



April 3, 2006

Federal Trade Commission
Office of the Secretary
Room H-135 (Annex H)
600 Pennsylvania Avenue, N.W.
Washington, DC 20580

Submitted electronically: <http://secure.commentworks.com/foodmarketing/>

Re: Food Marketing to Children and Adolescents Report to Congress -
Comment, Project No. P064504

Dear Sir or Madam:

This submission is made on behalf of the National Fluid Milk Processor Promotion (MilkPEP) Board, the sponsors of the popular Milk Mustache “got milk?” celebrity advertising campaign. Since 1994, the Milk Mustache advertising campaign has become a well established feature of the MilkPEP commercial marketing program, which now includes a wide range of integrated marketing activities for fluid milk products. The program is designed to encourage milk consumption in the general population, including children and adolescents.

The MilkPEP Board appreciates this opportunity to comment on the important food and beverage marketing issues currently before the Federal Trade Commission (FTC or the Commission). These comments address the experiences of the MilkPEP marketing program, including media and techniques used in the program, with respect to improvements in milk consumption levels achieved by children and adolescents. Although the shortness of time and resources limits the scope of information we are able to provide in these written comments concerning MilkPEP program marketing activities, we welcome the opportunity to contribute further information to assist the Commission in developing its report concerning marketing activities and expenditures of the food industry targeted toward children and adolescents.

I. The Role of Marketing in Food Choices Among Children and Adolescents

The role commercial food and beverage marketing practices can play in fostering healthy dietary practices among children and adolescents is a matter of substantial public concern, particularly in the context of the childhood obesity epidemic. While the powerful role food and beverage marketing practices can play in motivating children and adolescents to consume healthy diets that are consistent with the Dietary Guidelines for Americans is well recognized,¹ relatively little attention has been paid to evaluating the unique issues presented for marketers of healthy - but underconsumed - foods and beverages, such as low fat and fat free milk, fruits and vegetables, and whole grains.² Since the power of food and beverage marketing to foster healthy dietary practices can be no greater than the nutritional contributions that particular marketed foods are capable of making to the diets of children and adolescents, the importance of the nutritional attributes of specific food and beverage products cannot be underestimated in determining the impact of marketing practices on dietary practices and public health.

The Commission has been directed to submit a report to the Congress “on the marketing activities and expenditures of the food industry targeted toward children and adolescents,” which includes “an analysis of commercial advertising time on television, radio, and in print media; in-

¹ See Comm. on Food Mktg. and the Diets of Children and Youth, Food and Nutrition Board, IOM, “Food Marketing to Children and Youth: Threat or Opportunity?” at ES-3 (Dec. 2005) (“The commercial advertising and marketing of foods and beverages influences the diets and health of children and youth.”). See also *id.* at ES-6 (stating that “food and beverage marketing influences the preferences and purchase requests of children [and] influences consumption at least in the short term”).

² *Id.* at ES-8 (“Food and beverage companies, restaurants, and marketers have underutilized potential to devote creativity and resources to develop and promote food, beverages, and meals that support healthful diets for children and youth.”); *id.* (“Central to making progress toward more healthful diets for children and youth will be carefully designed and sustained commitments ... to promote the ... appeal of nutritious foods and beverages.”). See also IOM, Preventing Childhood Obesity: Health in the Balance, at ES-4 (The Nat’l Academy Press 2005) (concluding that one of the goals of preventing obesity for children and youth is to “improve the proportion of children meeting Dietary Guidelines for Americans”).

store marketing; direct payments for preferential shelf placement; events; promotions on packaging; all Internet activities; and product placements in television shows, movies, and video games.”³ The Commission requested public comments to assist its preparation of the report.⁴ Although the information FTC requests focuses substantially on characterizing the nature and amount of marketing activity that occurs in various media outlets, the notice requests information concerning the “types of foods and beverages marketed to children and adolescents,” including “categories and subcategories used to describe [such] products.”⁵ In order for the FTC study to yield results that have genuine value in supporting food and beverage marketing policies that foster healthy dietary practices among children and adolescents, it is essential that FTC exercise some care in collecting and analyzing marketing data in ways that distinguish the findings for underconsumed healthy foods -- such as low fat and fat free milk, fruits and vegetables, and whole grain products -- from overconsumed foods and beverages that make little, if any, nutritional contribution to the diets of children and adolescents. To the extent possible, it is desirable that the Commission also characterize the “nature” of marketing practices by considering the extent to which the “messages” conveyed for particular food and beverage categories through the various media are consistent with and reinforce government-sponsored nutrition education messages developed for children and adolescents. Failing to devote sufficient attention to the nutritional attributes of the products marketed and the educational value of marketing messages conveyed could lead to unfounded and misleading conclusions that risk “throwing the baby out with the bathwater” and missed opportunities to strengthen policies that support marketing practices that can, in fact, foster healthy dietary practices in children and adolescents.

³ Science, State, Justice, Commerce, and Related Agencies Appropriations Act, 2006; Pub. L. 109-108, 119 Stat. 2290 (Nov. 22, 2005); H.R. Rep. No. 109-272, at 202 (2005) (incorporating S. Rep. No. 109-88, at 108 (2005)).

⁴ Request for Information and Comment: Food Industry Marketing Practices to Children and Adolescents; Notice requesting information and comment; 71 Fed. Reg. 10535 (Mar. 1, 2006).

⁵ *Id.*

II. The MilkPEP Marketing Program: Raising the Nutritional Profile in Diets of Children and Adolescents

A. Background

The MilkPEP marketing program operates under the supervision of the U.S. Department of Agriculture (USDA), in accordance with the Fluid Milk Promotion Act of 1990 (the Milk Promotion Act).⁶ The Milk Promotion Act was enacted by Congress to create a mechanism to fund generic commercial advertising and marketing for fluid milk products. In its supervisory capacity, USDA is responsible for reviewing MilkPEP advertising to ensure that claims are truthful and substantiated by appropriate scientific evidence.⁷ Advertising claims are carefully developed through a creative process which is supported by thorough scientific and legal review and the guidance of an advisory board composed of doctors and scientists with recognized expertise concerning diet and health matters relating to milk.

Consistent with well-established national dietary guidelines recommending daily milk consumption for the general population,⁸ the Milk Promotion Act explicitly recognizes the important role milk products play in serving important nutritional needs of the U.S. population:

[F]luid milk products are basic foods and are a primary source of required nutrients such as calcium, ... [and] must be readily available and marketed efficiently to ensure that the people of the United States receive adequate nourishment.⁹

The Milk Promotion Act provides a framework for promoting increased milk consumption through effective commercial marketing strategies.

⁶ Fluid Milk Protection Act of 1990, 7 U.S.C. §§ 6401 *et seq.*

⁷ *See* 7 U.S.C. § 6407 (requiring USDA to ensure that no MilkPEP advertising “use[s] false or unwarranted claims on behalf of fluid milk products”).

⁸ *See, e.g.*, HHS and USDA, Dietary Guidelines for Americans 2005, at 24. *See also generally id.* at Executive Summary and Ch. 5.

⁹ 7 U.S.C. § 6401(a)(1)-(2).

B. Marketing Milk

The 2005 Dietary Guidelines for Americans, jointly developed by the Department of Health and Human Services (HHS) and USDA, specifically note that consumption of milk and milk products has been associated with overall diet quality and adequacy of intake of many important nutrients. The Guidelines explain that “[t]he intake of milk and milk products is especially important to bone health during childhood and adolescence.” The government recommends that children two to eight years of age should consume two cups per day of fat-free or low-fat milk or equivalent milk products, and children nine years of age or older should consume three cups per day of fat-free or low-fat milk or equivalent milk products.¹⁰ These recommendations directly address current concerns that

overall our children and youth are not achieving basic nutritional goals. They are consuming excess calories and added sugars and have higher than recommended intakes of sodium, total fat, and saturated fats. Moreover, dietary intakes of ... calcium ... are well below recommendations and are sufficiently low to warrant concern.¹¹

The dilemma for milk and other foods and beverages that support a healthy diet based upon dietary recommendations is that they face a classic marketing disadvantage. Milk competes in a “branded” commercial marketplace on a commodity basis. For example, over the last thirty years, soft drink consumption has doubled while milk consumption has been cut almost in half. The growth in the promotion and marketing of *branded* food and beverage products is significant,¹² particularly when children and adolescents are a primary target for such

¹⁰ See HHS and USDA, Dietary Guidelines for Americans 2005, at 24. See also generally *id.* at Executive Summary and Ch. 5.

¹¹ See Comm. on Food Mktg. and the Diets of Children and Youth, Food and Nutrition Board, IOM, “Food Marketing to Children and Youth: Threat or Opportunity?” at ES-1 to ES-2.

¹² *Id.* at ES-2.

marketing.¹³ The lack of competitive marketing power for healthy foods and beverages such as milk creates a considerable obstacle, which is why the MilkPEP marketing program was created.

The MilkPEP program is designed to compliment and reinforce national dietary guidance concerning milk consumption and nutrition, but employs distinctively commercial marketing strategies and techniques to strengthen the position of milk in the context of competing beverage alternatives. Such strategies are critically important given the persistent trends in beverage consumption during the past two decades, which are marked by significant declines in U.S. per capita milk consumption and dramatic increases in consumption of beverage alternatives with minimal nutritional value.¹⁴ Unfortunately, these trends have occurred despite longstanding government-sponsored dietary guidance and public health education programs emphasizing the importance of milk products as part of a healthy diet. Part of the problem is that healthy food choices must succeed in competing with the full range of alternatives. As such, even consumers who find “nutritional values” compelling ultimately make real world food choices that are motivated by taste, convenience, cost, and image projection, along with nutritional considerations. The goal of the MilkPEP marketing program is to promote milk consumption in creative and culturally relevant ways, emphasizing the nutritional density and health benefits of milk consumption at recommended levels of consumption.

C. MilkPEP Marketing Methods

Although nutrition education themes are integrated throughout the MilkPEP marketing program, the manner in which messages are communicated depends upon key factors influencing

¹³ *Id.* at ES-4 (“Children and youth represent a primary focus of food and beverage marketing initiatives. Between 1994 and 2004, the rate of increases in the introduction of new food and beverage products targeted to children and youth substantially outpaced the rate for those targeting the total market.”)

¹⁴ Per capita consumption of fluid milk has been in steady decline for more than 20 years, dropping from 27 gallons per year in 1980 to approximately 24 gallons pr year in 1995. *See Per Capita Consumption of Fluid Milk 1980-2003*, Beverage Marketing Corp. Report, International Dairy Foods Ass’n and USDA data (2004), attached hereto as Exhibit A.

milk consumption attitudes and behaviors in a particular audience. The following summarizes specific milk marketing media and techniques directed at children and adolescents.

- Milk Mustache “Got milk?” Celebrity Endorsements

The signature feature of the MilkPEP marketing program is the use of celebrity milk drinkers who have the image and credibility to convey the benefits of milk consumption in fresh and culturally relevant ways. This popular and award winning campaign was launched in 1994 as part of a marketing program promoting fluid milk consumption as part of an overall healthy diet. It has featured prominent entertainers, cartoon characters, athletes, and public officials. Some examples of Milk Mustache celebrity advertisements that are popular with children and adolescents have featured the cartoon characters Garfield the cat,¹⁵ Superman,¹⁶ Rugrats,¹⁷ and Blue’s Clues.¹⁸ Well known teen athletes such as skateboarder Tony Hawk¹⁹ and Olympic figure skater Michelle Kwan²⁰ have also promoted milk.

¹⁵ MilkPEP Board, Advertisement featuring Garfield (1998) (“Lazy bones? Ha! My bones are growing. ‘Cause I lap up fat free milk. You should, too. Calcium helps your bones grow until about age 35. After that, it helps keep them strong...”), attached hereto as Exhibit B.

¹⁶ MilkPEP Board, Advertisement featuring Superman (2000) (“Want bones of steel? The calcium in milk helps make bones strong.”), attached hereto as Exhibit C.

¹⁷ MilkPEP Board, Advertisement featuring Rugrats (2000) (“Want your kids to grow? The calcium in milk helps make your bones grow strong. So give them a tall glass. Then move the cookie jar to the next shelf.”), attached hereto as Exhibit D.

¹⁸ MilkPEP Board, Advertisement featuring Blue’s Clues (2000) (“Here’s a clue. Both chocolate milk and regular milk have the same 9 essential nutrients and are a more nutritious treat than soft drinks.”), attached hereto as Exhibit E.

¹⁹ MilkPEP Board, Advertisement featuring Tony Hawk (1998) (“The Madonna, Stale Fish, and 720 McHawk. I’ve named my share of tricks. But my secret weapon came with a name already in place. Milk. It has more nutrients than sports drinks, plus it’s one of the few things I don’t have to be upside down to enjoy.”), attached hereto as Exhibit F.

²⁰ MilkPEP Board, Advertisement featuring Michelle Kwan (2004) (“The edge I need. I’ve earned a lot of perfect scores, but I’m still thirsty for more. That’s why drinking milk is a routine I’ve got down cold. It’s got 9 essential nutrients active bodies need, on or off the ice.”), attached hereto as Exhibit G.

- “Got milk?” Healthy Schools NBA Challenge

For over 20 years, per capita milk consumption has been in steady decline, dropping from approximately 27 gallons annually in 1980 to approximately 22 gallons annually 2003.²¹ Among children and adolescents ages 6-18, approximately 90 percent of the total per capita decline from 1991 to 2001 can be attributed to declines in school milk consumption.²² To address this decline, MilkPEP has initiated several in-school programs to encourage children to make healthier food choices. One of these programs is the “Healthy Schools Challenge,” a promotional partnership with the National Basketball Association that awards children who submit ideas for ways to improve the health of their school.²³

- Milk Mustache Mobile

The MilkPEP program also develops partnerships with community-based programs and provides grassroots nutrition education. One of the key features of community outreach is the Milk Mustache Mobile, which participates in locally sponsored health fair events.

- Parents and School Nutrition Professionals

A significant proportion of advertising and promotional messages are directed towards adults, including parents and school nutrition professionals, who are influential in encouraging healthy food choices among children and adolescents. Marketing milk to adults is an indirect method of marketing to children and adolescents.

²¹ Per capita consumption of fluid milk has been in steady decline for more than 20 years, dropping from 27 gallons per year in 1980 to approximately 24 gallons pr year in 1995. *See Per Capita Consumption of Fluid Milk 1980-2003*, Beverage Marketing Corp. Report, International Dairy Foods Ass’n and USDA data (2004), attached hereto as Exhibit A.

²² *Annual Milk Consumption and School Milk Consumption: Children 6-8 Years of Age, 1996-2003*, Beverage Marketing Corp. Report (2004), attached hereto as Exhibit H.

²³ *See MilkPEP Board, Got milk? Healthy Schools NBA Challenge Advertisement (2005)*, attached hereto as Exhibit J. *See also* http://www.whymilk.com/nba_hsc.htm.

D. Success of the MilkPEP Marketing Program

Since the MilkPEP program was launched in 1994, there has been significant progress in improving the rates of per capita milk consumption, particularly among children and youth. In USDA's 2004 report to Congress, USDA provided evidence indicating that, in the absence of the MilkPEP marketing program, projected per capita milk consumption levels would have been approximately 4.5 percent lower than actual levels reported.²⁴ Whereas the trend for declining milk consumption has been slowed significantly in the population more generally, recent consumption levels in children and adolescents have increased. Remarkably, among teens, per capita milk consumption has grown from approximately 21.4 gallons annually in 2000 to 24.1 gallons in 2003.²⁵

Qualitative research shows that MilkPEP advertising has improved the image of milk among children and youth, and has increased overall awareness concerning the health benefits of milk consumption in these populations. Though significantly outspent in advertising by virtually every other beverage category and most large beverage brands, the MilkPEP marketing program, especially the Milk Mustache campaign, has established more recognition among children and adolescents than any other beverage campaign.²⁶ The Milk Mustache advertisements continue to appear regularly on many lists of "favorite advertising" for children and adolescents in marketing and media research resources.²⁷

Significant improvements in the media coverage concerning milk have also been made. Prior to 1995, seven out of every ten stories about milk consumption were negative. Currently,

²⁴ USDA Report to Congress, Ch. 3: Impact of Generic Fluid Milk and Dairy Advertising and Promotions on Dairy Markets: An Independent Analysis (2004).

²⁵ Per Capita Consumption of Fluid Milk by Kids and Teens 1996-2003, Beverage Marketing Corp. Report, Share Intake Panel (SIP) Research (2004), attached hereto as Exhibit I.

²⁶ See Neilson Advviews (2004).

²⁷ See, e.g., Look Look, Top 10 List, (First half 2003); Zandl, Hot List (First quarter 2004); Starch Magazine Readership (2003-2004).

eight out of every ten stories about milk consumption are positive in nature.²⁸ There is a substantial body of evidence supporting the important role of the MilkPEP marketing program in milk consumption levels, particularly among children and adolescents.

The MilkPEP marketing program is demonstrably effective, despite the fact that it does not promote a typical proprietary branded product and is vastly outspent by manufacturers of foods and beverages with little nutritional value. Although the MilkPEP program substantially strengthens the effectiveness of milk marketing in the competitive U.S. beverage market, the annual funding level remains small when compared to funding support for the promotion of leading soft drinks and other categories of competitive beverages. To illustrate, the MilkPEP program has approximately ten percent of the marketing budget traditionally allocated to competitive beverages, yet retains a 20 percent market share.

III. Conclusion

Food advertising and marketing practices that empower consumers, especially children and adolescents, and motivate them to make healthy food choices can do much to improve public health. Since marketing strategies invariably reflect the character and quality of the product marketed, the MilkPEP board believes that the nutritional quality of foods promoted for consumption by children and adolescents provides the foundation for responsible and effective food marketing. It is important that the current focus on food marketing to children and adolescents is not limited to curbing the effects of unhealthy or less nutrient dense foods and beverages. Instead, it is critical that we consider how marketing can be used to encourage consumption of healthy and nutritious foods such as milk, dairy products, whole grains, and fruits and vegetables. The contributions commercial food marketing can make toward advancing public health objectives depend ultimately on the nutritional contributions made by the specific food and beverage products that are marketed. Promoting healthy dietary choices through

²⁸ Communication to MilkPEP of data gathered by public relations and communications agency Weber Shandwick (2004).

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marketing serves to reinforce the longer term policies and objectives to promote good health and nutrition for children and adolescents.

The MilkPEP Board appreciates the opportunity to comment on the Commission's efforts to gather and collect more data and information about food and beverage marketing to children and adolescents. As the Commission attempts to more fully understand the current marketing practices and methods for children and adolescents, the MilkPEP Board would be pleased to offer further information that may assist the Commission in the development of its report.

Respectfully submitted,

Tom Nagle
Vice President, Marketing

Attachments

cc: Kurt Graetzer, Chief Executive Officer, National Fluid Milk Processor Promotion Board
Connie Tipton, President & CEO, International Dairy Foods Association