



June 14, 2007

Mr. Dean N. Panos
Jenner Block LLP
One IBM Plaza
Chicago, IL 60611-7603

Re: *Center for Science in the Public Interest; Sherri Carlson, individually and on behalf of others similarly situated and as next friend of Paige Carlson; Andrew Leong, individually and on behalf of others similarly situated and as next friend of Miles Leong; and Campaign for a Commercial-Free Childhood, Plaintiffs, v. Viacom Inc., Viacom International Inc., and Kellogg Company, Defendants*

Dear Dean:

I'm writing to confirm that in light of Kellogg's agreement to the significant changes to its marketing to children, reflected in the attached Kellogg Company Marketing Commitment, CSPI and the other plaintiffs have agreed to withdraw the notice of intent to sue contained in my January 18, 2006 letter to Kellogg and Viacom, and to release their claims against Kellogg for its marketing practices. This settlement therefore resolves our dispute with Kellogg.

We want to congratulate Kellogg for its willingness to settle this matter without litigation, in a manner that will encourage other companies to improve their own standards.

Thanks also for your own efforts in assisting the parties to reach this positive agreement.

Yours truly,

A handwritten signature in blue ink that reads "Stephen Gardner". The signature is fluid and cursive, with the first name "Stephen" being more prominent.

Stephen Gardner
Director of Litigation



Kellogg Company Marketing Commitment

Kellogg Company ("Kellogg") has a 100-year heritage of health, wellness and nutrition. We also have a longstanding, demonstrated commitment to responsible marketing to children, as reflected in our own Worldwide Marketing Guidelines, our active participation in numerous self-regulatory programs, and other voluntary marketing initiatives around the world. We remain first and foremost committed to meeting our consumers' changing needs.

We recognize that food companies can play an important role in shifting the mix of products advertised to children to reflect our healthiest choices. We are dedicated to this important effort and are pleased to announce that we are enhancing our Worldwide Marketing Guidelines to incorporate the following additional commitments. Full implementation of all commitments will be completed by the end of 2008, subject to contractual obligations as noted below.

Adoption of Nutrient Criteria. Kellogg is adopting the following Nutrient Criteria, which we will apply as set forth below in our Marketing Commitments:

- **Calories:** No more than 200 calories per serving.
- **Saturated Fat:** No more than 2g per serving.
- **Trans Fat:** 0g per serving.
- **Sodium:** No more than 230 mg¹ per serving.
- **Sugar:** No more than 12g per serving (excluding sugars from fruit², dairy and vegetables). We view this level as a starting point and we are committed to innovate and/or provide alternative choices at lower sugar levels over time where feasible.

Marketing Commitments.

- **Television:** We will continue our current practice of not advertising on shows that have an audience of 50% or more children under 6. In addition, we will not advertise foods that do not meet the Nutrient Criteria on any show that has an audience at the time media is planned that is 50% or more children under 12

¹ For our Eggo™ frozen waffle/products, the maximum allowable level of sodium for these products marketed to children was increased from 10% DV (230mg) to 20% DV (460mg) for two reasons. First, these products are typically served as entrees. The average level of sodium across all current Eggo™ skus (approximately 400mg) is well below the CSPI recommended limits of 600mg for main dishes and 770mg for meals. Our proposed 460mg maximum for these products is also below the 480 mg FDA sodium criteria for "healthy" classification. Second, approximately 50% of the sodium is attributed to the leavening agent which is necessary to the functionality and form of the food.

² For these purposes, "fruit" does not include so-called "stripped juices" which are juices stripped of their nutritional content.

during any airing of that show. For example, if a show is expected to have more than 50% under-12 viewership during a 4:00 p.m. timeslot, then foods that don't meet the Nutrient Criteria can't be advertised on the same show even if it has only a 45% under-12 viewership during an 8:00 p.m. slot.

- **Radio, Third-Party Internet:** We will not advertise foods that don't meet the Nutrient Criteria on any radio show or third-party internet site that has an audience at the time media is planned that is 50% or more children under 12.
- **Print Media:** We will not advertise foods that don't meet the Nutrient Criteria in publications that are specifically designed to appeal to or which are targeted primarily to children under 12.
- **Schools:** We will not engage in direct advertising of Kellogg products to children in any school or preschool setting with students under 12 (i.e., elementary schools and preschools). In addition, we will not use licensed characters or Kellogg equity characters in school or preschool settings with students under 12 unless (a) all products associated with that character meet the Nutrient Criteria; and (b) the school administrator approves the use. Kellogg will continue to sell Kellogg products to schools with children under 12 subject to any standards that may be imposed by schools or other regulations.
- **Product Placement:** We will not pay for or seek out promotional product placement (i.e., embedding our products within program or editorial content) in any medium directed primarily to children under 12.
- **Licensed Characters:** Subject to our contract/business partner obligations, we are imposing the following limits on our use of third-party licensed characters:
 - we will not use third-party licensed characters in advertisements on mass media, or on Kellogg websites, directed primarily to children under 12 in connection with foods that do not meet the Nutrient Criteria.
 - we will not use licensed third-party characters as the basis for a food form unless that food meets the Nutrient Criteria.
 - we will not use child-directed marketing that features licensed characters, including inserts, on the front-panel of products that do not meet the Nutrient Criteria.

- **Websites:** We are making several content changes to our websites. On Kellogg websites or website pages that contain copy or content designed to appeal to, or which is targeted primarily to, children under 12, we will (1) include an automatic use break feature that kicks in after 15 minutes of screentime; (2) include healthy lifestyle messaging (e.g., messaging on energy balance, activity, nutrition); (3) not place on these websites clips or downloads of commercials run in mass media that are not allowed to be directed in mass media to children under 12 under our commitments above; and (4) where products (i.e., food, brand logos, packaging) are themselves integrated into an online interactive activity (including downloads, wallpapers and games), we will only depict those products which meet the Nutrient Criteria in those types of activities.³

- **Other Marketing/Media:** We are also committed to not using the following marketing activities/techniques directed primarily to children under 12 for products that do not meet our Nutrient Criteria:
 - celebrity spokespersons who are related to or affiliated with mass media that itself is directed primarily to children under 12 (e.g., stars from sit-com-type programs directed primarily to children under 12)⁴
 - viral marketing directed primarily to children under 12
 - branded toys and games sold for or distributed to children
 - brand sponsorship of “kids clubs” or other children’s communities
 - marketing messages directed to or using children’s cell phones (i.e., ring tones, messages to children)

Kellogg is pleased to start its next 100 years of bringing health and wellness to our consumers with these important initiatives. We welcome the opportunity to undertake this leadership role in the area of responsible marketing.

³ This commitment does not apply to depictions of Kellogg equity characters that are themselves based on the actual food form.

⁴ Professional athletes are not included in this limitation due to mass market, vs. child-specific, appeal.