. *See* Victoria J. Rideout, Ulla G. Foehr & Donald F. Roberts, *Generation M<sup>2</sup>: Media in the Lives of 8–18 Year-Olds: A Kaiser Family Foundation Study 5* (2010), *available at* [www.kff.org/entmedia/upload/8010.pdf](http://www.kff.org/entmedia/upload/8010.pdf).

20. *Id.* at 18.

21. *Id.*

22. *Id.* at 19 (white youth: 26 minutes; black youth: 1 hour, 28 minutes; Hispanic youth: 1 hour, 4 minutes).

23. Although the Commission is aware of no similar study involving mobile media, some research suggests that foods marketed specifically to black youth tend to be of lower nutritional quality than foods marketed to a general audience. See Sonya A. Grier & Shiriki K. Kumanyika, *The Context for Choice: Health Implications of Targeted Food and Beverage Marketing to African Americans*, 98 Am. J. Pub. Health 1616, 1626 (Sep. 2008) (“The content analyses of promotion were remarkably consistent in demonstrating that advertisements for low-cost, high-calorie, and low-nutrition food and beverage products are more frequent in media targeted to African Americans.”).

24. For example, food companies have launched iPhone applications to reach a youth audience. Coca-Cola launched “Spin the Coke Bottle” and “Magic Coke Bottle” applications. See Brian Morrissey, *Coke Dabbles in iPhone Apps*, AdWeek (Feb. 4, 2009), available at [www.adweek.com/news/advertising-branding/coke-dabbles-iphone-apps-105214](http://www.adweek.com/news/advertising-branding/coke-dabbles-iphone-apps-105214).

25. A Rudd Center study on the QSR industry found that several QSRs had placed banner ads on mobile websites for news, entertainment, sports, and video content during 2009. None of the banner ads was child-targeted. See Rudd Center for Food Policy & Obesity, *Fast Food F.A.C.T.S.: Evaluating Fast Food Nutrition and Marketing to Youth* 95-96 (2010), available at [www.fastfoodmarketing.org/media/FastFoodFACTS\\_Report.pdf](http://www.fastfoodmarketing.org/media/FastFoodFACTS_Report.pdf). The report further indicated that a few thousand teens had downloaded QSR-branded smartphone applications for Burger King and Taco Bell, and more than 30,000 for the Starbucks and Pizza Hut applications. *Id.* at 100, Table 47.



