

For Immediate Release

**NAD RECOMMENDS CONAGRA DISCONTINUE
CERTAIN COMPARATIVE CLAIMS FOR MARIE CALLENDER LASAGNA PRODUCT**
NAD Examines Apples-to-Oranges Comparison; Challenge Brought by Nestle

New York, NY – April 11, 2012 - The National Advertising Division of the Council of Better Business Bureaus recommended that ConAgra Foods, Inc., discontinue certain advertising claims for the company's Marie Callender brand frozen "Three Meat and Four Cheese lasagna."

The claims at issue were challenged before NAD, the advertising industry's self-regulatory forum, by Nestle USA, Inc., the maker of competing Stouffer's frozen lasagna products.

The challenged claims appeared in Internet advertising and on product packaging and included the following:

- *"PREFERRED over the leading Meat Lasagna"*
- *"Marie Callender's multi-serve lasagna... is preferred nearly two to one over Stouffer's."*

A key issue in this case was the comparison of two dissimilar products: Marie Callender's 31-ounce frozen product with three meats and four cheeses and Stouffer's 19-ounce meat and cheese product.

NAD noted in its decision that it has previously recognized the right of advertisers to make "apples to oranges" comparisons in order to highlight features or attributes of their products, provided certain conditions are met – the advertising should "clearly indicate the exact product to which its advertised comparison refers" and advertisers should take care to ensure that their advertisement does not communicate the message that a competitor does not make a more similar product than the one being compared to the advertiser's own product.

The advertiser's preference claim was based on a taste comparison between Marie Callender's Three Meat and Four Cheese Lasagna (31 Ounces) and Stouffer's Meat and Sauce lasagna (19 Ounces). The advertiser argued that the comparison was appropriate because it is compared its own leading multi-serve meat lasagna product against the leading multi-serve meat lasagna marketed by its competitor. NAD did not agree.

Although the advertiser attempted to limit the comparison by identifying the variety (19 oz. lasagna with meat and sauce) being compared in small type on the front and back panels of its product, NAD found the disclosure insufficient to qualify what could be interpreted by consumers as a line claim.

In terms of size and method of preparation, NAD concluded that the Stouffer's 38-ounce ounce lasagna or the Marie Callender's 19-ounce Three Meat and Four Cheese product were more similar and found that the advertiser's taste-test evidence could not support the broader preference messages that might be conveyed by the product packaging – including the communication of a line claim.

NAD determined that the advertiser's taste test was insufficient to support the advertiser's claims that Marie Callender's lasagna is "Preferred over the leading Meat Lasagna" and "preferred nearly two to one over Stouffer's" lasagnas and recommended that the claims be discontinued.

ConAgra Foods, in its advertiser's statement, said the company is disappointed with NAD's decision.

Nevertheless, the company said, “as a supporter of the NAD self-regulatory process, we accept the decision, and we will discontinue the specific challenged claims, as well as bear the decision in mind for any future uses of the comparative claim.’

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NAD's inquiry was conducted under NAD/CARU/NARB Procedures for the Voluntary Self-Regulation of National Advertising. Details of the initial inquiry, NAD's decision, and the advertiser's response will be included in the next NAD/CARU Case Report.

About Advertising Industry Self-Regulation: The National Advertising Review Council (NARC) was formed in 1971. NARC establishes the policies and procedures for the National Advertising Division (NAD) of the Council of Better Business Bureaus, the CBBB's Children's Advertising Review Unit (CARU), the National Advertising Review Board (NARB) and the Electronic Retailing Self-Regulation Program (ERSP).

The NARC Board of Directors is composed of representatives of the American Advertising Federation, Inc. (AAF), American Association of Advertising Agencies, Inc., (AAAA), the Association of National Advertisers, Inc. (ANA), Council of Better Business Bureaus, Inc. (CBBB), Direct Marketing Association (DMA), Electronic Retailing Association (ERA) and Interactive Advertising Bureau (IAB). Its purpose is to foster truth and accuracy in national advertising through voluntary self-regulation.

NAD, CARU and ERSP are the investigative arms of the advertising industry's voluntary self-regulation program. Their casework results from competitive challenges from other advertisers, and also from self-monitoring traditional and new media. NARB, the appeals body, is a peer group from which ad-hoc panels are selected to adjudicate NAD/CARU cases that are not resolved at the NAD/CARU level. This unique, self-regulatory system is funded entirely by the business community; CARU is financed by the children's advertising industry, while NAD/NARC/NARB's primary source of funding is derived from membership fees paid to the CBBB. ERSP's funding is derived from membership in the Electronic Retailing Association. For more information about advertising industry self-regulation, please visit www.narcpartners.org.