



Kraft Foods

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**Federal Trade Commission**

Office of the Secretary  
Room 159-H (Annex H)  
600 Pennsylvania Ave., NW  
Washington, DC 20580

**Food Marketing to Kids Workshop – Comments**

**Project No. P034519**

Dear Sirs:

On behalf of Kraft Foods, I am writing to submit comments in advance of the FTC- and HHS-sponsored workshop on July 14 and 15, 2005 entitled "Marketing, Self-Regulation & Childhood Obesity." Our input is intended to respond to the May 12 Federal Register notice that invites comments to help plan for the workshop regarding several current issues and topics as set forth below.

**Food and Beverage Marketing to Children.** Kraft recognizes that public concern about rising levels of childhood obesity calls for action on many fronts, including the area of marketing food and beverages to children. We support the position of the 2004 IOM report that, "Media messages can also be inherently positive. There is great potential for the media and entertainment industries to encourage a balanced diet, healthful eating habits, and regular physical activity." Consistent with that approach, we have adopted advertising practices that we hope will help children and their parents make better food choices, such as beginning to restrict the products we advertise in television, radio and print media seen primarily by children 6-11 to those that meet our new Sensible Solution criteria. As we implement this policy, we are learning important lessons about creating ads that have the potential to successfully sell more nutritious products to children.

**Research on the Impact of Marketing on Children's Health.** There's broad agreement that many factors contribute to childhood obesity, with different studies coming to different conclusions as to which factors are most important. Debate over a definitive scientific answer to the role of marketing tends to be divisive and, in our view, not particularly relevant. Irrespective of how the studies in this area are ultimately interpreted, it's clear to us that our consumers, and the public at large, are increasingly concerned about how

food and beverage products are marketed to younger children. Kraft believes that this concern is reason enough for the industry, working in collaboration with policy makers and other stakeholders, to take affirmative steps to address this issue.

**Existing Industry-Wide Self-Regulatory Programs.** We have been longtime supporters of the Children’s Advertising Review Unit (CARU), the children’s advertising self-regulatory unit administered by the Council of Better Business Bureaus. Since the 1970s, CARU has continuously monitored marketing communications directed toward children under age 12. This work is designed to ensure in the first instance that those communications are not false or misleading. Other elements of the CARU Guidelines go beyond purely legal concerns, however, and focus on the potential for advertising to contribute either positively or negatively to the welfare of children. For example, CARU guidelines prohibit depictions of unsafe behavior, restrict inappropriate online privacy practices, and discourage advertising that might frighten children or promote inappropriate behavior by them.

Over the years, CARU has reviewed thousands of advertisements, websites and related marketing materials. When issues are raised, in the vast majority of cases the advertisers are willing to address CARU’s concerns by abandoning particular ads, or modifying them in whatever way CARU requests. Over the years, more than 150 CARU decisions have involved food advertising, addressing issues including encouragement of excessive consumption of snack foods, denigration of meals in favor of snack foods, misleading comparisons of nutrient content, and exaggeration of the benefits of the product.

It bears mention that the CARU Guidelines themselves have not been static. When ads mentioning toll-free calls or 900-number calls began to appear, the Guidelines were modified to address the concerns. When videotapes, CDs, DVDs and video games came along, Guideline changes ensued. When websites and email developed, still more changes occurred, as well as an entirely new area of CARU self-regulation – online privacy protection for children.

In short, CARU has served as a continuously evolving self-regulation structure for children’s marketing. In the new environment of heightened concern over food marketing practices directed toward children, one clear option for strengthening the current self-regulatory regime that governs food industry advertising would be to enhance CARU in ways that would address societal concerns in a sensible and sensitive manner.

**Company Self-Regulatory Efforts & Best Marketing Practices.** We're aware that there has been increasing concern among consumers and policy makers about food industry marketing practices, and we're trying to do our part to help address those concerns. Kraft has a longstanding policy of not advertising in TV, radio and print media that primarily reaches children under six. In the past year we've taken the additional steps of eliminating all advertising and promotion in schools, and developing nutrition standards for any Kraft product sold in school vending machines.

Most recently, we announced that, in TV, radio and print media that primarily reach children age 6-11, Kraft is shifting the mix of products we advertise towards those that qualify for our Sensible Solution flag (described in more detail below), and phasing out advertising for products that don't. This means that a number of well-known Kraft products will stop advertising in these media, including the original versions of Kool-Aid, Capri Sun, Oreo, Chips Ahoy!, several Post cereals and many varieties of Lunchables. We'll continue to advertise in these media products that meet our Sensible Solution criteria, with a particular emphasis on those that offer beneficial nutrients or a functional benefit. Examples include Sugar Free Kool-Aid, Chicken Dunks Lunchables Fun Packs, Capri Sun Sport and Fruitwaves.

We've adopted specific guidelines for the messages we communicate in our continuing advertising to kids 6-11. We'll make sure that the version of the product that qualifies as a Sensible Solution is the only one depicted in the ad, that its nutritional qualities are highlighted wherever practical, and that the Sensible Solution flag appears in the ad to remind viewers to look for it in the store. Going forward, we'll look for additional ways to promote healthy lifestyles to kids. We know that marketing practices in vehicles other than TV, print and radio are a separate concern for many stakeholders, and we expect discussion around them to continue.

In our view, these actions, together with those taken by others in the food industry, demonstrate that voluntary measures have the potential to address public concerns about marketing to children. We know it'll be difficult to forge consensus in this area within these highly competitive industries on the one hand, and policy makers, advocacy groups and other stakeholders, on the other. However, the workshop that HHS and FTC are convening is an excellent opportunity to create exactly the kind of national dialogue on this topic that we're convinced is necessary in order to make additional progress.

**Education.** Kraft proactively looks for new and better ways to provide consumers with information about our products; to take a recent example, we were first in the U.S. to respond to the FDA's call for clearer labeling on smaller packages. These new labels give the nutrition information for the

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contents of the whole package, as well as for one serving. And we also show the total number of servings on the front of the package. By “doing the math” like this, we put the choice of portion size in people’s hands, and help them make an informed choice.

Our newest program designed to provide better information to consumers is our recently-announced Sensible Solution™ labeling program in the United States. This initiative places an on-pack “flag” on food and beverage products that meet specific, “better-for-you” nutrition criteria for each category of products. These criteria start with limits or reductions on calories, fat, sugar and sodium, and also include the presence of beneficial nutrients like calcium, fiber, whole grain or protein, as well as delivery of a functional benefit like heart health or hydration.

The Sensible Solution flag makes it easier for consumers to find Kraft’s “better-for-you” choices when they’re shopping. The detailed criteria for this program, which are available on our website, are based on the 2005 U.S. Dietary Guidelines, as well as authoritative statements from the FDA, the National Academy of Sciences and other public health authorities.

Moreover, we believe that Kraft can provide information about nutrition in ways that go beyond our products and their labels. That’s why we’ve initiated community-based nutrition and activity programs in the U.S., Canada, and elsewhere. Our North American initiatives include “Triple Play,” an after-school health and wellness program with the Boys and Girls Clubs of America, funded for 5 years by Kraft and the Coca-Cola Company; *Salsa Sabor y Salud*, a healthy lifestyle program for Latino families, conducted in partnership with the National Latino Children’s Institute; and “Try Something New”, a Canadian program encouraging kids to try new foods and new activities, developed in partnership with YTV and the Canadian Parks and Recreation authority.

In conclusion, thank you for the opportunity to provide comment in advance of the July workshop. We hope our contributions prove valuable, and we look forward to actively participating in the workshop, and with other stakeholders, as dialogue on this important subject continues.

Sincerely,

Mark Berlind

