

ASA Annual Report 2007

**Working together to
support good advertising**



The independent Advertising Standards Authority (ASA) works alongside the industry to maintain the highest standards in advertising. This Annual Report 2007 highlights our busiest year – responding to complaints about more ads than ever before and addressing specific areas of public concern, including violent imagery in ads and environmental claims.

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Chairman's introduction

Maintaining standards

Many TV viewers have been beguiled in recent weeks by the riveting new drama series, *Mad Men*. But the world of advertising that it portrays – through a haze of cigarette smoke and cocktails – belongs to a very different era from the one we know today. I would argue that British advertising now is every bit as creative as Madison Avenue was in the 1960s – indeed, probably more so – but is also far more responsible. And I like to think that the solid work of the Advertising Standards Authority (ASA) and the Committee of Advertising Practice (CAP) over the years has helped this to happen. The advertising industry showed great foresight in setting up the self-regulatory system 45 years ago, and has funded, supported, and respected that system ever since.

The ASA hasn't been a pushover, though. As this Report indicates, this has been our busiest year ever. More ads than ever have been withdrawn or changed as a result of ASA action. CAP's Copy Advice service has been used intensively. And in some of the most sensitive areas of public concern, such as the advertising of food products to children, or of alcohol to young people, our detailed research work shows that levels of compliance with the new rules that are now in force are very high indeed. We will continue to give a high priority in our work to ensuring that on these sensitive issues the advertising codes are being rigorously adhered to.

In recent months we have also re-focused our public consultation work, to engage with the community beyond the world of advertising in specific areas of growing public concern. In November 2007 we held a seminar in Nottingham, looking at the portrayal of violence in ads, the use of guns and knives, and the way in which public attitudes are changing. In the light of the valuable discussions we had at that event, we have taken a particularly careful look at a number of especially violent ads subsequently. And in June we are holding a further consultation, this time on the validity of environmental claims in advertising, which is again a subject of developing public interest and concern.

As we show in this Report, the number of complaints we receive about advertising on the internet continues to grow strongly (see pages 16 and 17). Some of these – where banner or pop-up ads, e-mails or virals are concerned – are within our remit, but the overwhelming proportion of complaints are ones we currently cannot address, because they relate to advertising claims on companies' own websites, and as such fall outside our remit. Interestingly, these complaints are almost entirely about truth, accuracy, misleadingness, and availability – the “meat and drink” of the ASA's daily work on print and broadcast ads. We hope for an early outcome to the detailed discussions under way within the industry, led by the Advertising Association, on the development of ways to ensure continued responsibility in advertising in new media settings.

This has of course been my first year as Chairman of the ASA, and it has been a fascinating and enjoyable experience. I couldn't have wished for a better inheritance than that I received from my predecessor, Gordon Borrie. Gordon led the Authority with skill and wisdom for over six years, and left me with a Council of astute and engaged members, a dedicated staff, and procedures that work well. I owe a debt of gratitude to all at the ASA for the welcome they have given me. And we all owe a particular “thank you” to three of our Council members who retired last year, Chitra Bharucha, Mike Ironside and Dan O'Donoghue. Their contribution over the years has been of huge value. As their successors learn the ropes the work of the ASA goes on; and we will endeavour to continue to be fair, perceptive and efficient in our task of helping to keep advertising standards high.



Rt Hon Lord Smith of Finsbury
ASA Chairman



**Independent research for the ASA
and Ofcom revealed that children
and young adults are being exposed
to fewer alcohol ads on television.**



Review of the year

01_Changing face of beauty ads

Celebrities are used to being under the spotlight, but in 2007 complaints about two mascara ads focused the ASA's attention on two famous sets of eyelashes. Objections to a TV and press ad for L'Oréal featuring actor Penelope Cruz (see picture) questioned whether she was wearing false eyelashes that exaggerated the effects of the mascara. A TV and magazine ad for Rimmel, featuring Kate Moss, drew similar objections. Both complaints were upheld and all beauty advertisers are now required to include disclaimers in ads, stating if false lashes have been used.

02_Alcohol appeal

In November, the ASA and Ofcom published the second part of an independent research study assessing the impact of the 2005 changes to the alcohol advertising rules on the appeal of alcohol advertisements to young people. The research specifically set out to test those ads that seemed to be targeted at the younger end of the legitimate market. Significantly, in 2007 it was more difficult to find such ads, suggesting that there were fewer being made. Encouragingly, the research found that fewer young people were likely to consider that alcohol advertisements were aimed at them, which demonstrated that the Code changes were having the desired effect. However, one of the main aims of the study was to assess whether ads were appealing to young people and why, as this would help the ASA to evaluate whether the advertising codes had been breached. The research did reveal that young people thought that some of the ads made the drink look appealing or would encourage people to drink. The research is available to view online at www.asa.org.uk/asa/research.

03_Student Awards

The 2007 ASA Student Awards received a record number of entries with particularly high standards amongst entries in the under-18 category. Entrants could either analyse the new food advertising rules or produce an ad campaign for a healthy snack aimed at children. Our winner, Firaaz Faiz from Stockport Grammar School, answered the brief perfectly with his ad campaign for the "Bliss" bar, demonstrating how a healthy snack product can be advertised responsibly. He also produced an exceptional piece of artwork (see picture) to illustrate his ad campaign. The competition runners up were Raza Hussain, also from Stockport Grammar and Sarah Frankland from City of Leicester College. There were no awards distributed to the over-18 category. Instead a donation was made to the National Advertising Benevolent Society (NABS).

04_Debt Free Direct

Keeping order in a highly competitive market can sometimes result in the ASA being challenged in the High Court. In May 2007, the ASA succeeded in stopping misleading ads for debt management services offering Individual Voluntary Arrangements (IVAs), where the real costs and benefits were not made clear to consumers. One of the leading advertisers in this market, Debt Free Direct Ltd, obtained an interim injunction to stop publication of an adverse ASA adjudication and applied to the High Court for judicial review. Dismissing the application, Mr Justice Sullivan ruled that it would require the most compelling reasons to prevent a body such as the ASA from publishing its adjudications, which were in the public interest. He said Debt Free Direct had not exhausted its available remedies before seeking judicial review. The company had not applied to the Independent Reviewer of ASA adjudications. The ASA was awarded costs on an indemnity basis. The episode showed that the ASA will not be scared off by talk of legal action and that the Courts will support the self-regulatory system in the public interest.

05_New Council members

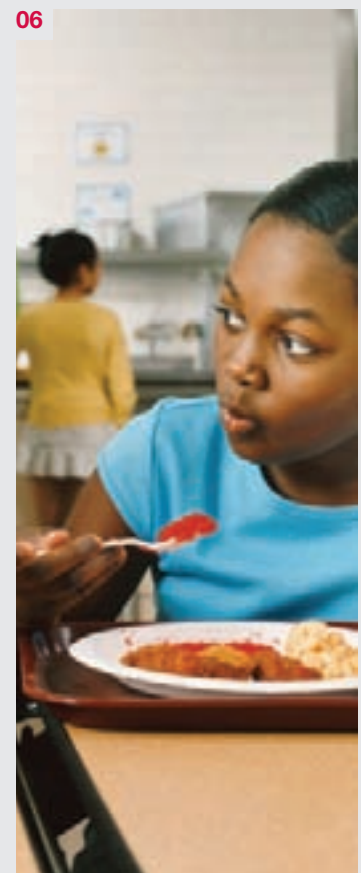
Three new ASA Council members started work in May 2007. Sally Cartwright, Director at Large of Hello Magazine, and James Best, a Director at ad agency DDB Worldwide, joined as industry members on the non-broadcast and joint councils respectively, replacing Mike Ironside and Dan O'Donoghue who retired after serving the maximum two three-year terms. The third new Council member, David Harker, Chief Executive of Citizens Advice replaced independent member Chitra Bharucha on the broadcast council.

06_Food

The introduction of new rules for food advertising in 2007 ensured that foods classified as high in fat, salt or sugar (HFSS) could not be advertised in or around TV programmes with particular appeal to children under 16. Stricter non-broadcast rules for all food advertising were also launched in 2007, although by the end of the year, the ASA had not needed to adjudicate under the new rules. In the second half of the year, a monitoring survey of food and drink ads by the ASA Compliance team revealed a 99% rate of compliance with the advertising codes, with none of the ads surveyed breaching the new rules. For more information on the new food rules, please see pages 6 and 7 in the CAP Report.

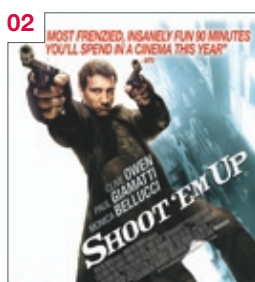
Three big advertising issues dominated 2007 – food, alcohol and gambling. The advertising landscape changed as new rules came into effect and ads in these sensitive sectors complied with the restrictions. Daily monitoring by the ASA and few public complaints provided reassurance that the new rules were having an impact.

Other sectors came under ASA scrutiny as adjudications on debt consolidation ads and beauty ads led to significant changes in the way these products are advertised.



A climate of violence?

Violence in advertising



Getting tough on violent ads

One of the benefits of a non-statutory approach to advertising standards is that the self-regulatory system can react speedily to emerging trends. During the year, there was a big increase in complaints about violent images in advertising – the ads complained about on this topic in 2007 were roughly twice the number recorded in 2006. Clearly something was going on.

To some extent, the increase in complaints reflected concerns prompted by the incidence of stabbings and shootings involving young people – the most high-profile of which was the murder of 11-year-old Rhys Jones in Liverpool in August 2007. The ASA investigated 55 complaints about posters for the film Shoot 'Em Up, featuring guns. The ASA ruled that the prominence of the gun in one of the posters and the action shot and the actor's expression in another suggested a direct aggression that could be seen to glamorise the use of guns and violence.

Advertising for video games also attracted complaints when the marketing included violent images. Ads for films or videos containing extreme sex and violence also provoked a big postbag.

Multiple complaints about ads also reflected a lack of public tolerance for violent images in more everyday situations. The anti-smoking "fish hook" posters and the MFI slapped face TV commercial were among the top 10 most complained about ads of the year (see pages 12 and 13).

So how does the ASA decide what is acceptable in this genre of advertising? The codes are clear about ads having to be socially responsible and not cause serious or widespread offence.

In 2007, we devoted our consumer event in the East Midlands to a discussion of where the line should be drawn. ASA Chairman Chris Smith heard from a specially invited audience in Nottingham, including elected representatives, community workers, academics, teachers and religious leaders. Conference delegates wanted the ASA to come down hard on the gratuitous portrayal of violence in advertising, although they wanted context to be taken into account – either the nature of the product advertised or the kind of media in which the ad appeared.

A full report of the Nottingham conference can be found at www.asa.org.uk/asa/news/events/2007.

- 01_MFI's slap ad
- 02_Shoot 'Em Up film poster
- 03_TV ad for the film Hannibal Rising
- 04_Shell's flower emitting chimneys
- 05_Lexus' "Zero Guilt" campaign

Two very separate issues rose to the fore in 2007 with increasing numbers of consumer complaints. Objections to violent images in advertising, particularly images of weapons, reflected a wider public concern about knife and gun crime, while complaints about misleading green claims in ads suggested greater public scrutiny of advertisers' environmental credentials.

Environmental claims



Complaints rise

Complaints to the ASA about environmental claims in advertising increased dramatically in 2007. We received 561 complaints about environmental claims in 410 ads, compared with just 117 complaints about 83 ads the year before.

Claims that products and services were carbon “neutral” or “zero” or “negative” were particularly open to challenge, as were statements about CO₂ emissions or absolute claims such as “100% recycled” or “wholly sustainable”.

“Claims about carbon emissions and green tariffs are among those most likely to confuse consumers, but terms such as “sustainable” and “food miles” were also misunderstood.”

Greenwash?

As the number of complaints about green claims grew, the ASA commissioned independent research into the public's understanding of environmental claims in ads. The research results revealed high levels of awareness of environmental messages, but also confusion about what terms mean.

Claims about carbon emissions and green tariffs were among those most likely to confuse consumers, but terms such as “sustainable” and “food miles” were also misunderstood. Those researched admitted to not reading the small print or explanatory text in ads, which advertisers may use to explain bold headline claims about environmental impact.

Flower power

During the year, a series of rulings by the ASA set benchmarks for all advertisers to follow. Shell's press ad depicting industrial chimneys emitting flowers instead of smoke was ruled to be misleading because it implied that Shell used at least the majority of their waste CO₂ to grow flowers, whereas the actual amount was a very small proportion when compared to the global activities of Shell.

Another ruling, against Ryanair, judged the claim in one of the airline's ads that aviation accounts for just 2% of emissions to be misleading. The ad invited readers to send a protest to the Treasury about UK Air Passenger Duty, but did not make clear that the 2% figure referred to global aviation emissions, not those from UK flights which account for 5.5%.

Environmental claims were also prevalent in motoring ads. Lexus' headline claim in a magazine ad “High Performance. Low Emissions. Zero Guilt” was ruled misleading because the text in the ad which clarified the claim was not prominent enough and the claim “Zero Guilt” implied the car caused little or no harm to the environment.

Wisdom, knowledge and exp



Lord Borrie QC
ASA Chairman 2001–2007

Lord Borrie QC left the ASA in June 2007, having served over six years as Chairman. Here, Winston Fletcher, Chairman of funding boards Asbof and Basbof, pays tribute to Lord Borrie's leadership.

More than 20 years before he was appointed, it was already clear Lord Borrie would be an outstanding Chairman of the ASA. His commitment to advertising self-regulation had been established in the 1970s.

ASA effectiveness

In 1976 Gordon Borrie became Director-General of the Office of Fair Trading (OFT), and the following year the OFT undertook a thoroughgoing review of the effectiveness of the ASA. The OFT then published the 'Review of the UK Self-Regulatory System of Advertising Control'. This dealt at length with the possibility of converting the ASA to a statutory body with statutory powers, and said (paragraph 6.6):

"We see serious objections to this approach. First, it would be likely to seriously weaken the industry's commitment to maintain and finance self-regulation. At present the industry spends a considerable amount of money and executives' time on making its system work; the presence of a statutory body would be likely to make all this seem less worthwhile. Second, the combination of a diminution in the industry's involvement in the system and the creation of a statutory body could lead to the Code being interpreted in an excessively legalistic fashion. The strength of a self-regulatory system lies in participants' willingness to observe the spirit of rules which they themselves have had a hand in drawing up ... The general objective of transforming the ASA into a statutory authority would be to increase the protection of the public interest. We are inclined to believe that this objective may be better achieved in practice, if not in theory, by a self-regulatory system which is kept on its toes by its vulnerability to criticism, both public and official."

It should not be surprising then that in 1999, when I needed to appoint a successor to Lord Rodgers of Quarry Bank as ASA Chairman, I turned immediately to Gordon Borrie, by then Lord Borrie QC. I consulted others, and all agreed: he was the ideal candidate. In addition to his stated commitment to advertising self-regulation, his experience as Director-General of the OFT would be invaluable; and as both a QC and a Peer, the benefits of his knowledge of the law, and of his closeness to Parliament, would be immeasurable. On 1 January 2001, Lord Borrie became the ASA's eighth Chairman.

Soon after becoming Chairman he very rightly instituted another important review – this time of the legitimacy of the ASA's processes on the basis of Human Rights law.

Here his legal knowledge immediately came into play, as he was able to select and brief a Counsel with great expertise in the area. After assessing the Authority's processes in detail, Counsel advised the ASA to make some minor modifications to its procedures – but generally gave it a thoroughly clean bill of health.

"The exceptionally high regard in which Lord Borrie was held by Ofcom gave the regulator confidence the ASA would handle the regulation of broadcast advertising professionally and effectively. And so it has proved."

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Record complaints

During Lord Borrie's time as Chairman the ASA received the most complaints ever recorded about this TV ad for the KFC Zinger Crunch Salad. The 2005 commercial received 1,671 complaints from viewers who said it encouraged bad manners in children. However, the ASA did not uphold complaints reasoning that it takes time to instill good manners in children and that this TV ad would not adversely affect their behaviour in the long-term.

Broadcast advertising

However, perhaps Lord Borrie's greatest contribution to the self-regulation of UK advertising came when the newly formed communications regulator Ofcom invited the advertising industry to bring forward a proposal for the regulation by the ASA of broadcast advertising – which had been statutorily controlled ever since the 1954 Television Act. It may sound as though this should have been a simple matter, but it was fraught with technical and legal difficulties. Lord Borrie's wise counsel again proved invaluable. Moreover, and at least equally importantly, the exceptionally high regard in which Lord Borrie was held by Ofcom gave the regulator confidence the ASA would handle the regulation of broadcast advertising professionally and effectively. And so it has proved.

The advertising industry is extremely grateful to Lord Borrie for everything he has done to make self-regulation a real and powerful force. But consumers and the public – though perhaps they do not know it – should be just as grateful, as it is they, in the long run, who benefit from Britain's truly effective system of advertising control. And I personally am extremely grateful to him, for he was a joy to work with.

Winston Fletcher

Chairman, Asbof and Basbof



As the ASA receives record complaints about environmental claims, CAP is providing training for advertisers on how to promote their green credentials.



The top 10 most compla

Department of Health	1
Cadbury Trebor Bassett Services Ltd t/a Cadburys	2
Kepak UK Ltd t/a Rustlers	3
MFI Retail Ltd	4
Marlow Foods Ltd	5
Coca-Cola Great Britain	6
British Heart Foundation	7
John Wyeth & Brother Ltd t/a SMA Nutrition	8
People for the Ethical Treatment of Animals (PETA)	9
News Group Newspapers Ltd t/a The Sun	10

Most advertisements brought to the ASA's attention attract only one complaint. However, some ads generate high numbers of objections. Here we list the most complained about ads of 2007 and the ASA's response. Where complaints were formally investigated, the ASA's full ruling can be found on our website www.asa.org.uk.



01 Department of Health
774 complaints. Upheld.

This hard hitting multi-media campaign was designed to encourage smokers to quit, but complaints were that the TV, national press, poster and internet ads were offensive, frightening and distressing. The poster ads generated the most complaints with objections that they could frighten and distress children.

We decided the ads were unlikely to cause serious offence or distress to adult viewers. However, despite an ex-kids restriction, we felt that two of the TV ads and the poster ads could frighten and distress children and upheld complaints on this basis.



02 Cadbury Trebor Bassett Services Ltd t/a Cadburys
519 complaints. Upheld.

Viewers complained that these TV and cinema ads for chewing gum were offensive and racist as they showed offensive stereotypes and ridiculed black or Caribbean people and their culture.

Whilst we considered that the ads did not incite racial intolerance or discrimination, we noted the stereotype depicted in the ads had, unintentionally, caused deep offence to a significant minority of viewers and the complaints were upheld.



06 Coca-Cola Great Britain
180 complaints. Not upheld.

A vicious attack by a crocodile on an unlucky wildebeest attracted complaints from viewers who found this ad distressing because it trivialised the violent death of an animal. Some complainants also objected that their children were frightened by the ad. The ad, for the soft drink Oasis, was cleared for broadcast after 7.30 pm.

We considered the ad was likely to be seen as a light-hearted spoof and noted there were no graphic images of the animal being struck or bitten. We considered the post-7.30 pm restriction would ensure it was not seen by children unsupervised and it was unlikely to cause serious or widespread offence.

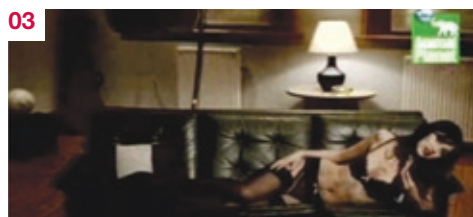


07 British Heart Foundation
122 complaints. Not upheld.

This charity ad appeared as a poster and in the national press. It featured a man and a woman cuddling on a beach. The man was naked except for a swimming hat and goggles. Complainants objected that the nudity in the ad was offensive and gratuitous and irrelevant to the product. Several also complained that the poster ads, some of which were placed near primary schools, were unsuitable for display where they could be seen by children.

We noted that the man's genitals were covered and the nudity in the ad was not explicit. We decided the ad was unlikely to cause serious or widespread offence, or to harm children.

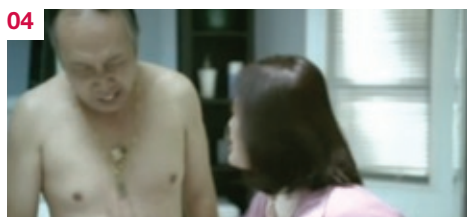
ined about ads



03
Kepak UK Ltd t/a Rustlers
219 complaints. Upheld.

Two TV ads attracted complaints that they were offensive, sexist and demeaning to women. The ads depicted a woman in a man's flat. The man started microwaving food, as a sofa rotated revealing the woman in her underwear. A voice-over said: "If only everything was as quick as Rustlers". The ads had an ex-kids restriction but had been shown during "Bugsy Malone".

We considered the humour in the ads would be unlikely to cause serious or widespread offence or to be seen as sexist or demeaning to women. However because "Bugsy Malone" was likely to be watched by a high proportion of children we upheld complaints about the scheduling of the advertisements.



04
MFI Retail Ltd
217 complaints. Upheld.

This TV campaign featured heated family arguments that turned out to be within MFI stores. Despite the ads having an ex-kids restriction, viewers complained that they were shocking, offensive and disturbing and irresponsibly suggested that arguing and shouting were normal features of home life.

We felt that viewers would understand that raised voices and disagreements occur in many domestic situations. However, complaints about one of the ads which showed a woman slapping her husband across the face for leaving the toilet seat up were upheld on the grounds that it was likely to cause offence and could be seen to condone violence.



05
Marlow Foods Ltd
181 complaints. Not upheld.

This TV ad for Quorn, showed a family sitting down to eat. The teenage daughter objected to everyone being served Quorn, saying it was "her thing". She turned to her brother with a fork in her hand and said: "Touch my food; feel my fork". Complainants saw this as a threat of violence which was irresponsible and offensive and could encourage bullying.

We viewed the ad as a light-hearted portrayal of family life. As there was no violence shown we felt it was unlikely to encourage harmful emulation, to cause harm to children or to cause serious or widespread offence.



08
John Wyeth & Brother Ltd
t/a SMA Nutrition
109 complaints. Not upheld.

This TV ad for baby milk showed a dad falling asleep next to a boiling kettle and a tin of formula. On-screen text stated: "Progress is a follow-on formula. Not intended to replace breastfeeding". Complainants objected that the ad was misleading and harmful because it did not make clear that it was advertising formula for babies over six months of age and because it might discourage mothers from breastfeeding.

Although some images in the ad could be interpreted as references to younger babies, we considered the ad as a whole made sufficiently clear that it was promoting a follow-on formula for babies aged over six months and was unlikely to discourage breastfeeding or to mislead or cause harm.



09
People for the Ethical
Treatment of Animals (PETA)
68 complaints. Not upheld.

This poster stated: "Feeding kids meat is child abuse". Complainants objected the ad was irresponsible as it encouraged parents to withdraw meat from their children's diet without replacing the nutrients it provides. Complainants also objected that the ad trivialised child abuse, was offensive and distressing to parents who fed their children meat and misleadingly implied that eating meat could lead to obesity.

Although the campaign carried an "anti-meat" message we decided parents were likely to understand that if a food is withdrawn from a child's diet the nutrients that food provided should be replaced. Whilst some might find the wording inappropriate, we considered that the ad did not trivialise child abuse or mislead consumers.



10
News Group Newspapers Ltd
t/a The Sun
56 complaints. Not upheld.

Was this too much flesh for the side of a bus? Complainants objected to this ad for The Sun newspaper that showed the naked top half of a woman with an enlarged ten pence piece covering each breast. The complainants objected to women being portrayed as sexual objects, the ads appearing on buses where children could view them and said that the image was pornographic.

We ruled that the ad, whilst distasteful to some, was not overtly sexual in nature and the amount of flesh revealed was no different to that in a bikini ad. It could not reasonably be argued to be pornographic, nor was it likely to cause serious or widespread offence.

Complaint statistics

The ASA acts to resolve complaints about advertisements in UK media, including television, radio, press, posters, direct marketing and some online advertising. There were 2,458 ads changed or withdrawn in 2007 following ASA action. We prefer to resolve complaints through discussion and dialogue and most problem ads are amended or withdrawn in this way.

2,458
ads changed
or withdrawn
following ASA
action.

Complaints received

In 2007, the ASA received 24,192 complaints about a record 14,080 advertisements. The total number of complaints received increased by 7.9% in comparison with 2006. Although this figure is lower than the all-time high of 2005 when 26,236 complaints were received, the number of ads complained about continued to rise: 2007's total represented an increase of 9.6% on the year before.

The number of broadcast complaints received increased by nearly 20% to 10,685 compared with 2006, reflecting the fact that seven out of the 10 most complained about campaigns of the year included TV ads (see pages 12 and 13). The total number of broadcast ads complained about was 2,639, with just 658 of those complaints about radio advertisements.

Overall, non-broadcast media attracted more objections, with a total of 13,507 complaints about 11,441 non-broadcast advertisements. However, this represents a mere 0.4% growth in the number of complaints year on year, while the number of non-broadcast ads complained about has increased by 9.2%.

Complaints resolved

During the year the ASA resolved 23,953 complaints about 14,009 ads, being almost the same as the total number of complaints received. This represents a record workload achievement by the organisation to date and demonstrates its ability to adjust to an underlying increase in the number of ads complained about in recent years.

Complaints resolved on broadcast media amounted to 10,573 and those on non-broadcast were 13,380, being 44.1% and 55.9% of the total respectively. The ratio of complaints to ads was markedly different between the two areas, with broadcast being an average of 4.0 complaints per ad whilst non-broadcast was 1.2.

Of the total number of complaints resolved 18,420 (76.9%) were not investigated and 5,533 (23.1%) were subject to investigation – with the latter being further divided into 3,866 that were formally investigated (16.1%) and 1,667 that were pursued informally (7%).

Complaints resolved during 2007

Non-broadcast			Broadcast		
	Complaints	Ads		Complaints	Ads
No investigation	4,643	4,630	No investigation	3,712	888
No investigation after preliminary work	4,850	4,646	No investigation after preliminary work	3,308	1,223
No investigation after Council decision	750	247	No investigation after Council decision	1,157	180
Total not investigated	10,243	9,523	Total not investigated	8,177	2,291
Informal investigation	1,476	1,366	Informal investigation	191	141
Formal investigation	1,661	479	Formal investigation	2,205	209
of which <i>Upheld</i>	1,168	300	of which <i>Upheld</i>	1,411	89
<i>Not upheld</i>	366	162	<i>Not upheld</i>	516	111
<i>Other (e.g. withdrawn)</i>	127	17	<i>Other (e.g. withdrawn)</i>	278	9
Total investigated	3,137	1,845	Total investigated	2,396	350
Totals	13,380	11,368	Totals	10,573	2,641

No investigation

If the issues raised in a complaint are not covered by the advertising codes the complaint is not investigated. This includes complaints that are outside of the ASA's remit, for example complaints about packaging, company websites or contractual disputes. The ASA Executive may do some preliminary work before deciding there is no case to investigate.

No investigation after Council decision

Some complaints are put before the ASA Council for a decision about whether or not the complaint should be pursued. These are usually complaints about offensiveness or harm. Just one Council member can ask for such a complaint to be taken forward for formal investigation. If no Council member raises concerns about the ad the complaint is dismissed.

Informal investigation

The ASA prefers to work by persuasion and consensus and, wherever possible, we aim to resolve issues informally with advertisers. This means asking advertisers to withdraw or amend their ads voluntarily if we think there is a problem. Informal investigations are not put before the ASA Council and no adjudication is published. If an advertiser chooses not to resolve the issue informally, it may go forward for formal investigation.

Formal investigation

A thorough investigation in which all sides are given opportunities to comment and a recommendation is put to the ASA Council. Adjudications resulting from formal investigations are published on the ASA website and made available to the media.

Complaint statistics

Reason for complaint

Overall, misleadingness accounted for nearly half of all complaints received during the year although the majority (8,604) of these complaints were about non-broadcast ads. Offensiveness was the main reason for complaint about broadcast advertising with 5,900 complaints about 3,412 ads. Six of those ads head the list of the top 10 most complained about ads of the year (see pages 12 and 13), accounting for 2,090 broadcast complaints.

Resolution

Of the 3,866 complaints relating to ads that were formally investigated, 2,579 (66.7%) resulted in an upheld adjudication. This figure for upheld complaints was noticeably higher than the figure of 1,917 for 2006. However, the number of ads that the upheld decision refers to for 2007 (389) was lower than that for 2006 (457).

The number of broadcast complaints that were formally investigated amounted to 2,205 and of these 1,411 (64%) were upheld. These referred to 89 ads, and were similar to the 2006 figure of 93.

Formally investigated non-broadcast complaints were 1,661, of which 1,168 (70.3%) were upheld, and these referred to 300 ads (364 in 2006).

Media

Television remains the most complained about advertising medium, but internet advertising now takes second place, overtaking the national press which ranks third. Posters and direct mail are the fourth and fifth most complained about media respectively.

Source of complaint

Industry complaints were more prevalent in non-broadcast media, with 1,208 or 9% of non-broadcast complaints coming from competitors. In broadcast media there were fewer industry complaints, accounting for just 169 or 1.6% of TV and radio complaints received.

Total complaints resolved

Reason for complaint	2006	2007
Misleadingness	8,919	12,083
Offensiveness	7,864	8,946
Harm	2,164	2,452
Miscellaneous	5,842	4,206

Some complaints fall into more than one category.

2006 2007

Total complaints resolved – media

Media	2006	2007	Media	2006	2007
Television	8,594	9,915	Catalogue	150	158
Internet	2,066	2,867	Press general	122	158
National press	3,370	2,165	Unknown	262	148
Poster	1,443	1,835	Directory	128	139
Direct mail	1,592	1,623	Circular	122	133
Magazine	873	1,134	Cinema	114	122
Regional press	950	870	Insert	149	117
Radio	226	658	Mailing	117	111
Leaflet	555	592	Ambient	10	23
E-mail	276	501	Facsimile	53	18
Brochure	385	356	Video	9	3
Point of sale	225	296	Voicemail	3	2
Transport	518	291	Computer games	1	0
Text message	41	257	Viewdata	1	0
Packaging	147	218			
Other	147	169			

Sector

Overall, leisure was the most complained about sector, with food and drink ranking second and ads by non-commercial organisations third. In non-broadcast media, leisure attracted more complaints than any other sector (2,659 complaints) although in broadcast media, food and drink was the top category (2,765 complaints) with leisure ranking second (1,722 complaints). Food and drink's dominance amongst broadcast complaints can be explained by five TV food ads which accounted for a total of 1,425 broadcast complaints. All of these complaints were about offensiveness, irresponsibility or harm and the relevant ads are listed in the top 10 most complained about ads on pages 12 and 13.

Internet advertising

A total of 2,980 complaints were received about internet advertising. Of those, 2,144 (72%) were about the content of websites and as such fell outside of the ASA's remit. The remaining complaints were about sponsored search online (3.4%), sales promotions (7.2%), display internet advertising (11.6%), classified, video and viral ads.

Online remit

The ASA's remit online extends to:

- ads in paid for space (e.g. banners and pop-ups)
- viral marketing
- ads appearing on Interactive TV
- the contents of marketing e-mails
- online sales promotions
- sponsored search results

The vast majority of all complaints about the internet (84%) were about misleading advertisements or content. Complaints about pricing and charges and the availability of products are more common in online advertising than in traditional media. Other common complaints about online advertising relate to delivery times or the omission of relevant information. In 2007, just 8% of internet complaints were about offensiveness and only 2% related to harm.

Total complaints resolved – sector

Sector	Total
Leisure	4,381
Food and drink	3,263
Non-commercial	2,388
Computers and telecommunications	2,249
Health and beauty	1,768
Retail	1,618
Financial	1,505
Holidays and travel	1,355
Household	1,009
Motoring	968
Publishing	872
Business	860
Utilities	323
Property	310
Alcohol	273
Employment	246
Clothing	161
Education	139
Unknown	104
Agricultural	25
Industrial Engineering	23
Tobacco	22
Electrical appliances	11

Internet (website content) cases

By top ten issues 2007

Prices %



Availability %



Charges %



Omission %



Unlimited %



Delivery time %



Sales promotions %



Use of "free" %



Ambiguity %




Speed %

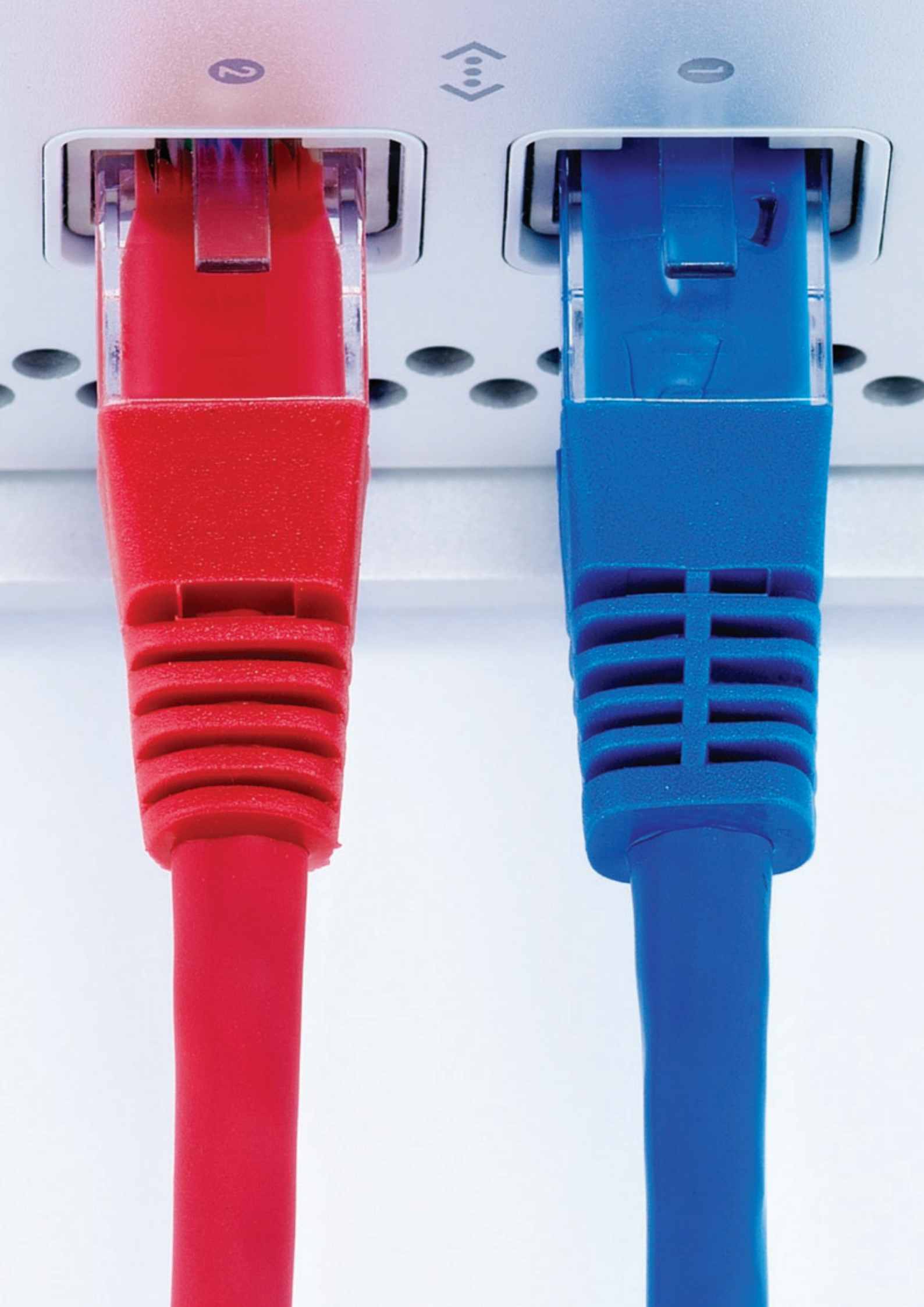


Website content cases

All cases



Internet content was the second most complained about category, after television. The CAP Code covers paid-for internet advertising, but not most website content.



ASA Council

The ASA Council is the jury that decides if advertisements breach the advertising codes. The Council is appointed by the ASA Chairman and two-thirds of the members are independent of the advertising industry. The minority industry members are pictured opposite in the top row. Two panels operate in parallel within the one Council, judging broadcast and non-broadcast ads separately.

ASA Council members

01_Rt Hon Lord Smith of Finsbury

Chairman

02_Sally Cartwright

Director at Large, Hello Ltd

03_Elizabeth Fagan

Marketing Director, Boots

04_James Best

Director, DDB Worldwide

05_Susan Murray

Non-executive Director of Enterprise Inns plc, SSL International plc, Imperial Tobacco Group plc, Morrisons Supermarkets plc, Compass Group plc
Chairman, Farrow & Ball

06_Nigel Walmsley

Chairman, Broadcasters' Audience Research Board

07_Donald Treford

Emeritus Professor in Journalism Studies, University of Sheffield

08_Colin Philpott

Director, National Media Museum

09_Gareth Jones

Professor of Christian Theology, Canterbury Christ Church University

10_Baroness Coussins

Independent Consultant on Corporate Responsibility
Former CEO, Portman Group
Crossbench Peer

11_David Harker

Chief Executive, Citizens Advice

12_Sunil Gadhia

Chief Executive, Stephenson Harwood

13_Neil Watts

Headteacher, Northgate High School

14_Diana Whitworth

Voluntary Sector Consultancy, Big Lottery Fund Board

15_Christine Farnish

Public Policy Director, Barclays

16_Alison Goodman

Major Donor Development Executive, Terrence Higgins Trust

Senior management team

17_Christopher Graham

Director General

18_Alan Chant

Director of Development

19_Claire Forbes

Director of Communications

20_Phil Griffiths

Director of Finance and Support Services

21_Guy Parker

Director of Complaints and Investigations

22_Roger Wisbey

Director of Advertising Policy and Practice and CAP Secretary

Council members are appointed for a maximum of two three-year terms and receive an honorarium of £15,000 p.a. A Register of Members' Interests may be inspected on application to the Company Secretary.

02



07



12



— Non-broadcast council
— Broadcast council



Independent Reviewer



Sir John Caines KCB

“The ASA Council decided to reverse or to revise every one of the adjudications which I sent back to it.”

The review process reinforces the self-regulatory system. Quite rightly the Reviewer is not able to over-ride the decisions of the ASA Council members. But he is able to get them to think again if he judges their decisions to have been unreasonable or to have been based on inadequate information about the issues or the result of a flaw in the investigation.

Non-broadcast review cases

In 2007 I received 24 requests for review of non-broadcast cases, the same number as in 2006. Nine of these requests proved on examination to be ineligible (38% as compared with 22% over the nine years since I was first appointed). I discovered that in all but one of these nine cases the request was for a review of a decision by the ASA Executive that the original complaint did not justify investigation. If only those making the request had taken the trouble to check the Code they would have seen that my terms of reference make plain that I am there to review decisions made by the ASA Council and not those made by the Executive.

Last year I expressed my disappointment that about one-fifth of non-broadcast requests did not meet the basic tests of eligibility set out in the Code. It is even more disappointing to find that the position was even worse in 2007.

In 2007 I reviewed 15 adjudications about complaints against non-broadcast advertising. In four of these cases I concluded that the person making the request had raised issues which justified my asking the Council to think again. This compares with a proportion of 40% over the nine years since I was appointed. As has been the case in each of the past four years, the Council decided to reverse or to revise every one of the adjudications which I sent back to it.

Broadcast review cases

In 2007 I received only six requests for a review of adjudications about complaints against broadcast advertising, the same number as in 2006. Two of these were ineligible because they were out of time and there was no good reason for me to exercise my discretion to overlook that lateness. None of the four requests which I actually reviewed raised issues which justified my asking the Council to reconsider the published adjudication.

Finally a word about the time it takes me to deal with requests. For reviews not involving reference back to the Council I am glad to be able to report that I have been able further to improve the speed of turn round achieved in the past three years. I achieved an average of 27 days as against 32 days in 2006. There are of course limits to the scope for further speed of turn round if thoroughness is not to be impaired. For reviews in which the Council was involved, I was not able to do better than last year – 85 days as against 82 days in 2006.

Sir John Caines KCB

Independent Reviewer

15 years in Europe

Review cases 2005-2007

Non-broadcast	2005	2006	2007
Total cases received	28	24	24
Of which			
Ineligible/withdrawn	6	5	9
Not referred to Council	14	11	11
Referred to Council	8	8	4
Of which			
Reopened	0	1	0
Unchanged	0	0	0
Decision reversed	6	1	3
Wording changed	2	6	1

Broadcast	2005	2006	2007
Total cases received	9	6	6
Of which			
Ineligible/withdrawn	0	0	2
Not referred to Council	8	4	4
Referred to Council	1	2	0
Of which			
Unchanged	0	0	0
Decision reversed	0	1	0
Wording changed	1	1	0

The European Advertising Standards Alliance (EASA) celebrated its 15th birthday in 2007. Its role and reputation have changed markedly since it was set up in 1992. The Cross-Border Complaints system that was immediately established continues to serve us well. But it's not just about making it easy for people to complain about ads that originate abroad. EASA has been tackling some of the most pressing issues in advertising regulation today.

Pro-active, particularly in sensitive sectors

EASA has co-ordinated pan-European monitoring of thousands of alcohol and food ads in up to 15 member countries. The results have so far been positive: 96% of alcohol ads and 97% of food ads have complied with the appropriate rules.

Moving with the times

EASA has initiated a project looking at whether, and how, to extend self-regulation into digital media. The work continues and good progress has already been made identifying what should and shouldn't be covered by the rules. Also, thanks in part to successful EASA lobbying, the Audiovisual Media Services Directive encourages member states to consider effective self-regulatory solutions when implementing the new law on TV and TV-like services.

Open, transparent, effective, participative and independent

The EASA Charter Validation Report was presented to the European Commission at the end of the year. There's still some way to go, but the self-regulatory organisations (SROs) of EASA made big strides towards meeting their target commitments. Two SROs (Poland and Lithuania) became fully operational and two others (Cyprus and Estonia) were in development. More new countries than expected established a code of advertising practice. Progress was made introducing 'appeals' processes, the publication of decisions and online complaints forms on websites. Good inroads were also made on the issue of stakeholder involvement in SRO's juries.

"The agreed best-practice model is pretty good, if rather challenging for self-regulation practitioners ... there is a real need for all interested parties to recognise that this model could not be built overnight."

Robert Madelin, Director General of DG SANCO and Chairman of the Advertising Round Table



www.easa-alliance.org

Financial report

The Advertising Standards Board of Finance (Asbof) and the Broadcast Advertising Standards Board of Finance (Basbof) fund the advertising regulatory system by collecting a levy on advertising expenditure.

Year to 31 December 2007

Audited income and expenditure figures for the combined non-broadcast and broadcast activity in 2007 are given in the table below and are the total of the amounts recorded in the Report and Financial Statements of the two companies that were adopted by the Non-Broadcast and Broadcast Councils at their respective Annual General Meetings held on 11 April 2008.

Income

Compared with 2006, income received from the Advertising Standards Board of Finance Ltd rose by £487,000 (10.91%) to £4,950,000. Income received from the Broadcast Advertising Standards Board of Finance also rose; by £194,000 (6.71%) to £3,086,000. The total income was £8,036,000; a rise of £681,000 (9.26%) compared with 2006. Interest received rose by £29,082 (67.01%) and produced additional income of £72,484.

Expenditure

In the early years of the combined non-broadcast and broadcast operation, budgets and forecasts of expenditure were prepared on a cash basis. The budget agreed for 2007 was £8,020,920 but a £75,000 contingency was required to be set aside.

The forecast of expenditure for the year was £7,935,667; a saving of £10,253 (0.13%) after allowing for the contingency. On the cash basis, the audited figures show an overspend of £197,511 (2.49%) against the budget.

At the end of quarter three, expenditure was largely in line with budget with the vast majority of expense categories being on target; but significant and unexpected costs were incurred in the last quarter. Direct staff costs, by far the largest expense category, were very close to budget but indirect costs in the form of recruitment, temporary staff and BUPA cost £85,000 more than forecast. Similarly, unexpected premises costs of some £22,000 were incurred. An over-run on the Copy Advice marketing project accounted for a further £35,000 and legal fees were £14,000 more than anticipated. An under-projection error of £45,000 accounted for the remainder of the overspend. Further controls have been put in place to ensure this is not repeated.

On the Profit and Loss basis, however, the audit confirmed expenditure of £7,801,479; an increase of £604,570 (8.40%) compared with 2006 but still considerably less than the costs anticipated in the Business Plan of September 2004 (£8,557,000).

The Report and Financial Statements for ASA and ASA(B) reflect a split of costs, determined by Asbof/Basbof to reflect the workload between non-broadcast and broadcast activities, of 63% and 37% respectively and applying them to the non-specific costs – overheads, general office costs and the like. Specifically identifiable costs were allocated in full to the relevant function.

Profit/Loss

The combined profit before tax of both non-broadcast and broadcast activity was £310,394 (2006 – £176,957). After tax the combined profit was £248,029 (2006 – £345,185).

Registered offices:

The Advertising Standards Authority Ltd
Mid City Place 71 High Holborn
London WC1V 6QT
Registered in England: No 733214

The Advertising Standards Authority (Broadcast) Ltd
Mid City Place 71 High Holborn
London WC1V 6QT
Registered in England: No 5130991

Non-broadcast and broadcast combined For the year ended 31 December 2007	2007	2006
Income		
Cash received from the Advertising Standards Board of Finance Ltd	4,950,000	4,463,000
Cash received from the Broadcast Advertising Standards Board of Finance Ltd	3,086,000	2,892,000
	8,036,000	7,355,000
Expenditure		
Salaries and staff costs	4,631,332	4,357,200
Other staff costs	445,256	322,329
Rent and accommodation costs	694,665	959,536
Travel, subsistence and entertaining	60,247	57,834
Consultancy and professional fees	536,677	436,723
CRM project costs	145,456	71,974
Depreciation	289,598	269,637
Telephone, postage, printing, stationery and other general expenses	497,435	502,991
Advertising and promotion	500,813	403,485
Onerous lease provision	–	(184,800)
Total	7,801,479	7,196,909
Operating Profit/(Loss)	234,521	158,091
Profit on sale of tangible fixed asset	1,646	–
Interest receivable	72,484	43,402
Finance charges payable under finance leases	(18,257)	(31,536)
Pension finance	20,000	7,000
Profit/(Loss) on ordinary activities before tax	310,394	176,957

Our standards of service

Being accessible

We aim to be accessible to members of the public and the advertising industry. We shall publish our contact details (website, address and telephone) on all our literature and ensure that our switchboard is staffed during normal office hours (9 am – 5.30 pm).

Customer satisfaction with our accessibility is measured by a twice yearly survey. In 2007, 84% of complainants agreed that the ASA is accessible to the public.

We aim to ensure that members of the public are aware of our existence and role, and recognise our name and logo. In 2007, 17% of the public could spontaneously name the ASA as the advertising regulator, and 15% recognised our logo.

Responsiveness

We aim to resolve complaints without undue delay, but complaints that require investigation can take longer than the average. Our aim is to acknowledge complaints within five working days of receipt, reply to all other correspondence within 10 working days, and keep complainants advised of progress on a regular basis.

In 2007, 85% of complainants surveyed were satisfied with the time it took to respond to their complaint and 64% were satisfied that they were kept informed throughout the complaint process.

We aim to turn around complaints, on average, within 12 working days, with at least 80% being within this target. If complaints warrant a full investigation, we aim to resolve them within 60 working days, whilst recognising that complaints by commercial competitors can be protracted.

We aim to respond to e-mail enquiries within 48 hours during the working week.

Customer satisfaction with our timeliness is measured by a quarterly survey.

Overall in 2007, complaints were resolved within an average of 11 working days, with 87% within the 12-day target. Those requiring investigation were resolved within an average of 63 days, with 82% within target.

If a complaint is outside our remit we will advise within 10 working days and provide information on who should be contacted. In 2007, overall customer satisfaction for complaints held to be outside remit was 53%.

Effectiveness

We aim to meet the needs of our customers, whether members of the public or industry.

While recognising that we operate in circumstances where some 80% of complaints result in a “not upheld” decision, we aim to achieve the highest possible scores in our Customer Satisfaction surveys and from the advertisers and agencies with whom we deal in resolving complaints. In 2007, overall complainant satisfaction was 61% and the score from non-broadcast advertisers and agencies was 80%.

Quality

We aim to deliver a high quality and professional service.

If a complainant or advertiser believes that the ASA’s handling of a complaint is not complying with these standards, they can write to the Director General outlining their concerns and he will respond within 10 working days. In 2007, 50% of such correspondence was replied to within 10 working days. The average time taken was 10.1 calendar days.

If a complainant or advertiser believes that there is a substantial flaw in a Council adjudication, they may be able to secure an independent review by the Independent Reviewer of ASA Adjudications. Details of the review process are set out in the codes and the Independent Reviewer’s report for 2007 may be found on pages 22 and 23.

Transparency

We aim to be open about our procedures and our decision making, and accountable for our performance.

We shall publish our adjudications each week on our website www.asa.org.uk.

Our website provides full information on who we are, how we operate, and our consumer research. The usefulness of the information on our website achieved an 82% satisfaction rating in 2007.

We shall publish our performance statistics on the website on a quarterly basis and an Annual Report in April/May each year reviewing our activities throughout the previous calendar year. We publish an Annual Statement in October each year updating our performance reporting (January – June) and setting out our objectives for the coming year.

Getting in touch

The ASA resolves thousands of complaints about advertisements each year. You can complain to us if you:

- think there is something wrong with an advertisement you have seen or heard
- have difficulty getting goods or a refund for items bought by mail order or through television shopping channels
- want to stop direct mail from companies sent either by post/fax, text message or e-mail.

You can contact us by letter, telephone, fax or e-mail. If you would like to be kept informed about news and events from the ASA, contact our Communications team at the address below, or sign up via our website at www.asa.org.uk/asa/keep_me_informed.

Advertising Standards Authority

Mid City Place 71 High Holborn
London WC1V 6QT

Telephone 020 7492 2222

Fax 020 7242 3696

Textphone 020 7242 8159

E-mail enquiries@asa.org.uk

Online www.asa.org.uk



**Working together to
support good advertising**



Two advertising industry committees – the Committee of Advertising Practice (CAP) and the Broadcast Committee of Advertising Practice (BCAP) – sit at the heart of the self-regulatory system administered by the ASA. Here, we report on the work undertaken by CAP and BCAP in 2007, setting and enforcing standards for advertisers, agencies and media.

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Review of the year	04
Food advertising	06
New rules for gambling advertising	10
The industry's role	12
Advertising Advisory Committee	16
Code Review	17

Designed by
Columns Design

Photography by
Michael Harvey
Fernando Manoso



Mixed Sources
Product group from well-managed
forests and other controlled sources
www.fsc.org Cert no. SGS-COC-0620
© 1996 Forest Stewardship Council

Chairman's introduction

A new advertising landscape

At the heart of self- and co-regulation lies the advertising industry's commitment to commissioning, producing and publishing ads that are honest and socially responsible. The UK advertising industry achieves that with competitive campaigns that also deliver humour, creativity and innovation – a tribute not just to the industry's creative talents but also to the seriousness with which it takes its responsibilities under the Codes.

In this Report from the Committee of Advertising Practice (CAP) and the Broadcast Committee of Advertising Practice (BCAP), you can read how some of Britain's biggest companies have adapted to new advertising regimes introduced this year. We report on how Kellogg's and Ladbrokes have adapted their advertising campaigns to comply with new rules for food and gambling ads respectively, and include contributions from advertisers, agencies and media owners who, between them, form the 'self' in self-regulation.

ASA research reveals very high levels of compliance with the new rules for food and gambling advertising and, together with the low levels of public complaints, it is clear that the new rules are delivering both responsible advertising for consumers and clear boundaries for advertisers.

During 2007, I was pleased that we were able to take the initiative to address a long-standing consumer bugbear – TV ads that seem noisier than the programmes in which they appear. A public consultation by BCAP highlighted some of the technical hurdles facing broadcasters and suggested a way forward. We hope to be able to announce the outcome of that review very shortly.

Another initiative to help clarify the boundaries for advertising claims was launched by the Cosmetics, Toiletries and Perfumery Association (CTPA), with support from the ASA, CAP and BCAP and the TV pre-clearance body Clearcast (formerly BACC).

New guidance will give advertisers and agencies valuable advice and clarification about claims for products including anti-ageing and anti-cellulite creams and is expected to be published in 2008. Meanwhile, joint guidance from CAP and BCAP on the use of "free" in advertising helps to define how this powerful word can be used responsibly in both broadcast and non-broadcast advertisements.

Work began on the Code Review – an extensive project encompassing all the advertising codes. Separate broadcast and non-broadcast working groups were established, led by Andrew Marsden, former Marketing Director of Britvic, and ably assisted by the Code Policy team. We hope to be able to launch the new advertising codes in early 2009. The Advertising Advisory Committee (AAC), led by Elizabeth Filkin, has been an active contributor, providing a consumer perspective to both BCAP and the broadcast Code Review working group.

Grant Duncan, Chairman of the General Media Panel stood down during the year after several years of effective leadership, for which the industry is very grateful. I am delighted that Farah Ramzan Golant, Chief Executive Officer of Abbot Mead Vickers BBDO has agreed to take up the challenge and know that under her steady hand the Panel will continue to provide invaluable advice and comment to the ASA Council. We continue to benefit from the expertise of the Sales Promotion and Direct Response Panel and from the unmatched contribution made by its Chairman, Philip Circus, who celebrated 30 years' membership of CAP during 2007. My thanks go to him and to all those who serve on the Panels, the AAC and CAP and BCAP for their continued support and particularly to the staff who have managed a demanding workload with great skill and commitment.



Andrew Brown
CAP and BCAP Chairman

VOL

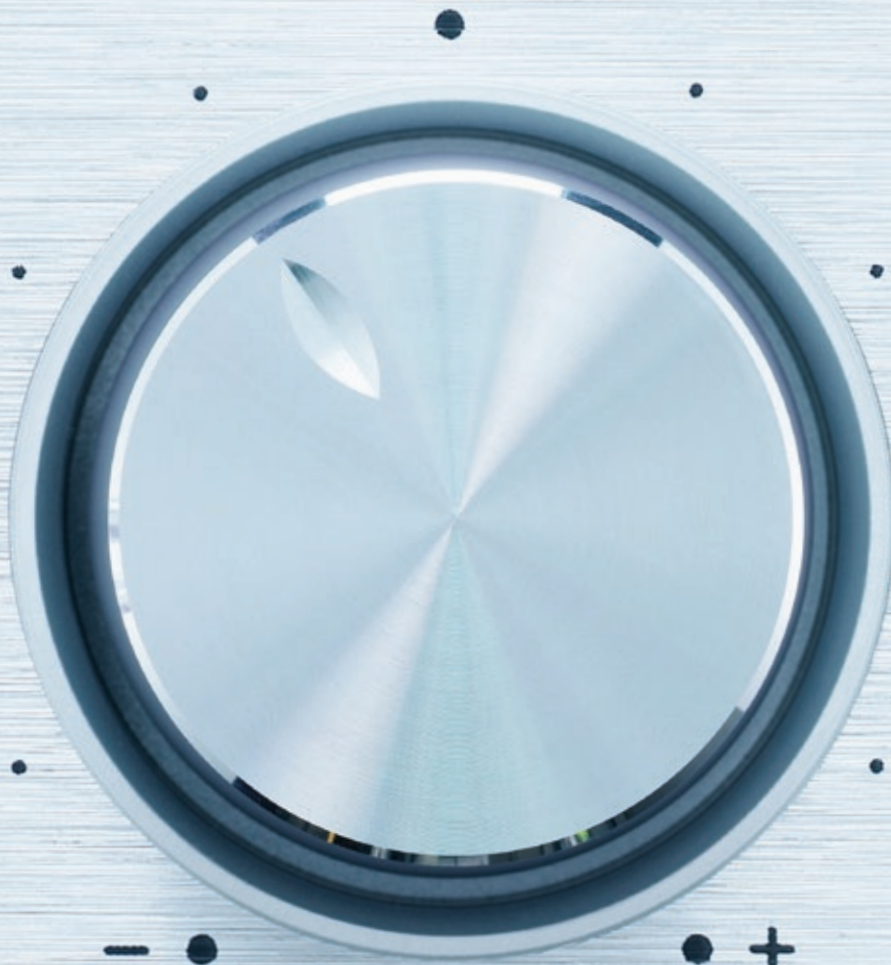
BASS



BCAP's consultation on the sound levels of TV advertisements should reduce the number of complaints to the ASA about ads that seem louder than programmes.

OLUME

TREBLE



Review of the year

01_Guidance on “free”

Everyone likes something for nothing but how would you feel if you found out that your “free” gift was something you had already paid for? “Buy one get one free” offers are popular with shoppers but “buy this car and we’ll give you a free steering wheel” doesn’t sound like such a great deal. The broadcast and non-broadcast Codes have differently-worded rules on “free” and the ASA has had to make some difficult decisions about what is free and what is included in the regular price. To help clear up confusion, in 2007 CAP and BCAP published Guidance that applies to ads in all media. This was the first joint CAP and BCAP Guidance for advertisers and will benefit consumers, by creating a level playing field for “free” claims, as well as helping advertisers to plan their campaigns.

02_Advice:am training

Two major Code changes over three short summer months made 2007 a busy year for the Copy Advice team and, of course, for those sections of the industry with an interest in food, drink, gambling or prize draws. As well as being on hand to answer questions about changes to the CAP Code or simply to cast an experienced eye over marketers’ ads, the Copy Advice team supported the industry with a series of presentations on the new rules for advertising food products to children and the new rules for gambling advertisements. Of the many presentations given by members of the Copy Advice team in 2007, the three seminars at the International Direct Marketing Fair reached the widest audience. Those Copy Advice master classes gave marketers the lowdown on the regulations for direct marketing (DM) and, especially crucial for DM campaigns, database practice – helping those who attended stay within the rules without compromising their creativity.

CAP continued to keep the industry informed of new ASA adjudications and changes to the advertising codes with Update@CAP, its regular e-mail newsletter. Also, 2008 sees the launch of Insight, containing the latest news and practical advice direct from the Copy Advice team. To subscribe to either newsletter visit the Keep Me Informed section of our website www.cap.org.uk. To contact Copy Advice call 020 7492 2100 or e-mail copyadvice@cap.org.uk.

03_Lowering the tone

Noisy TV ads have long been a cause of complaint to the ASA. Discrepancy between levels of sound compression for programmes and for ads can make ads seem louder than the programmes. In 2007, BCAP launched a consultation to help resolve the problem.

Traditionally, broadcasters have used audio meters that measure peak loudness levels, not subjective loudness levels, but there has not been a universally accepted way of measuring subjective loudness levels. BCAP’s consultation proposed a new TV sound levels rule encouraging broadcasters to monitor the sound-levels of the ads they broadcast with loudness-level meters conforming to standards laid down by the International Telecommunications Union. The proposed rule will better enable broadcasters to manage the sound levels between programmes and commercial breaks and minimise the annoyance caused to viewers by TV ads being generally perceived as too loud. The outcome of the consultation is expected to be announced in the second quarter of 2008.

04_Keeping an eye on compliance

We published two compliance surveys in 2007 – one on Telecommunications advertising, the other on Utilities advertising. The surveys, conducted by the Compliance team, revealed compliance rates with the advertising codes of 93% and 87% respectively. The Telecommunications Survey assessed ads against CAP’s recently updated Telecommunications Marketing Help Note and looked at a representative sample of 209 different broadcast and non-broadcast advertisements. Mobile phone ads accounted for the 22 breaches found.

The Utilities Survey looked at 203 non-broadcast and online advertisements between January and February 2007; of those, 26 advertisements breached the CAP Code, a breach rate of 13%. Switching companies were responsible for half the breaches but the Compliance team secured co-operation from the advertisers to help ensure future ads will comply with the rules.

05_30 year commitment

In 2007, CAP members marked 30 years of service to CAP by Philip Circus, Chairman of the Sales Promotion and Direct Response Panel, and CAP representative for the Internet Advertising Bureau. Philip first joined CAP representing the Institute of Practitioners in Advertising (IPA) and has also served as CAP member for the Institute of Sales Promotion (ISP). CAP Chairman Andrew Brown congratulated Philip on his achievement and thanked him for his dedication to the self-regulatory system during that time.

The Committee of Advertising Practice (CAP) and Broadcast Committee of Advertising Practice (BCAP) are responsible for the codes that set the standards for advertisements in all media. In the following pages, we review some of the main events of the Committees' work during 2007, with particular focus on new rules for gambling and food advertising.

01

“buy two get one free”

“free wallchart when you buy Thursday’s paper”

“25% extra free”

“free delivery for customers who spend over £50”

“free trial”

02



03



04



05



A healthy balance

New rules for food advertising

In 2007, CAP and BCAP responded to Government and public concern about rising levels of childhood obesity by introducing strict new content rules for the advertising of food and drink products. Restrictions were placed on the use of licensed characters and celebrities popular with children, and measures to curb ads that promoted excessive consumption of food or drink products were tightened.

Implementing those changes was a considerable undertaking. CAP and BCAP not only had to create two sets of codes but also had to ensure that the industry was aware of the new rules and how they would be interpreted and enforced.

Training for industry

Changes to the TV Code were communicated to the industry first. In February, BCAP and Clearcast held a free morning master class on the new TV rules for food and drink products at BAFTA in London. The seminar was webcast and was made available on the CAP website. Other training sessions for industry were also conducted to meet demand.

After the new TV rules were announced in February and Ofcom's TV scheduling restrictions came into force in April, CAP announced new non-broadcast rules for food and drink advertising in April to take effect on 1 July. Changes to the BCAP Radio Code followed in December.

The underlying principle of both the broadcast and non-broadcast codes is that ads should not condone or encourage poor nutritional habits or unhealthy lifestyles in children. But the codes have subtle differences. The TV Code has scheduling restrictions whereas the non-broadcast Code is solely a set of content restrictions. The TV Code adopted the Food Standards Agency Nutrient Profiling Model to restrict products assessed as HFSS (high in fat, salt or sugar) from being advertised to children but the non-broadcast Code applied to advertisements for all foods except fresh fruit and fresh vegetables. CAP, therefore, rejected the Nutrient Profiling Model which was specifically intended to be used for TV advertising.

Monitoring compliance

The ASA Compliance team conducted a monitoring survey in July 2007 to ensure that advertisers were adhering to the new rules. Of the 759 food and drink ads surveyed, only six were considered in breach of the Code, a compliance rate of 99.2%. Ofcom will review the TV rules in 2008 and the Government will review things in 2009 to evaluate changes in the nature and balance of food advertising.

“The underlying principle of both the broadcast and non-broadcast codes is that ads should not condone or encourage poor nutritional habits or unhealthy lifestyles in children.”

New approach to food marketing
The new food rules have led to significant changes in the way food and drink products are promoted. Kevin Brennan, Marketing Director of Kellogg's explains how Kellogg's marketing has changed.

For over 100 years Kellogg's has been providing nutritious foods so, when the debate for healthier lifestyles started in 2003, we felt well placed to deliver a new range of promotions and marketing activity.

At the same time, the traditional toys in a box and associated marketing was delivering less value for mums and their children and therefore our business. The food industry faced increased pressure to change its marketing practices towards family brands including regulatory and political pressure to move away from marketing directly to children.

Our marketing continuously changes as we rigorously research consumer sentiment and we have, among other things:

- significantly reduced advertising during children's airtime, which will be down to zero by 2009
- designed ads with mum and family, not child, appeal
- reduced licensed character promotions from six a year to none
- reduced the number of toy inserts in our packets from 55 million a year to none
- stopped advertising in children's magazines and websites
- closed Kellogg's websites designed to appeal to children
- removed under-16s from our database.

Our family promotions are now educational and activity based. Some focus on healthy lifestyle campaigns, like providing cyclometers and free swims to encourage activity, and we invest in charities that provide the pools and cycle routes.

Changes will continue but, as long as we engage with consumers, we should be doing it right for them while building our business responsibly for the next 100 years.

“Our family promotions are now educational and activity based. Some focus on healthy lifestyle campaigns, like providing cyclometers and free swims to encourage activity.”



01_BCAP training online
 02_Kellogg's marketing



02



CAP and BCAP launched strict rules for food advertising during the year. ASA research revealed that 99% of food ads complied with the advertising codes.

A safe bet



Laying the cards on the table

In March 2007, CAP and BCAP announced rigorous and robust new rules for gambling advertising. The rules were developed in response to the Gambling Act 2005, which introduced a new legislative framework for gambling, and followed public consultation. The new rules came into effect on 1 September 2007.

Previously, gambling advertising had been restricted in non-broadcast media and almost entirely prohibited on TV. CAP and BCAP's primary concern was to ensure that greater freedom for betting and gaming operators to advertise would not harm consumers.

The key principle of the strict new rules is that all gambling ads should be socially responsible with particular regard for the need to protect children and vulnerable members of society. The rules include the requirements that gambling ads should not exploit young people, suggest gambling can be a solution to financial concerns, link gambling with sexual attractiveness or appeal to young people.

Knowing the house rules

In anticipation of 1 September 2007, CAP and BCAP embarked on a round of awareness raising and training for advertisers in the gaming sector. In April, training seminars took place to guide advertisers through the rules and to improve their knowledge and understanding of how they would be applied.

Non-broadcast advertisers were encouraged to contact the Copy Advice team for expert advice on how to ensure their campaigns would comply with the Code. Mocked-up gambling ads were published in a gambling trade magazine, together with a critical analysis by Copy Advice, highlighting potential problems.

Broadcast advertisers were aided by the pre-clearance service provided by Clearcast as well as the provision of Guidance Notes made available by BCAP and the Gambling Commission.



Odds in favour of the public

Since the new rules came into force, gambling ads have been under tight scrutiny. The ASA has received few complaints, suggesting that the codes are suitably robust. In a survey between September and October 2007, the ASA Compliance team assessed 784 gambling ads across media against the new codes. Encouragingly, only seven seemed to be in breach, a compliance rate of 99%. Work continues behind the scenes to ensure that advertisers adhere to the rules and consumers have confidence that gambling advertisements are socially responsible.

01_Ladbrokes' television ad 02_iGaming's mock gambling ad

An advertising first

1 September 2007 was a landmark for the betting industry in the UK, marking the full introduction of the 2005 Gambling Act and with it the opportunity for betting companies to advertise on television for the first time. Here, Ladbrokes explain how they ensured their first TV ad complied with the BCAP TV Code.

It was important to introduce the advertising of gambling in a controlled and socially responsible way. To achieve that the industry worked closely with the Department for Culture, Media and Sport, the Gambling Commission and CAP and BCAP to develop an Industry Code. The aim was to ensure that the advertising of gambling in the UK under the new rules would be carried out within boundaries that protect consumers, particularly the young and the vulnerable who the Gambling Act identified as a priority.

“CAP and BCAP’s primary concern was to ensure that greater freedom for betting and gaming operators to advertise would not be detrimental to consumers.”

The key elements of the Code adopted by the industry in respect of broadcast advertising are the 9 pm watershed for advertising gaming products and the use of the gambleaware.co.uk website address in all advertisements. The Gambleaware website was developed by the industry-funded charitable trust – Responsibility in Gambling Trust or RIGT – and contains information and advice to promote responsible gambling.

Although the new rules came into force on 1 September, it wasn’t until 2 October that the first advertisements for betting were broadcast – and Ladbrokes were the first company to air.

In anticipation of the new opportunity to advertise on TV, Ladbrokes commissioned M&C Saatchi to develop a light-hearted campaign that captured the appeal of having a bet on football. The ads featured celebrities Ian Wright, Ally McCoist, Lee Dixon and Chris Kamara. The sporting celebrities played the role of builders in a café discussing the chances of various teams’ prospects for the football season. Kirsty Gallagher appeared as a waitress and Jimmy Hill as the chef. The fun ads have been well received and have performed strongly for the Ladbrokes brand with above average levels of awareness and recognition and positive impacts on several brand measures.

The agency was fully briefed on the new rules and so ensured that all media-buying in the campaign complied with the watershed, which allows advertising of betting before 9 pm around sports events. The creative team integrated the website address for Gambleaware to ensure it was clearly identifiable but did not interfere with viewers’ enjoyment of the advertisement.

Being the first campaign for betting, Ladbrokes was not surprised that the ASA did receive a small number of complaints. The ASA Council rejected the complaints and the campaign was uninterrupted.

Advertising on TV is an appropriate step for betting, because it is an increasingly mainstream leisure activity. The operation of the new rules ensures advertising is carried out in a responsible manner and the wider industry is fully supportive.

Keeping standards high

The commitment of the UK advertising industry makes self-regulation effective. This self-regulation happens in the offices of advertisers, agencies and media owners as industry executives ensure that the ads they commission, create and display comply with the industry's own codes.

Here, three industry practitioners – an agency executive, a broadcaster and an advertiser – explain how the self-regulatory system impacts their work and why they support it.

Annabel Evans Account Director

Rainey Kelly Campbell Roalfe Y&R

Having been in advertising all her working life, Annabel Evans is more than familiar with balancing a client's demand for daring advertising against compliance with the advertising codes.

One of Annabel's biggest clients is Virgin Trains. Because Virgin operate in such a competitive market and complaints are as likely to come from rivals as from consumers, she pre-vets all of their advertising with the CAP Copy Advice team. "It is a safer way. We are all worried about getting a complaint upheld. Bad press is detrimental to the brand. The codes are quite intricate and it is brilliant to be able to talk to CAP. Everyone is working towards the same goal of consumer confidence. I don't think anybody wants to mislead consumers. I think the relationship between us and CAP benefits everyone."

When in doubt, she checks the Code online. She says she feels comfortable calling Copy Advice to talk about a campaign in its early stages. "Sometimes it is better to chat with Copy Advice. Sometimes you just want a steer on what you can and can't say. They are really helpful."

When making breakthrough claims, there are inevitably times when she and her team at Rainey Kelly disagree with regulators. "Adverts can be read subjectively. What one person reads in an ad another person won't. But we can have a good healthy debate. When you make a new claim, it can be frustrating when we feel that our substantiation backs up what we're saying and someone else doesn't. But we have a great relationship and we know when we are pushing the boundaries. I haven't had the feeling yet that I'm banging my head against a brick wall!"

With the ASA working well, she sees no need for an alternative system of regulation. "If the Government regulated advertising I think they would be more heavy-handed. It could stifle creativity. I think the system we have works." Her team at Rainey Kelly typically send over three or four advertisements every month but that number can rise to as high as 10 or 12 a fortnight as a campaign nears its launch. With the agency sending staff to the CAP offices for presentations, she is confident her colleagues are familiar with the CAP and BCAP Codes. "I have been to a few of the sessions and they are really useful. We also have IPA training courses and our own in-house lawyer."

Barry Gooch Head of Compliance, Teletext

Trust in advertising is vitally important to Barry Gooch at Teletext. The Head of Compliance says: "We believe that having controls on advertising is a good thing. Customer confidence is key. We must have the highest standards. With the codes, we have clear and transparent rules. And they're important because, without them, in the long-term, consumers would lose confidence in advertising. That would be a bad thing for everybody. In short, advertisers would sell less."

Like many companies, Teletext has internal guidelines and doesn't hesitate to turn down ads. In the last year, the multi-media company has turned away 27 clients for not complying with either its own code or the BCAP Code. But Barry recognises that advertisers can get frustrated with the different codes for television, radio and print. "We understand the difficulty advertisers have trying to put one message across different media. They can do things in print that they can't do on TV."

Barry, who was part of the task force that established the co-regulatory system for broadcast advertising in 2004, says it is important that the rules exist and praises the ASA for its handling of the 11,000 broadcast complaints received every year. "The staff deserve recognition for the work they do. You have to trust their judgment. There are enormous numbers of complaints and they deal with them very well. The job is a tricky one. You are not going to please everybody if you are sanctioning them."

"The ASA does an important job. It is a true independent regulator."

Kate Blakeley Head of Social Responsibility, Diageo

When new rules for alcohol advertising were launched in 2005, many people expected them to be tougher to work with. As appropriate, there could be no appeal to under-18s and no link between drinking and social or sexual success. There were some concerns that the rules could be hard to interpret or that creativity would be stifled.

Now, more than two years on, companies such as Diageo feel comfortable with the rules and believe they continue to create exciting and memorable ads. Head of Social Responsibility, Kate Blakeley, says: "We have always been well aware that alcohol needs to be treated with care and it's not the same as advertising shampoo."

“It is important that the rules don’t inhibit alcohol companies from marketing to young adults over 18. But we must just market responsibly and appropriately to this age group. I think the rules as they stand are fair and responsible. A recent report suggests that alcohol advertising is appealing less to under-18s. The alcohol rules in their current form seem to be working.”

Diageo, which markets 40 alcohol brands, has its own internal code of practice and regularly trains its staff in the advertising codes. Kate has called for a closer relationship between the ASA and advertisers when handling ads in controversial or high profile sectors.

“The consequences of a complaint are huge. To have a complaint upheld is really damaging to our reputation.”

Kate has found the Copy Advice team particularly useful. The team provides an opportunity to discuss the CAP Code at any stage of a campaign. “The team are clear in their guidance. It is tempting to want a definitive view from them, but in reality we know we will get thorough advice but that it won’t necessarily stop a complaint coming in.”

“To have a complaint upheld is really damaging to our reputation.”

01



02



03



01_Annabel Evans

02_Barry Gooch

03_Kate Blakeley

CAP Panels

The ASA and CAP Executive receive invaluable support from two industry Panels – the Sales Promotion and Direct Response Panel, which concentrates on sales promotions and direct marketing, and the General Media Panel, concentrating on all other marketing, media and related issues. Each Panel is composed of industry experts and one ASA Council member and meets three or four times a year.

The role of the Panels is to provide an unbiased opinion from an industry perspective and a forum for information exchange between the industry and the ASA and CAP. It can be an opportunity for marketers to have industry representatives review an aspect of an investigation and to feed into the decision-making process. More information on the Panels can be found on the CAP website, www.cap.org.uk.

General Media Panel

Farah Ramzan Golant (Chair)
 Stephen Allan
 Tess Alps
 Teresa Brookes
 Carol Fisher
 Peter Gatward
 Gareth Jones
 John Laidlaw
 Caroline McDevitt
 Andrew Melsom
 Mike Moran
 Steve O’Meara
 Daniel Owen
 Simon Rhodes
 Gillian Wilmot

Sales Promotion and Direct Response Panel

Philip Circus (Chair)
 Peter Batchelor
 Mark Challinor
 Jean Coussins
 Mark Dugdale
 Michael Halstead
 Oliver Hickson
 Caroline Roberts
 Paul Whiteing

CAP and BCAP provided advice and training on new rules for gambling ads. Only one gambling ad was investigated by the ASA. The complaints were not upheld.





Call for consistency



Elizabeth Filkin

“We have advised BCAP on the changes to the restrictions on sound levels in TV ads to minimise viewer annoyance.”

In our third year, the Advertising Advisory Committee (AAC), which provides a consumer perspective to the BCAP code policy work, has continued to advise on a wide-ranging variety of code-related matters and, I am pleased to report, BCAP has, as it did last year, accepted much of our advice.

In the first part of the year, the AAC continued its work of the previous two years on the broadcast advertising of food products to children. The TV content rules came into force towards the end of February; the radio ones followed in December and scheduling changes were introduced for TV in January both in 2007 and again in 2008. We noted BCAP staff have checked compliance with the scheduling restrictions in June and with the content restrictions in July and found remarkably few breaches of the newly tightened Codes. We are disappointed that, to date, the Department of Health has not shared with us its monitoring data on the volume and nature of food advertising to children and hope that in due course it will be made available to us.

Food advertising

In May and August 2007, the AAC considered and advised on BCAP guidance on determining whether a TV HFSS (high in fat, salt or sugar) food ad advertises a food product, not the company or brand, and hence triggers consideration of the recently introduced restrictions. We looked at several advertisements and, surprisingly, found it remarkably difficult to reach a consensus on whether each ad promoted a food product to which the Food Standards Agency Nutrient Profiling model could be applied.

In 2007, we advised BCAP to seek consistency in the regulation of advertisements for lotteries and we are concerned that, despite its best efforts, BCAP has not been able to resolve the matter. We acknowledge the variety of arguments from other regulators but we should like to draw to the attention of all parties the value of consistent protection to children, young persons and other vulnerable

people from the risks associated with all types of gambling. On a more positive note, we welcomed BCAP’s draft guidance on three of the gambling clauses in the TV and Radio Codes; we think it should help advertisers to comply with the letter and the spirit of the Codes.

Use of “free”

For several months, BCAP and CAP had been debating the acceptable and unacceptable uses of “free” claims in advertisements and we advised three changes to the policy, all of which BCAP agreed to include in the Guidance Note that it has published jointly with CAP.

In May, we considered and agreed changes to the size restrictions on TV text height to allow for the increasing use of high-definition sets and broadcasts without affecting on-screen legibility. And we have advised BCAP on the changes to the restrictions on sound levels in TV ads to minimise viewer annoyance and allow for advances in measurement techniques.

Throughout the year, we have wrestled with European Directives on three subjects: Nutrition and Health Claims, Unfair Commercial Practices and Audiovisual Media Services. We have given preliminary advice to BCAP on its consideration of how the UK implementation of those directives affects the Codes, a subject to which we shall no doubt return in 2008.

In the coming year, advising BCAP on its Code Review will take much of our time and we look forward to that work. We have already advised on proposed changes to certain sections of the Codes, including harm and offence, faith advertising and ads for legal and other services.

I should like to congratulate my colleagues on the AAC and the staff for their wise counsel throughout the year. I look forward to working with them in 2008.

Elizabeth Filkin
Chair

Keeping the codes up-to-date

In 2007, CAP and BCAP began work on the first ever joint review of the codes for non-broadcast and broadcast advertisements to ensure that the codes are up-to-date, relevant and responsive to the genuine concerns of the public and the legitimate interests of the advertising industry. The Review will make the codes more user-friendly and, where justified, will introduce greater cross-media consistency that will help the creation of multi-media campaigns.

As the Review continues in the coming months, CAP and BCAP will consider the implications of the EU Audiovisual Media Services Directive and decide how the codes will address the challenge presented by digital media, including UK website content.

CAP and BCAP will assess each clause in the codes and will consult with relevant stakeholders, regulatory bodies and trade associations to make sure the codes adapt to changes in the law and in the marketing landscape.

The Code Review seeks to meet the standards established by Better Regulation and Hampton Principles. Better Regulation Principles set out that rules should be proportionate, accountable and transparent and targeted only where regulatory action is considered necessary. Hampton Principles require that all regulations should be written so that they are easily understood, easily implemented and easily enforced and all interested parties should be consulted when they are being drafted.

In its review of the broadcast codes, BCAP will receive advice from its Advertising Advisory Committee (AAC), a panel of consumer experts whose role is to give independent, third-party advice to BCAP to ensure that the concerns of viewers and listeners are taken into account. Both non-broadcast and broadcast codes will be the subject of a full public consultation later this year before their final form is agreed and put into place in 2009. CAP and BCAP will invite submissions from a broad range of advertising stakeholders and welcome written responses through the CAP website, by letter or fax.

To be kept informed of Code Review developments, sign up to Update@CAP at the Keep Me Informed section of the CAP website – www.cap.org.uk.

Getting in contact

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Committee of Advertising Practice

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Direct Marketing Association
Direct Selling Association
Directory & Database Publishers Association
Incorporated Society of British Advertisers
Institute of Practitioners in Advertising
Institute of Sales Promotion
Internet Advertising Bureau
Mail Order Traders Association
Mobile Broadband Group
Mobile Marketing Association
Newspaper Publishers Association
Newspaper Society
Outdoor Advertising Association
Periodical Publishers Association
Proprietary Association of Great Britain
Royal Mail
Scottish Daily Newspaper Society
Scottish Newspaper Publishers Association

Clearcast (formerly BACC)
Radio Advertising Clearance Centre

Broadcast Committee of Advertising Practice

Advertising Association
British Sky Broadcasting Limited
Channel 4 Television Corporation
Channel 5 Broadcasting Limited
Direct Marketing Association
Electronic Retailing Association UK
GMTV Limited
Incorporated Society of British Advertisers
Institute of Practitioners in Advertising
ITV plc
RadioCentre
S4C
Satellite & Cable Broadcasters' Group
Teletext Limited
Virgin Media TV

Clearcast (formerly BACC)
Radio Advertising Clearance Centre