



Submission to the Advertising Standards Authority

**Review of the Code of Advertising to Children and the
Children's Code for Advertising Food**

by Restaurant Brands NZ Ltd

April 2016

1. Introduction

- 1.1. Restaurant Brands New Zealand Ltd (RBNZ) welcomes the opportunity to provide this submission to the Advertising Standards Authority's (ASA) review of the Code for Advertising to Children (CAC) and the Children's Code for Advertising Food (CCAF).
- 1.2. RBNZ is New Zealand's largest Quick Service Restaurant Operator, specialising in managing multi-site branded food retail chains. RBNZ operates the New Zealand franchise for KFC, Pizza Hut, Carl's Jr. and Starbucks, with 180 stores throughout New Zealand and employing nearly 4,000 staff.
- 1.3. RBNZ agree they have a duty of care to protect children and follow a policy across their portfolio of brands of not advertising directly to children.
- 1.4. RBNZ recognise that obesity is an issue in New Zealand and although the quality and taste of the food offered across its brands is important, so is its impact on the health and wellbeing of their customers. RBNZ brands have taken steps to vastly improve and communicate the nutritional content of their food, and continue to make improvements to the nutritional composition of their food with a focus on sodium, sugar, and saturated fat reduction.

2. Advertising to Children

2.1. RBNZ is aware of the need for special care when advertising is likely to reach children and ensure that any advertising follows rules set out in the ASA Codes.

2.2. Current policy

As a responsible Quick Service Restaurant operator our policy is not to advertise or market our products directly to children.

2.3. Promotional Toys

RBNZ have chosen not to include toys in our kids meals, to ensure that we are not promoting our brands or products directly to children.

2.4. Television Advertising

RBNZ have a policy of not placing television advertisements in dedicated children's programmes and follow Commercial Approvals Bureau procedures and classifications.

2.5. Sports Sponsorships

RBNZ does support sporting events and teams in a sponsorship capacity. We get involved because we want to help promote an active lifestyle, be part of a fun, lively atmosphere. We don't try to pretend there's any connection between our products and the diets or successes of the players – and we're confident the fans understand this and appreciate our support in the sporting community.

3. Childhood Obesity

3.1. RBNZ recognise that obesity and heart disease are serious health issues in New Zealand. Both the causes and the solutions are complex, requiring everyone to play their part. RBNZ continues to focus on improving the nutritional composition of its food, with an emphasis on sodium, sugar and saturated fat reduction.

3.2. Portion Control

Portion control is an area to consider when addressing obesity. A number of items on our menus are designed for people to share.

3.3. Saturated & Trans Fats

In May 2011, KFC introduced a healthier blend of high oleic canola and sunflower oil which has substantially less saturated fat, and less than 1g of trans-fats. This falls well within regulatory limits.

There is less than 0.1g of trans fat in KFC and Pizza Hut products; Pizza Hut and Carl's Jr. use a healthier Canola Oil blend to fry their chips.

3.4. Sodium Reduction

Reducing the amount of salt in our products is an area where RBNZ has been doing a lot of work. In 2010 KFC significantly reduced the amount of salt in its chicken products and chip seasoning and cut levels in its burger buns, bread rolls and tortillas with an overall sodium reduction of 10% across its products.

Sodium reduction results across RBNZ brands:

- 20% reduction in sodium in KFC mayonnaise since 2012
- 45% reduction in sodium in KFC BBQ sauce since 2007
- 10% reduction of sodium across all KFC products since 2010
- 80% overall reduction in sodium in Carl's Jr. fries in 2014
- 10-25% reduction in sodium in Carl's Jr. burger buns in 2014
- 18-31% reduction in sodium in Carl's Jr. chicken fillets and tenders since 2012
- 7-82% reduction in sodium across all Carl's Jr. sauces since 2012

3.5. Sugar Reduction

RBNZ actively seek to decrease sugar content across its product ranges.

In 2012 the sugar content in KFC burger buns was reduced by 50% and 65% in dinner rolls. Sugar content in its buns and rolls is now 3%.

Another key area of concern regarding the control of sugar consumption is our carbonated beverage range. RBNZ aim to only promote sugar free beverages in all advertising material and on menu panels.

3.6. Transparency of Nutritional Information

We understand that moderation is the key and believe that transparency around all nutritional information is important for consumers to make the right choices.

Detailed nutritional information is available in store and on all of our websites to help customers choose from the range of options that are right for them.

We're confident our customers understand that Quick Service food should be an occasional treat and not an everyday indulgence.

4. The Age of Children

- 4.1. The current ASA Code defines the age of a child as under 14; this aligns with the definition of a child by the Broadcasting Standards Authority, and Children, Young Persons and their Families Act 1989.
- 4.2. The review of the Code seeks to increase the defined age of a child to 18.
- 4.3. In Australia three standards apply, the AANA self-regulatory code is 14 (under-15). The pledge programme for packaged food is under-12 and the QSR pledge is under-14.
- 4.4. RBNZ brands believes that the defined age of children should be in line with current domestic acts and broadcasting standards, along with Australasian standards.

5. Sponsorship

- 5.1. Sports, music and community events hold an important place in contributing to the diverse and vibrant culture in New Zealand, as well as having an important economic and social impact on the country.
- 5.2. Sponsorship and funding of such events is an important element to enable these events to take place, and are vital for their ongoing development and sustainability.
- 5.3. RBNZ currently sponsor a variety of events as part of our vision of being a responsible and highly respected corporate citizen – we value our wider communities and aim to give back where we can through a range of fundraising initiatives and sponsorships