

Investors Ask Facebook to Help Kids “Like” Healthier Food



Last fall, ICCR members filed a shareholder proposal with Facebook requesting that it issue a report evaluating whether the company is doing enough to address mounting public concerns about social media marketing and its impact on childhood obesity.

The proposal is part of ICCR’s broader Access to Nutrition campaign which engages food, beverage, retail and media companies in order to encourage the production, promotion, and accessibility of healthier, more nutritious foods for children.

Obesity in youth remains a grave public health threat, in the U.S. and around the globe. According to a recent analysis by the Centers for Disease Control, teenagers’ obesity rates increased in the last decade, and the rates for children remain more than double (and for adolescents, quadruple) what they were in 1980.

Carrying extensive food marketing to youth, as Facebook does, exposes the company to significant and growing regulatory and reputational risks that may impact its financial performance.

“We know from studies that children are particularly susceptible to food marketing and that it has the power to shape youths’ diets,” said Sr. Judy Byron of the Northwest Coalition for Responsible Investment who represents the Sisters of the Holy Names of Jesus and Mary, the lead filer of the proposal. “In requesting a risk assessment, ICCR members are asking Facebook to safeguard the privacy and health of the youth using its site by implementing prudent policies that will prevent online surveillance of kids for commercial purposes and restrict messaging, including junk food marketing, that doesn’t promote healthy behavior.”

Given current trends in childhood obesity and the clear public health threats of over-exposure to junk food marketing, ICCR members question whether Facebook’s advertising and privacy policies adequately safeguard children.

Said Ava Alkon, Associate Program Director for ICCR’s Access to Nutrition program, “Food marketers currently take full advantage of the Facebook platform, intentionally blurring the lines between content and advertising and enlisting kids as a sales force to further promote brands to their ‘friends.’”

But of even greater concern to the investors is Facebook’s use of sophisticated tracking and measuring tools which allow food marketers to continuously refine their strategies against these young audiences.

Continued Alkon, “Facebook’s current business model relies on offering marketers access to an unparalleled amount of personal data that can be used to customize messaging to young audiences. The online surveillance of children and teens is disturbing to both parents and public health advocates, who worry about how the commercial use of this information will impact kids’ health and well-being.”

Food marketing has been highly scrutinized by high-level officials, regulators, and civil society institutions:

- In 2009, Congress and the Federal Trade Commission convened a federal Interagency Working Group on Food Marketed to Children to recommend nutritional standards for food marketed to children under 18.



- In 2011, the American Academy of Pediatrics called for a total ban on child-targeted advertising of unhealthy foods.

- In June 2013, the World Health Organization called for tighter controls on the marketing to children of unhealthy foods.

- First Lady Michelle Obama hosted a Convening on Food Marketing to Children, urging companies from multiple sectors to do more to address the contribution of marketing to childhood obesity.

Proposed legislation, HR 3481 and S.1700 The Do Not Track Kids Act of 2013, calls for extensions to the current Children’s Online Privacy Protection Act that would further restrict personal data collection and establish a “Digital Marketing Bill of Rights for Teens”. Said Byron, “According to press reports, Facebook may consider opening its platforms to children ages 12 and under, which would greatly increase the company’s exposure to regulatory and legal risks. Safeguarding the health and privacy of kids and teens must take precedence over the generation of advertising revenue. Our resolution asks management to assess protections for young users because we believe the current policies put both kids and the company at great risk.”