

## Cashing In On Kids

### THE SECOND ANNUAL REPORT ON TRENDS IN SCHOOLHOUSE COMMERCIALISM

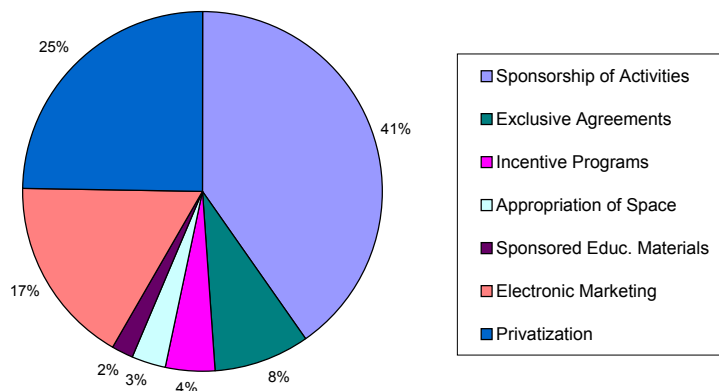
#### EXECUTIVE SUMMARY

The data in “Cashing In on Kids” suggest that commercial activities now help shape the structure of the school day, influence the content of the school curriculum, and may determine whether children will have access to a variety of technologies.

The report is based on periodicals database searches of seven categories of schoolhouse commercialism for the period July 1, 1997 – June 30, 1998 to July 1, 1998 – June 30, 1999. The number of citations that relate to commercialism can provide only a rough approximation of the scope and development of the phenomenon. Nevertheless, even using approximate measures, it seems clear that the volume of commercial activity directed at schools and classrooms continues to increase in virtually every category of commercialization.

#### 1997-98 – 1998-99: Upward Trend in Schoolhouse Commercialism

Figure 1: Percentage of Total Citations (3994),  
by Commercializing Activity, 1998-99



#### Continues

Between the 1997-98 and 1998-99 school years the number of citations related to schoolhouse commercialism increased 11%. Overall, the number of citations

related to commercialism in schools increased 303% between 1990 and 1998-99. Figure 1 provides a snapshot of the relative size of each category of schoolhouse commercialism in 1998-99. Table 1 illustrates the growth between 1990 and 1998-99 of each of the seven categories of commercialism studied.

### **Fastest Growing Categories of Schoolhouse Commercialism 1997-98 – 1998-99**

- **Electronic Marketing (up 59%)**, which includes television, radio, and the Internet/World Wide Web, is a relatively new area of commercial activity in the schools. The number of citations reported in the early nineties is probably skewed upward by the extreme notoriety of Channel One a twelve-minute current events program that requires students be exposed to two minutes of commercials. The numbers for the mid-to-late nineties may be a better reflection of the trend in this area. The number of citations in the Electronic Marketing category increased from 172 in 1995 to 674 in 1998-1999, an increase of 272%. Between 1997-98 and 1998-99, the number of citations jumped 59%. The rapid increase in citations suggests that electronic marketing in the schools may continue to expand substantially for the foreseeable future. To a considerable degree this increase is likely to be driven by marketers who offer schools computers and Internet/World Wide Web services in return for access to their students. **See Graph 6 in report.**
- **Exclusive Agreements (up 21%)** appears to be the second fastest growing area of commercialism in schools. The number of citations reporting on exclusive arrangements between schools and product suppliers (primarily bottling companies such as Pepsi and Coca-Cola) increased 1,668% between 1990 and 1999. Overall, exclusive agreements accounted for 2% of all schoolhouse commercialism citations in 1990 and 8% in 1998-99. Between 1997-98 and 1998-99, the number of citations associated with exclusive agreements increased 21%. It should be noted that after 1997 all of the citations found relating to exclusive agreements were related to beverage sales. **See Graph 2 in report.**
- **Incentive Programs (up 15%)**, such as General Mills' Box Tops for Education, appears to be an area of commercialism that has grown rapidly during the past two years. This may in part be the result of the launch of the heavily promoted Box Tops program in 1996. Also, older incentive programs such as Pizza Hut's Book It! and Campbell's Soup's Labels for Education have recently expanded to reach a wider audience of school children. Between 1990 and 1998-99 the number of citations related to incentive programs increased 83%. The increase between 1997-98 and 1998-99 was 15%. **See Graph 3 in report.**
- **Appropriation of Space (up 9%)** showed a sharp increase between 1997-98 and 1998-99. However, it is likely that this increase can, to some extent, be explained by the controversy over McGraw-Hill's use of brand names and advertisements in its middle school math textbook. Although McGraw-Hill was not paid for product placements, the inclusion of brand names in the text prompted the introduction of legislation in California that would prohibit adoption of ad-carrying

textbooks. The number of citations in this category increased from 33 in 1990 to 122 in 1998-99. **See Graph 4 in report.**

### **Largest Category of Schoolhouse Commercialism**

- **Sponsorship of Programs and Activities (up 3%)** continues to be the largest category of schoolhouse commercialism. Although the number of citations in this category increased only 3% between 1997-98 and 1998-99, the category is so large that a 3% increase represents the third largest increase in citations (after Electronic Marketing and Exclusive Agreements). The Sponsorship category includes programs such as Canon's National Envirothon high school competition, and activities such as "Coke in Education Day." In 1990, this type of commercializing activity accounted for 461 citations. In 1998-99 the number was 1,614, an increase of 250%. Overall, the Sponsorship of Programs and Activities category accounted for 47% of all schoolhouse commercialism citations in 1990 and 40% in 1998-99 a decline of 7%. **See Graph 1 in report.**

### **Trend Unclear**

- **Sponsored Educational Materials (down 14%)** produced the smallest number of citations. It is difficult to know how to interpret the reduction in the number of citations in this category. The decline between 1997-98 and 1998-99 follows an increase of 161% between 1996 and 1997-98. Between 1990 and 1998-99, this category of commercialism has shown an uneven upward trend. It is possible that, except when a particularly glaring example of advertising disguised as curriculum surfaces (e.g., the Prego Spaghetti Sauce science lesson), these materials attract little attention because their producers try to keep them out of public view and thus avoid controversy. **See Graph 5 in report.**

### **Category to Watch**

- **Privatization (up 2%)** is an unusual category. It is the second largest area of commercialism studied. Unlike commercial activities directed at schools, privatization represents an attempt to transform public education itself into a commercial activity. The number of citations in this category reached its peak in 1994. This is, no doubt, due to the well-publicized problems of the two leading for-profit firms, EAI and the Edison Project, in the mid-nineties. Although the number of citations in this category declined between 1994 and 1997, since 1997 the number of citations has increased sharply. This is probably due to an increase in the number of for-profit firms running schools. Last year's report tracked four firms. This year seven additional firms were included. Each firm tracked either runs or had contracts to run at least five schools. It is, therefore, likely that the increase in the number of citations reflects of real growth. **See Graph 1 in report.**

## Educators Continue to Ignore Schoolhouse Commercialism

Between 1997-98 and 1998-99, schoolhouse commercialism was largely

Type of Commercializing Activity	1990		1998-99		Percent Increase 1990 to 1998-99
	Number of Citations	Rank	Number of Citations	Rank	
Sponsorship of Programs and Activities	461	1	1614	1	250%
Exclusive Agreements	19	6	336	4	1668%
Incentive Programs	96	3	176	5	83%
Appropriation of Space	33	5	122	6	270%
Sponsored Educational Materials	8	7	85	7	963%
Electronic Marketing	327	2	674	3	106%
Privatization	47	4	987	2	2000%

ignored by publications for educators. The relative lack of attention given commercialism by educators over the past two years is consistent with the findings in last year's report. The stability of these data suggests that educators do not perceive schoolhouse commercialism as an important issue.