

SCHEDULE 1

Advertising Content Guidelines

A. How Do I Create Responsible Advertising/Marketing?

1. *Know your audience:*

Responsible advertising/marketing is **fair, truthful and not misleading**. How to ensure that the advertising is fair, truthful and not misleading depends on the audience for the advertisement – e.g., young children, tweens or adults.

2. *Ask yourself: Am I advertising to children?*

It is important to determine if your advertising is directed to children as since some additional rules apply (see below). You should consider:

- (a) the demographic of the media or platform where the content will be placed (e.g., adult website, kid website, general audience; for TV: during children’s programming, time of day when the advertisement will run); and
- (b) the overall impression of the content, e.g., is the content attractive to children or not? For example, does the content include:
 - animated characters;
 - child-oriented activities and incentives;
 - child-friendly music or other audio content,
 - young models and voiceover talent, e.g. does it only feature children, only feature adults, are children and adults together?
 - child celebrities or celebrities who appeal to children; or
 - language or other characteristics of the website or online service that is appealing to children.

B. When Advertising/Marketing to Adult and Child Audiences

- **Think about the “net impression” that the ad creates:** When thinking about whether the ad is fair, truthful and not misleading, review the ad as a whole and think about the “net impression” the targeted consumer gets from all elements (e.g. text, images, lyrics and sound effects), including what is implied in the message. Ads should avoid making a misrepresentation or omission that is likely to mislead reasonable consumers about something that is important to their buying decision.

- **Show How A Product Performs.** Consumers need to know how and why products work/operate, even if we think a consumer might already know. The demonstration must be of sufficient length and clarity so a consumer viewing the ad takes away a clear understanding of how the toy or game operates in the real world during real play.
 - **Examples:** Use hands to show an action figure moving; show pressing a button to activate; show accurate gameplay sequences
- **Show Product’s Features Accurately.** Copy, sound, and visuals should not mislead the consumer about the product’s features or performance, such as volume or clarity of sounds; clarity or brightness of lights; method or ease of operation; the time it takes for product or elements of the product to perform. Product performance should represent typical, not extraordinary, product performance -- depicted performance should be probable, not just “possible.”
 - **Examples:** When demonstrating sound for a product it needs to be as a consumer would hear when playing with the product not just the sound file; if product has a clicking sound when moving need to hear the clicking sound in a video demonstrating the movement; the brightness of the lights need to be as a consumer would experience in the same environment; if it takes 3 seconds to demonstrate a feature then likely need to show all 3 seconds.

Follow the Rules for the Use of Prototypes and Special Effects. We are prohibited from the undisclosed use of a special effect, prop or prototype that misrepresents a significant fact about a product or its performance. Some examples are: adhesive, wax, fishing line, fast motion, slow motion, and other camera effects. As the creator of the content, you are responsible for knowing if the agency or producer has used any special effects and for discussing with the Client Legal Department.

- **Be Clear About What Comes With (and What Doesn’t Come With) the Product(s) Being Advertised.** Consumers need to clearly understand what needs to be purchased or acquired in order to replicate what is being shown on screen. Is just one product or playset being shown? Is more than one product shown? Are you showing items that Client doesn’t sell? For example, if you are showing two playsets, consumers need to clearly understand what specific elements come with each of the playsets. You should always be cautious about utilizing items that Client does not sell. You’ll need to clearly disclose this fact.
- **Be Safe and Appropriate.** Advertising should not portray adults or children in unsafe situations or in acts harmful to themselves or others. For example, when activities (such as bicycle riding or skateboarding) are shown proper precautions and safety equipment should be also be shown. When an activity would be unsafe without adult supervision (e.g., a child next to a swimming pool), an adult should be shown supervising. In addition, show adult supervision if required by the product (e.g. Easy-Bake Ultimate Oven). Adult supervision must be active supervision not just a parent or adult blurred in the background or not paying attention.
- **Use Fantasy Responsibly.** Use of fantasy such as animation and computer-generated imagery should not create unattainable performance expectations by a reasonable,

intended viewer of the advertisement, adult or kid. There are differences in what would be acceptable for adults versus kids.

- **Substantiate Claims.** We must have a reasonable basis, e.g., objective evidence, to support our express and implied claims and should not make any unsubstantiated claims. The level and rigor of the objective evidence/substantiation will depend upon the nature of the claim. Please consult the Client Legal Department for advice regarding the required substantiating of a proposed claim.
 - For example, if we claim a Nerf blaster shoot darts up to 75 feet, Client QA will have conducted adequate, statistically valid testing.
 - For example, if we claim that a product has 50+ lights and sounds then there need to be more than 51 unique lights and sounds.
 - Claims about “learning” or “development” benefits are especially challenging. If considering such claims, you need to involve the Client Legal Department as early in the process as possible.
 - The fact that such claims may be true is not sufficient to support them without adequate substantiation beforehand.
- **Use Disclosures Correctly. Use disclosures to clarify content that might be unclear. Required disclosures must be easily understood, as well as clear and conspicuous. Additionally:**
 - A disclosure cannot contradict the main copy, content or claim.
 - The disclosure should be close to the claim to which it relates, prominent and unavoidable.
 - Written disclosures must be legible, in wording that is understandable to the intended audience and for video such disclosures should last long enough for the audience to reasonably be able to read (usually about 3 seconds per line of text).
 - The disclosure may need to be repeated at different places (e.g., when on a website, or for a video it may be at beginning and middle, or to indicate more than one use of a special effect).
 - Disclosures must be in audio when content is intended for young children.
 - Disclosures in audio messages must be presented in an adequate volume and cadence.
 - The language of the disclosure must be understandable to the intended audience, taking into account any limitations in the audience’s vocabulary and language skills.

- If a particular platform does not have space for disclosures, then we need to consider carefully whether we can use that platform for any of our ads or custom content that need a disclosure.

For more information on how to make disclosures clear and conspicuous in the digital context, see **FTC dot-com disclosures** or bring your question to your Client Legal Department team.

Typical Disclosures:

- "Each sold separately" or "Not Included" or "Not available"
- "Some Assembly Required" or "Adult Assembly Required" or "You put it together"
- "Adult Supervision"
- "Professional stunts. Do not attempt."
- "Batteries Not Included"
- Special effects used like: "Some Scenes Shown in Slow Motion" or "slow motion" or "stop motion" or "fast motion"
- "Ask a parent"
- "Fantasy Scene"

C. Special Considerations for Advertising to Children

- **Be Careful with Background Elements.** The background should not take an active role in the play shown (e.g., an alien on a wall in the background should not jump off the wall and interact with the advertised product or the children).
- **Use Fantasy Responsibly.** Animated depictions of product should be easily identifiable as animation. Action should not flow directly from reality to fantasy or from fantasy to reality (e.g., not showing a movie prop morphing into a toy vehicle.) The amount of fantasy permissible in an ad is limited and will depend upon various factors including the nature of the fantasy, the target age range for the product, and how closely the fantasy images resemble the actual products. Realistic CGI is more challenging than cartoonish animation. Absent exceptional circumstances that would mitigate any confusion, as determined by the Client Legal Department, an ad that mixes fantasy and reality should not contain more than 60% fantasy footage.
- **Avoid Popularity or Status Claims.** Advertising should not mislead children about the benefits from use of the product. Do not message that using the product will result in an increase in the user's strength, status, popularity, growth, proficiency or intelligence. Do not convey that owning the product will result in greater popularity or acceptance by peers or that lack of a product will result in non-acceptance by peers. Do not imply that the product will provide prestige, skills or other special qualities.

- **Amount of Products Shown Should Not be Excessive.** The amount of product featured should not be excessive or more than would be reasonable to acquire, use or consume by a person in the situation depicted. (Note: excessive food in TVC can be an issue for CARU whether or not the food is a Client product.) It has been our experience that under \$100 in product per person has not resulted in any CARU inquiries.
- **Disclosures.** Required disclosures should be oral/in audio and in language that a child is likely to understand.
- **Safety.** Client advertisements should take into consideration that children are prone to exploration, imitation, and experimentation and may imitate product demonstrations or other activities depicted in advertisements without regard for risks (e.g. no playing with a product on a moving escalator, no playing with a product in complete darkness).
- **Inappropriate Behavior.** Advertising should not portray or encourage behavior inappropriate for children or include material that could unduly frighten or provoke anxiety in children, nor should Client advertising targeting children display or knowingly link to pages of a website that portray such behaviors or materials.
- **Pressure.** Advertising should not urge children to ask parents or others to buy products. It should not suggest that a parent or adult who purchases a product or service for a child is better, more intelligent or more generous than one who does not. Client should avoid using undue sales pressure in advertising to children, e.g. creating a sense of urgency by using words such as “buy it now”.

D. Use of Properties Owned by Third Parties (e.g., Characters, Film Clips, Music, etc.) in Advertising

- Obtain permission and/or license unless the Client Legal Department determines it is fair use (rare instances). See current guidelines on use of third-party IP: [use of third party IP section of social media content policy and guidelines: Social media topical content and guidelines for third party IP not in public domain.](#)
- Verify that character license permits use of film clips or music, and even the voices and/or likenesses of any actors depicted therein. Also keep in mind potential union, guild and other clearance issues.
- Incidental use of third-party products in background must be such that brand name is not identifiable (absent permission).
- Should not use celebrity look-alikes or sound-alikes or music that is intended to sound like another composition unless the Client Legal Department has been advised of the potential similarity and advised of the level of risk.
- Should not use competitor's products unless making a legally-approved comparison. Comparisons, generally, are not appropriate for kid-directed advertising.
- Animated Client Studio assets without voice and music may be used, including still images and clips, without additional approvals necessary. Any use which includes voice must

include promotional language for the show the asset originally came from. No clip, with or without voice, shall be over 5 minutes in length. Any use of voice or music separate from the original asset must be reviewed by Client Studios Business and Legal Affairs.

E. Proper Written Credit Notices

- Client's © and ™/® notices. Discuss with the Client Legal Department whether or not the visual appearances of trademarks or logos must be marked by ™ or ®. .
- Required credit notices, including © and ™/® notices for licensed lines (e.g., Marvel, Disney, Star Wars, Sesame) should appear with licensor approval.

F. Endorsements /Experts/Material Connection

(Not permitted on some networks and in some countries)

- **Endorsements.** Client should recognize that the mere appearance of a celebrity or authority figure with a product can significantly alter a child's perception of the product. Client may use such personalities as product endorsers, presenters, testifiers, but they must take great care to avoid creating any false impression that the use of the product enhanced the celebrity's or authority figure's performance. The content featuring such persons are subject to the following:
 - Must reflect endorser's actual experiences and beliefs.
 - Endorsers may not promote products in or adjacent to programs in which they appear.
 - Products derived from or associated with program content may not be advertised during or adjacent to that program.
- **Experts.** Expert must truly possess necessary qualifications.
- **"Actual Customers."** Advertisements presenting endorsements by what are represented, directly or by implication, to be "actual consumers" should use actual consumers in both the audio and video, or clearly and conspicuously disclose that the persons in such advertisements are not actual consumers of the advertised product.
- **Material Connection.** When there exists a connection between the endorser and the seller of the advertised product that might materially affect the weight or credibility of the endorsement (i.e., the connection is not reasonably expected by the audience), such connection must be fully disclosed. (See §III.B regarding Disclosures)

G. Common Terms that are Advertising/Marketing Claims:

- **"New"** - can only be used for up to six months after product introduction.

- **"Free" "Bonus" "Value" "Limited Edition" and "Exclusive"**
– should first be discussed with the Client Legal Department

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