

CCAI

Core Principles, 2nd Edition

The Children's Confection Advertising Initiative

I. Introduction

Background

The Children's Confection Advertising Initiative (CCAI) is a voluntary advertising self-regulation program administered by BBB National Programs. Under CCAI's Core Principles, CCAI participants commit to not engage in advertising primarily directed to children under age 13.

CCAI complements the work and goals of the Children's Food and Beverage Advertising Initiative, which was created in 2007 to improve the children's food and beverage advertising landscape. BBB National Program's predecessor organization (the Council of Better Business Bureaus) and the National Confectioners Association (NCA), a trade association representing the chocolate, candy, gum and mint industries, established CCAI in 2016 for NCA-member confectionery companies not already participating in CFBAI. CCAI is intended for companies that comprise no more than five percent of confectionery market sales and are not already participating in CFBAI.¹

Currently American Licorice Company, Ferrero, Hershey, Lindt and Sprüngli, Mars Incorporated, and Mondelēz which represent about 70% of confectionery sales in the U.S., participate in CFBAI. CCAI participants publicly commit to not engage in advertising primarily directed to children under age 13 ("child-directed advertising"), as defined below, and to not advertise to children in elementary schools.

CCAI brings the benefit of participation in self-regulation and adherence to CFBAI's Core Principles within reach for other NCA members. The program recognizes that many confectionery companies have fewer administrative resources than those that participate in CFBAI and that disparity can present a barrier to their participation in the CFBAI. Accordingly, the administrative requirements in CCAI are more streamlined than those of CFBAI.

First, CCAI participants are not required to submit an individual pledge.² Instead, participation is noted on BBB National Program's website. Second, CCAI participants are not required to submit an annual compliance report. A CCAI participant is required, however, to submit an annual statement that it has complied with its CCAI commitments. CFBAI also independently monitors compliance with the CCAI commitments to not engage in child-directed advertising in covered media and annually reports on CCAI participants' compliance.

¹In the case of a subsidiary, participation eligibility is determined by the gross annual revenue of the parent company. Participation in CCAI is entirely voluntary and there are no sanctions for companies that choose not to participate. NCA continues to urge all of its members who may choose to advertise to children to abide by the Children's Advertising Review Unit's (CARU) Self-Regulatory [Guidelines](#) for Children's Advertising, which provide guidance on how to advertise all products responsibly to children.

²NCA and each CCAI participant enter a contract with BBB National Programs that defines each party's rights and responsibilities.

NCA is an associate member of CCAI and a National Partner of BBB National Programs and participates with BBB National Programs in periodic reviews of the CCAI program. BBB National Programs is the CCAI program administrator. Participants in CCAI are not CFBAI participants and are not eligible to participate in CFBAI program reviews.

CCAI Core Commitments, 2nd Edition

The CCAI Core Principles have been revised to align them with the CFBAI Core Principles, 6th Edition, the most recent iteration of CFBAI's Core Principles.³

The CCAI Core Principles, 2nd ed. revise the advertising coverage of the program from “advertising primarily directed to children under age 12” to “advertising primarily directed to children under age 13,” adopt a stricter minimum threshold for the definition of child-directed advertising in measured media (children 2-12 constitute at least 30% of the expected audience); and update the “Covered Media” provision, including modernizing the Digital Media section to reflect changes in children’s media consumption habits and the media landscape. Implementation of these updated Core Principles will be on or before January 1, 2024.

³ The revised CCAI Core Principles also make non-substantive organizational changes to the Core Principles.

II. CCAI Core Principles

Participation in CCAI is entirely voluntary. Companies that participate in this program publicly commit to not engage in child-directed advertising to children under age 13 and to not advertise to children in elementary schools consistent with the following Core Principles.

A. No Advertising Primarily Directed to Children under Age 13

Participants commit that they will not engage in advertising primarily directed to children under age 13 in covered media or through other media addressed herein.⁴

B. Covered Media

The advertising commitment applies to advertising primarily directed to children under age 13 in the following media (“covered media”):

- ◆ Television
- ◆ Radio
- ◆ Print
- ◆ Internet/Digital media, including but not necessarily limited to:
 - ◆ Company-owned websites
 - ◆ Third-party websites, including display, banner, pop-up, audio or video advertising
 - ◆ Mobile apps or mobile media, including advertising on phones, laptops, tablets, other personal digital devices, in whatever form, including email, text, IM or SMS messaging
 - ◆ Platforms (e.g., YouTube) that may have content or channels that are primarily directed to children under age 13⁵
 - ◆ Video and computer games that are primarily directed to children under age 13
 - ◆ DVDs of movies that are rated “G” whose content is primarily directed to children under age 13, and other DVDs whose content is primarily directed to children under age 13
 - ◆ Word of Mouth.⁶

⁴This commitment does not apply to other marketing channels, such as point-of-sale materials or packaging (provided that the packaging does not appear in advertising primarily directed to children under age 13). This commitment also does not apply to the use of company-owned characters.

⁵CCAI's Core Principles refer to YouTube explicitly because it is the leading example of an open-access platform with content directed to children. CCAI views media platforms that restrict access by children under age 13 differently. A platform's use of valid age verification to restrict access creates a presumption that an advertiser on such platforms is not intending to primarily direct its advertising to children under age 13.

⁶The commitment regarding word-of-mouth advertising refers to advertising primarily directed to children under age 13 where a participant provides incentives (financial or otherwise), product samples or other support to individuals or groups who are not employees to encourage such individuals or groups to discuss the company's branded foods or beverages.

C. Product Placements

Participants will commit to not paying for or actively seeking to place their confections into third-party program or editorial content of any medium primarily directed to children under age 13 to promote the sale of those products.⁷

D. Product Integrations

Participants will commit that they will not pay for or actively seek integration of their products in any medium primarily directed to children under age 13, including in interactive games or other digital content.

E. Influencers

Participants will commit to not use influencers to promote their products in communications primarily directed to children under age 13.⁸

F. Advertising to Children in Elementary Schools⁹

Participants commit to not advertise to students in elementary schools, pre-K through 6th grade. This Commitment includes but is not limited to advertising on or through the following items:

- ◆ Posters
- ◆ Scoreboards
- ◆ School buses
- ◆ Pencils, book covers, and other school supplies offered for sale in school
- ◆ Textbooks
- ◆ Tray liners, cups, napkins, plates
- ◆ Coolers
- ◆ Food samples and taste tests¹⁰

This commitment does not apply to displays of foods, including materials that identify the products that are being offered for sale; fundraising support; public service messaging; curriculum materials; items provided to a school administrators for their personal use; charitable donations to schools, or sponsorships

⁷As covered in these Core Principles, the term "product placement" contemplates the insertion of a product into entertainment/editorial programming in an incidental, prop-like manner. Although the product is visible, it is not incorporated into the script, story line, dialogue, or action of the scene in an integral way. The incidental nature of the product's incorporation in the entertainment content distinguishes product "placement" from product "integration."

⁸Under the FTC Act and as set out in the [FTC's Endorsement Guide](#) and related FTC influencer guidance documents, endorsements, including influencer endorsements, must disclose material connections between the endorser/influencer and the brand. In addition, the [CARU Guidelines](#) and CARU cases recognize that children may have difficulty distinguishing between advertising and online content and therefore also require that ads be identifiable as advertising. Note: As explained in CARU's Guidelines, content generated by a user who has no material connection to the product, service, character, or brand mentioned or depicted in the content is not advertising. However, as in the Guidelines, if a participant uses or incorporates such content in advertising primarily directed to children, then the use or incorporation of such content is covered by CFBAI's Core Principles.

⁹The CFBAI website includes FAQs regarding the CFBAI Core Principles, including the elementary school commitment, that are generally applicable to CCAI's Principles, at <https://bbbprograms.org/programs/all-programs/cfbai/cfbai-faqs>.

¹⁰This commitment is not intended to interfere with the ability of schools to conduct food or beverage taste tests to assess what foods or beverages to offer for sale at school.

G. Definitions of Child-Directed Advertising

Measured media, such as TV, radio, print and some digital.

“Advertising primarily directed to children under age 13” will mean advertising for which children ages 2-12 constitute at least 30% of the expected audience (the “audience threshold”). The audience demographics that determine compliance with this audience threshold will be measured in media impressions expected to be received by specific demographic groups at the time the advertising is purchased, based on reliable third-party information (e.g., Nielsen ratings for TV or comScore data for digital media).

Participants typically purchase most television advertising once annually, well in advance of when the advertising will air, on a daypart or timeblock basis. Advertising placed in purchased dayparts or timeblocks will be identified as compliant for purposes of CCAI compliance based on an analysis of the annualized audience composition data for the block of time purchased.

In some cases, digital advertising called “contextual advertising” may be served based on the content that is adjacent to the ad or in which the ad is placed. Determining whether such content is child-directed depends on the composition of the audience for that content (if known) or, where reliable audience composition data is not available, an assessment of multiple factors related to that content.

Where audience composition is known, such contextual advertising will be deemed primarily directed to children under age 13 if 30% or more of the audience for the site, app, or content in which the ad is placed are children under age 13. Where audience composition data is inadequate to make this determination, contextual advertising will be deemed primarily directed to children under age 13 if the ad is placed in content that appears to be child-directed based on an evaluation of multiple factors related to that content, including whatever age demographics for the site or digital content may be available, an assessment of the overall nature of the content, including but not limited to the subject matter of the site or video, the visual content, the language used, the kind of music or audio content, the difficulty of game play, the influencer or influencers featured in the content, and actions taken to restrict children’s access to the site or content. Platforms or content developers also may provide content identifier tools that indicate whether content is child-directed.¹¹

In other cases, advertising called “targeted advertising” may be served based on the characteristics of the user rather than the content the user is viewing. Advertisers or their service providers within the digital advertising ecosystem obtain information about users from multiple sources, including information that users provide directly (e.g., through online registration), information from the device(s) they use, or information about their interests that can be inferred from their online behavior. In combination, age-targeting tools and interest-based or behavioral factors help an advertiser direct an ad to those individuals that fall within a targeted age range, that are in a certain location, or that have particular interests, regardless of the content they are viewing. Advertisers also can use these tools to avoid directing an ad to a particular audience (e.g., to avoid serving an ad to children under age 13).

¹¹This analysis also applies in determining whether influencer communications and product integrations are child-directed.

When engaged in this type of advertising, a participant generally will need to rely on one or more of the following tools to avoid serving ads for their products to children under age 13:

- ◆ Age-targeting (based on cookie data or other age indicia) to audiences other than children under 13;
- ◆ Targeting based on interest-based or behavioral data to audiences other than children under age 13;
- ◆ Exclusion of specific sites, channels or other content that are directed to children under age 13; and
- ◆ The use of relevant topic, keyword, or content classification or identification systems or filters provided by the platform owner or content developer (e.g., an app developer).

III. Administration and Oversight

1. Monitoring, CCAI Participant Responsibilities, and Enforcement

The CFBAI program administrator is responsible for monitoring CCAI participants' compliance with the CCAI Core Principles. Monitoring includes independent monitoring of covered media and the review of advertising materials, and other information as reasonably requested by the program administrator (submitted on a confidential basis) to confirm participant compliance. The program also responds to inquiries relating to compliance.

Each CCAI participant will submit an annual compliance statement, signed by a responsible company official, that it did not engage in child-directed advertising in measured and other covered media and did not advertise to children in elementary schools, as specified in the CCAI Core Principles. Monitoring will include a review of advertising materials, compliance statements and other information. Each CCAI participant agrees to cooperate and respond on a timely basis to reasonable requests for information from the program administrator to assess participant compliance.

BBB National Programs posts information on the CFBAI and CCAI websites to allow inquiries regarding both programs.

The program provides, by contract, for the expulsion of a company that does not comply with its CCAI commitments after being given notice and an opportunity to bring its conduct into compliance, and notice of any expulsion to regulatory authorities such as the Federal Trade Commission under appropriate circumstances.¹²

2. Public Reports

BBB National Programs will issue public reports regarding the program and participants' compliance with the CCAI Core Principles.

¹² Under the CCAI participant contracts, BBB National Programs will give participants at least 30 days prior written notice before termination for cause and 60 days prior written notice for termination without cause. (Participants also have the right to terminate participation upon prior written notice.) Specifically, when appropriate, BBB National Programs will notify a participant in writing of substantial noncompliance and give the participant a reasonable opportunity to bring its conduct into compliance. Upon termination of a participant, BBB National Programs may refer the matter to appropriate regulatory authorities. BBB National Programs will give a participant notice prior to making the termination and referral public.

3. Periodic Program Reviews

The CCAI Core Principles, 2nd Edition, revises the advertising coverage from “advertising primarily directed to children under age 12” to “advertising primarily directed to children under age 13” to align the CCAI Principles with CFBAI’s Core Principles, 6th ed. CCAI’s updated Core Principles also adopt a 30% minimum audience definition for child-directed advertising in measured media and update the “Covered Media” and “Definitions of Child-Directed Advertising” provisions to reflect changes in children’s media consumption habits and the media landscape.

We believe that the CCAI Core Principles have broadly and properly defined “advertising primarily directed to children under age 13” and the media covered by these commitments. These definitions afford the program significant flexibility to address further media evolution.

BBB National Programs and NCA will conduct periodic reviews to assess the effectiveness of the program and these Core Principles.