

Youngster Business

#10

Nobody cheered for Elias. The room fell silent for a moment, and then there was some nervous laughter. Coca-Cola executives were sitting in the audience. Everyone ignored the boy's comment, and an advertising executive sitting onstage quickly changed the subject. It was as though Elias hadn't said anything at all.

toys, toys, toys
positives + negatives

Class- 2/28/18

Despite the growing importance of the Internet, television remains the main place you'll find ads targeting kids. For years people have debated whether it's right or wrong to produce such ads for young children. Many studies have found that young children often can't tell the difference between a TV show and a TV commercial. They can't understand the real purpose of ads and trust that everything an ad says is true. The idea of banning children's ads is supported by many parents, teachers, and pediatricians. But it is strongly opposed by toy companies, television networks, and major advertising agencies. They earn a lot of money producing ads, broadcasting ads, or selling products with these ads.

Far from being banned, TV advertising aimed at kids is now broadcast twenty-four hours a day on some channels. The average American child now spends about twenty-five hours a

week watching television. That adds up to more than one and a half months, nonstop, of TV every year. And that does not include the time spent in front of a screen watching videos, playing video games, or using a computer. Aside from going to school, American children now spend more time watching television than doing anything else except sleeping.

During the course of a year, the typical American child watches more than 40,000 TV commercials. About 20,000 of those ads are for junk food: soda, candy, breakfast cereals, and fast food. That means children now see a junk-food ad every five minutes while watching TV—and see about three hours of junk-food ads every week. American kids aren't learning about food in the classroom. They're being told what to eat by the same junk-food ads repeating again and again.

Although the fast-food chains now spend more than \$3 billion every year on television advertising, their marketing efforts aimed at children don't stop there. McDonald's has opened more than eight thousand playgrounds at its restaurants in the United States. Burger King has built more than two thousand. A manufacturer of these "playlands" explains why fast-food chains build them: "Playlands bring in children, who bring in parents, who bring in money." As American cities and towns spend less money on parks and playgrounds, fast-food restaurants have become a gathering place for families. The seesaws,

slides, and pits full of plastic balls have been successful at luring small children. Another form of advertising, however, has proven even more effective. "The key to attracting kids," one marketing publication says, "is toys, toys, toys."

The fast-food chains now work closely with America's leading toy makers, giving away small toys with children's meals and selling larger ones at their restaurants. As part of its Happy Meals program, McDonald's has worked with Fisher-Price to give away "Toddler Toys" aimed at kids aged one to three. One of the Fisher-Price toys was a tiny doll of a McDonald's worker holding a milk shake. Both McDonald's and Burger King have given away Teletubbies dolls. Teletubbies are aimed at children too young to speak.

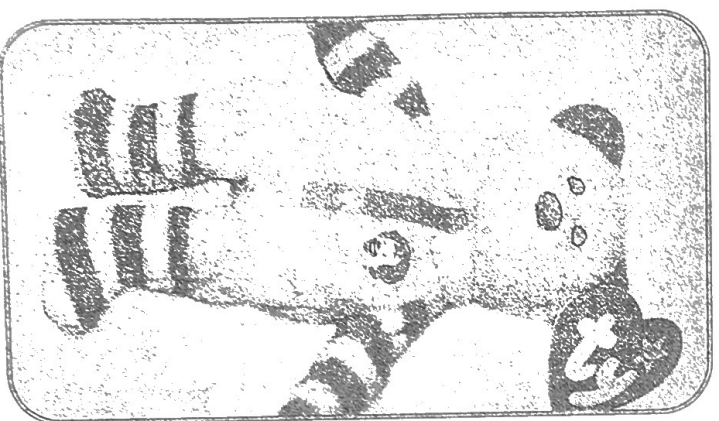
Children's meals often come with different versions of the same toy, so that kids will nag their parents to keep going back to the restaurant to get a complete set. For many hard-working parents, buying a children's meal that includes a free Hot Wheels car, a Simpsons talking watch, or a Butt-Ugly Martians doll seems like an easy way to make their kids happy. For the fast-food chains, the toys are an easy way to make money. Giving away the right toy can easily double or triple the weekly sales of children's meals. And for every additional child, one or two additional adults are usually being dragged into the restaurant to eat.

"McDonald's is in some ways a toy company, not a food company," says one retired fast-food executive. Indeed, McDonald's is perhaps the largest toy company in the world. It sells or gives away more than 1.5 billion toys every year. Almost one out of every three new toys given to American kids each year comes from McDonald's or another fast-food chain.

McDonald's buys its Happy Meal toys from manufacturers in countries where the prices are low. On the bottom of these toys you often find the phrase "Made in China." Too often the lives of the workers who make Happy Meal toys are anything but happy. In 2000 a reporter for the *South China Morning Post* visited a factory near Hong Kong. The factory made Snoopy, Winnie the Pooh, and Hello Kitty toys for McDonald's Happy Meals. Some of the workers there said they were fourteen years old and often worked sixteen hours a day—twice the number of hours in a typical American workday. Their wages were less than twenty cents an hour—an amount almost thirty times less than the lowest amount you can pay an American worker. They slept in small rooms crammed with eight bunk beds without mattresses.

At first McDonald's said it had seen no evidence that such poor conditions existed at the factory, but later it admitted that some things were wrong there. A few months later, a newspaper found that another factory in China that made Happy Meal

toys was mistreating its workers. They were working seventeen hours a day—and being paid less than ten cents an hour. McDonald's now tries to ensure that children aren't employed to make its toys. But the company hasn't done much to increase the wages of the workers at Chinese toy factories. Low wages are one of the things that keep Happy Meal toys so cheap.



Full of beans

One of the most successful promotions in the history of advertising was the Ty Teenie Beanie Baby giveaway at McDonald's in 1997. At the time, McDonald's sold about 10 million Happy Meals in a typical week. Over the course of ten days in April 1997, by including a Teenie Beanie Baby with each purchase, McDonald's sold about 100 million Happy Meals.

Happy Meals are normally sold to kids between the ages of three and nine—which means four Teenie Beanie Baby Happy Meals were bought for every single

American child in that age group. Not all of those Happy Meals were purchased for children. Many adult collectors bought the meals, kept the stuffed toys, and threw away the food.

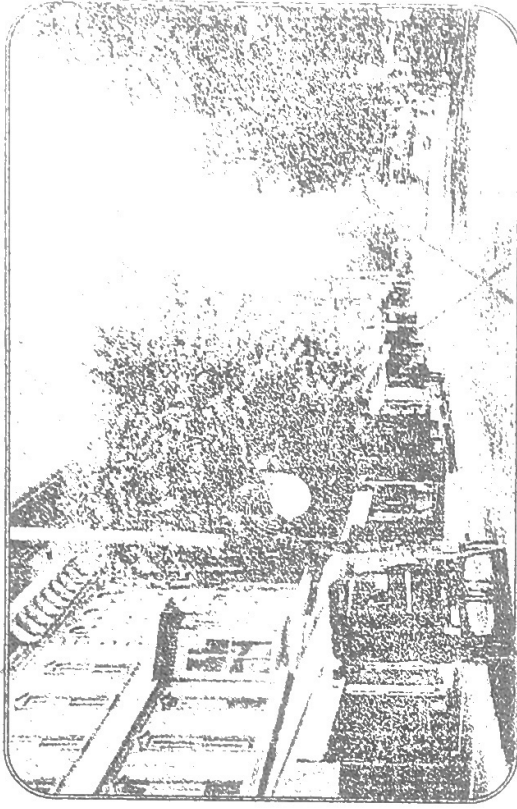
The desire for young customers has led the fast-food chains to join forces not only with toy companies but also with sports leagues and Hollywood studios. McDonald's has staged promotions with the National Basketball Association and the Olympics. Pizza Hut, Taco Bell, and KFC have advertised with college teams. Wendy's has linked with the National Hockey League. Burger King and Nickelodeon, Denny's and Major League Baseball, McDonald's and the Fox Kids Network, have all formed partnerships that mix ads for fast food with children's entertainment.

Bozo's first appearance at a McDonald's restaurant in 1960 unleashed a children's marketing trend that has swept the world. Amid all the cross-promotions, giveaways, and huggable mascots, it has become almost impossible to separate children's entertainment from fast-food advertising. And the industry is proud of that fact. After being criticized for offering hip-hop stars money to mention Big Macs in their songs, a McDonald's spokesman recently argued that there is nothing wrong with advertising to kids that way. "We believe that the McDonald's brand is so omnipresent already in America," the spokesman said, "that having it in music, having it in TV, having it in

movies, is no more intrusive than anything else children experience these days."

In May 1996, the Walt Disney Company signed a ten-year deal with the McDonald's Corporation. The life's work of Walt Disney and Ray Kroc had come full circle, uniting in perfect synergy. The two companies that led the way in aiming ads at children decided to work together. Disney agreed to promote its films at McDonald's restaurants, and McDonald's started to sell hamburgers and French fries at Disney's theme parks. The basic thinking behind McDonaldland and Disneyland, never far apart, finally became one. Now you can buy a Happy Meal at the Happiest Place on Earth.

MCJOBS



Martinsburg a century ago

For almost two hundred years, Martinsburg, West Virginia, was a sleepy little community at the northern tip of the Shenandoah Valley. The town was founded in 1778 and named after Thomas Bryan Martin, an officer during the Revolutionary War. The first settlers came there on horseback along the Cumberland Trail, an important trade route in the early nineteenth century, and cleared the land for farming. The land was perfect for growing apple trees, and soon more apples were being grown in the Martinsburg area than almost any-

Exit Response

This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There are approximately 20 lines visible. The paper appears to be a standard notebook page, possibly from a composition book. The edges of the paper are slightly irregular, suggesting it might be a scan of a physical document. There is no handwriting or other markings on the page.