

Advertising + Marketing

This Content is Not Intended for Mature Audiences: CARU Investigates Disclosures on the Vlad and Niki YouTube Channel

The Bottom Line

- Ads directed towards children must be clearly and conspicuously identified as ads, in language that children can easily understand.
- Do not rely solely on a platform's disclosure mechanism - these tools may be insufficient to clearly and conspicuously disclose material connections to children.
- CARU continues to monitor the marketplace and may bring more independent monitoring actions related to disclosure practices.

Through the Children's Advertising Review Unit's (CARU) routine monitoring activities, CARU opened an investigation into the "Vlad and Niki" YouTube Channel. By its own description, the Vlad and Niki YouTube channel "is the global preschool phenomenon and highest-rated kids channel on YouTube" with over 405 million subscribers and over 220 billion views worldwide.

Vlad and Niki produce three types of video content:

1. paid videos produced under brand partnership agreements, featuring products received for free (Sponsored Videos);
2. videos promoting Vlad and Niki products produced under licensing and merchandising agreements (Product Promotion); and
3. videos that are not sponsored by any brands and do not promote Vlad and Niki products, but which may feature branded and unbranded toys and products and/or take place in a toy or other retail establishment (Independent Content).

Sponsored Videos

CARU found that the majority of the Sponsored Videos produced by Vlad and Niki sufficiently included clear and

conspicuous disclosures that were presented consistently in text and audio, at the beginning and end of each video. This practice aligns with CARU's recommendations in other cases, finding that audio and text disclosures should be presented at the outset of sponsored content and that brands should standardize the content of the disclosures.

However, some Sponsored Videos failed to include disclosures at the end of the video (either in video or audio), used language that is not clear to children (i.e., "sponsored by" and "paid promotion"), or only included the "#ad" disclosure in a non-conspicuous description box.

For these Sponsored Videos, CARU recommended using language that is clear for children to understand, such as "This is an advertisement for XXX," "We were paid by XXX to make this video" or "Thank you, XXX, for paying me to make this video," in both text and audio. CARU further recommended that they make disclosures at standardized times (i.e., beginning and end for longer videos, after each ad break). CARU advised against advertisers relying on the platform's disclosure tools.

Product Promotion

While many Vlad and Niki Product Promotion videos included "#ad" in the description of the video and disclosures such as "this video features products that Vlad and Niki helped to create," CARU determined that the videos themselves did not clearly communicate that Vlad and Niki are being paid (i.e., that they receive revenue from the sales of the branded products from the sponsoring advertiser, and who that sponsoring advertiser may be).

CARU found that the "This video features products that Vlad and Niki helped to create" disclosure was insufficient and did not clearly communicate the selling intent of the videos and that Vlad and Niki receive payment from the sales of the branded products. Instead, children viewing the Product Promotion videos would likely think that Vlad and Niki like to play with toys that they help create. Therefore, the link between enjoyment and the advertising nature and purpose of the video is blurred.

CARU further emphasized that reliance on a platform's disclosure tools is insufficient. Specifically, noting that YouTube's disclosure, "This channel got money or free things to make this video," does not convey material information including which products were provided for free and who paid for the video to be made.

CARU recommended that Vlad and Niki add a clear and conspicuous audio and video disclosure to their product promotion videos clearly explaining the material connection between *any* sponsoring advertiser and Vlad and Niki, including that they may get paid and/or receive free product to make the video, who paid them and for what. For clarity, CARU noted

that disclosures like “This is an ad for our Vlad and Niki toy” or “We are selling this Vlad and Niki Toy” should be included when Vlad and Niki are playing with or holding the branded toys with the Vlad and Niki logo prominently in focus.

Independent Content

According to Vlad and Niki, the products included in the Independent Content are selected based on independent editorial or creative decisions so, while some Independent Content may include products manufactured by brand partners, Vlad and Niki allegedly did not receive separate compensation from those partners in connection with the Independent Content. Nevertheless, in the interest of transparency, and prior to the CARU decision, Vlad and Niki voluntarily decided to include disclosures in all future Independent Content where products manufactured by a then-existing brand partner are shown.

Based on this very specific fact pattern, CARU did not mandate that disclosures be included in Independent Content. However, CARU noted that it would require clear and conspicuous disclosures if the content included a former brand partner and the endorser was still receiving royalties or revenue from the licensing deal.

For More Information

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