2 / your trusted friends

BEFORE ENTERING the Ray A. Kroc Museum, you have to walk through McStore. Both sit on the ground floor of McDonald's corporate headquarters, located at One McDonald's Plaza in Oak Brook, Illinois. The headquarters building has oval windows and a gray concrete façade — a look that must have seemed space-age when the building opened three decades ago. Now it seems stolid and drab, an architectural relic of the Nixon era. It resembles the American embassy compounds that always used to attract antiwar protesters, student demonstrators, flag burners. The eighty-acre campus of Hamburger University, McDonald's managerial training center, is a short drive from headquarters. Shuttle buses constantly go back and forth between the campus and McDonald's Plaza, ferrying clean-cut young men and women in khakis who've come to study for their "Degree in Hamburgerology." The course lasts two weeks and trains a few thousand managers, executives, and franchisees each year. Students from out of town stay at the Hyatt on the McDonald's campus. Most of the classes are devoted to personnel issues, teaching lessons in teamwork and employee motivation, promoting "a common McDonald's language" and "a common McDonald's culture." Three flagpoles stand in front of McDonald's Plaza, the heart of the hamburger empire. One flies the Stars and Stripes, another flies the Illinois state flag, and the third flies a bright red flag with golden arches.

You can buy bean-bag McBurglar dolls at McStore, telephones shaped like french fries, ties, clocks, key chains, golf bags and duffel bags, jewelry, baby clothes, lunch boxes, mouse pads, leather jackets, postcards, toy trucks, and much more, all of it bearing the stamp of McDonald's. You can buy T-shirts decorated with a new version of the

American flag. The fifty white stars have been replaced by a pair of golden arches.

At the back of McStore, past the footsteps of Ronald McDonald stenciled on the floor, past the shelves of dishes and glassware, a bronze bust of Ray Kroc marks the entrance to his museum. Kroc was the founder of the McDonald's Corporation, and his philosophy of QSC and V — Quality, Service, Cleanliness, and Value — still guide it. The man immortalized in bronze is balding and middle-aged, with smooth cheeks and an intense look in his eyes. A glass display case nearby holds plaques, awards, and letters of praise. "One of the highlights of my sixty-first birthday celebration," President Richard Nixon wrote in 1974, "was when Tricia suggested we needed a 'break' on our drive to Palm Springs, and we turned in at McDonald's. I had heard for years from our girls that the 'Big Mac' was really something special, and while I've often credited Mrs. Nixon with making the best hamburgers in the world, we are both convinced that McDonald's runs a close second . . . The next time the cook has a night off we will know where to go for fast service, cheerful hospitality — and probably one of the best food buys in America." Other glass cases contain artifacts of Kroc's life, mementos of his long years of struggle and his twilight as a billionaire. The museum is small and dimly lit, displaying each object with reverence. The day I visited, the place was empty and still. It didn't feel like a traditional museum, where objects are coolly numbered, catalogued, and described. It felt more like a shrine.

Many of the exhibits at the Ray A. Kroc Museum incorporate neat technological tricks. Dioramas appear and then disappear when certain buttons are pushed. The voices of Kroc's friends and coworkers — one of them identified as a McDonald's "vice president of individuality" — boom from speakers at the appropriate cue. Darkened glass cases are suddenly illuminated from within, revealing their contents. An artwork on the wall, when viewed from the left, displays an image of Ray Kroc. Viewed from the right, it shows the letters QSC and V. The museum does not have a life-size, Audio-Animatronic version of McDonald's founder telling jokes and anecdotes. But one wouldn't be out of place. An interactive exhibit called "Talk to Ray" shows video clips of Kroc appearing on the *Phil Donahue Show,* being interviewed by Tom Snyder, and chatting with Reverend Robert Schuller at the altar of Orange County's Crystal Cathedral. "Talk to Ray" permits the viewer to ask Kroc as many as thirty-six predetermined questions about various subjects; old videos of Kroc supply the answers.

The exhibit wasn't working properly the day of my visit. Ray wouldn't take my questions, and so I just listened to him repeating the same speeches.

The Disneyesque tone of the museum reflects, among other things, many of the similarities between the McDonald's Corporation and the Walt Disney Company. It also reflects the similar paths of the two men who founded these corporate giants. Ray Kroc and Walt Disney were both from Illinois; they were born a year apart, Disney in 1901, Kroc in 1902; they knew each other as young men, serving together in the same World War I ambulance corps; and they both fled the Midwest and settled in southern California, where they played central roles in the creation of new American industries. The film critic Richard Schickel has described Disney's powerful inner need "to order, control, and keep clean any environment he inhabited." The same could easily be said about Ray Kroc, whose obsession with cleanliness and control became one of the hallmarks of his restaurant chain. Kroc cleaned the holes in his mop wringer with a toothbrush.

Kroc and Disney both dropped out of high school and later added the trappings of formal education to their companies. The training school for Disney's theme-park employees was named Disneyland University. More importantly, the two men shared the same vision of America, the same optimistic faith in technology, the same conservative political views. They were charismatic figures who provided an overall corporate vision and grasped the public mood, relying on others to handle the creative and financial details. Walt Disney neither wrote, nor drew the animated classics that bore his name. Ray Kroc's attempts to add new dishes to McDonald's menu — such as Kolacky, a Bohemian pastry, and the Hulaburger, a sandwich featuring grilled pineapple and cheese — were unsuccessful. Both men, however, knew how to find and motivate the right talent. While Disney was much more famous and achieved success sooner, Kroc may have been more influential. His company inspired more imitators, wielded more power over the American economy — and spawned a mascot even more famous than Mickey Mouse.

Despite all their success as businessmen and entrepreneurs, as cultural figures and advocates for a particular brand of Americanism, perhaps the most significant achievement of these two men lay elsewhere. Walt Disney and Ray Kroc were masterful salesmen. They perfected the art of selling things to children. And their success led many others to aim marketing efforts at kids, turning America's youngest consumers into a demographic group that is now avidly studied, analyzed, and targeted by the world's largest corporations.

walt and ray

RAY KROC TOOK THE McDonald brothers' Speedee Service System and spread it nationwide, creating a fast food empire. Although he founded a company that came to symbolize corporate America, Kroc was never a buttoned-down corporate type. He was a former jazz musician who'd played at speakeasies — and at a bordello, on at least one occasion — during Prohibition. He was a charming, funny, and indefatigable traveling salesman who endured many years of disappointment, a Willy Loman who finally managed to hit it big in his early sixties. Kroc grew up in Oak Park, Illinois, not far from Chicago. His father worked for Western Union. As a high school freshman, Ray Kroc discovered the joys of selling while employed at his uncle's soda fountain. "That was where I learned you could influence people with a smile and enthusiasm," Kroc recalled in his autobiography, *Grinding It Out*, "and sell them a sundae when what they'd come for was a cup of coffee."

Over the years, Kroc sold coffee beans, sheet music, paper cups, Florida real estate, powdered instant beverages called "Malt-a-Plenty" and "Shake-a-Plenty," a gadget that could dispense whipped cream or shaving lather, square ice cream scoops, and a collapsible table-and-bench combination called "Fold-a-Nook" that retreated into the wall like a Murphy bed. The main problem with square scoops of ice cream, he found, was that they slid off the plate when you tried to eat them. Kroc used the same basic technique to sell all these things: he tailored his pitch to fit the buyer's tastes. Despite one setback after another, he kept at it, always convinced that success was just around the corner. "If you believe in it, and you believe in it hard," Kroc later told audiences, "it's impossible to fail. I don't care what it is — you can get it!"

Ray Kroc was selling milk-shake mixers in 1954 when he first visited the new McDonald's Self-Service Restaurant in San Bernardino. The McDonald brothers were two of his best customers. The Multimixer unit that Kroc sold could make five milk shakes at once. He wondered why the McDonald brothers needed eight of the machines. Kroc had visited a lot of restaurant kitchens, out on the road, demon-

strating the Multimixer — and had never seen anything like the McDonald's Speedee Service System. "When I saw it," he later wrote, "I felt like some latter-day Newton who'd just had an Idaho potato caromed off his skull." He looked at the restaurant "through the eyes of a salesman" and envisioned putting a McDonald's at busy intersections all across the land.

Richard and "Mac" McDonald were less ambitious. They were clearing $100,000 a year in profits from the restaurant, a huge sum in those days. They already owned a big house and three Cadillacs. They didn't like to travel. They'd recently refused an offer from the Carnation Milk Company, which thought that opening more McDonald's would increase the sales of milk shakes. Nevertheless, Kroc convinced the brothers to sell him the right to franchise McDonald's nationwide. The two could stay at home, while Kroc traveled the country, making them even richer. A deal was signed. Years later Richard McDonald described his first memory of Kroc, a moment that would soon lead to the birth of the world's biggest restaurant chain: "This little fellow comes in, with a high voice, and says, 'hi.'"

After finalizing the agreement with the McDonald brothers, Kroc sent a letter to Walt Disney. In 1917 the two men had both lied about their ages to join the Red Cross and see battle in Europe. A long time had clearly passed since their last conversation. "Dear Walt," the letter said. "I feel somewhat presumptuous addressing you in this way yet I feel sure you would not want me to address you any other way. My name is Ray A. Kroc . . . I look over the Company A picture we had taken at Sound Beach, Conn., many times and recall a lot of pleasant memories." After the warm-up came the pitch: "I have very recently taken over the national franchise of the McDonald's system. I would like to inquire if there may be an opportunity for a McDonald's in your Disneyland Development."

Walt Disney sent Kroc a cordial reply and forwarded his proposal to an executive in charge of the theme park's concessions. Disneyland was still under construction, its opening was eagerly awaited by millions of American children, and Kroc may have had high hopes. According to one account, Disney's company asked Kroc to raise the price of McDonald's french fries from ten cents to fifteen cents; Disney would keep the extra nickel as payment for granting the concession; and the story ends with Ray Kroc refusing to gouge his loyal customers. The account seems highly unlikely, a belated effort by someone at McDonald's to put the best spin on a sales pitch that went nowhere. When Disneyland opened in July of 1955 — an event that Ronald Reagan cohosted for ABC — it had food stands run by Welch's, Stouffer's, and Aunt Jemima's, but no McDonald's. Kroc was not yet in their league. His recollection of Walt Disney as a young man, briefly mentioned in *Grinding It Out,* is not entirely flattering. "He was regarded as a strange duck," Kroc wrote of Disney, "because whenever we had time off and went out on the town to chase girls, he stayed in camp drawing pictures."

Whatever feelings existed between the two men, Walt Disney proved in many respects to be a role model for Ray Kroc. Disney's success had come much more quickly. At the age of twenty-one he'd left the Midwest and opened his own movie studio in Los Angeles. He was famous before turning thirty. In *The Magic Kingdom* (1997) Steven Watts describes Walt Disney's efforts to apply the techniques of mass production to Hollywood moviemaking. He greatly admired Henry Ford and introduced an assembly line and a rigorous division of labor at the Disney Studio, which was soon depicted as a "fun factory." Instead of drawing entire scenes, artists were given narrowly defined tasks, meticulously sketching and inking Disney characters while supervisors watched them and timed how long it took them to complete each cel. During the 1930s the production system at the studio was organized to function like that of an automobile plant. "Hundreds of young people were being trained and fitted," Disney explained, "into a machine for the manufacture of entertainment."

The working conditions at Disney's factory, however, were not always fun. In 1941 hundreds of Disney animators went on strike, expressing support for the Screen Cartoonists Guild. The other major cartoon studios in Hollywood had already signed agreements with the union. Disney's father was an ardent socialist, and Disney's films had long expressed a populist celebration of the common man. But Walt's response to the strike betrayed a different political sensibility. He fired employees who were sympathetic to the union, allowed private guards to rough up workers on the picket line, tried to impose a phony company union, brought in an organized crime figure from Chicago to rig a settlement, and placed a full-page ad in *Variety* that accused leaders of the Screen Cartoonists Guild of being Communists. The strike finally ended when Disney acceded to the union's demands. The experience left him feeling embittered. Convinced that Communist agents had been responsible for his troubles, Disney subsequently appeared as a friendly witness before the House Un-American Activities Committee, served as a secret informer for the FBI, and strongly supported the Hollywood blacklist. During the height of labor tension at his studio, Disney had made a speech to a group of employees, arguing that the solution to their problems rested not with a labor union, but with *a good day's work.* "Don't forget this," Disney told them, "it's the law of the universe that the strong shall survive and the weak must fall by the way, and I don't give a damn what idealistic plan is cooked up, nothing can change that."

Decades later, Ray Kroc used similar language to outline his own political philosophy. Kroc's years on the road as a traveling salesman — carrying his own order forms and sample books, knocking on doors, facing each new customer alone, and having countless doors slammed in his face — no doubt influenced his view of humanity. "Look, it is ridiculous to call this an industry," Kroc told a reporter in 1972, dismissing any high-minded analysis of the fast food business. "This is not. This is rat eat rat, dog eat dog. I'll kill 'em, and I'm going to kill 'em before they kill me. You're talking about the American way of survival of the fittest."

While Disney backed right-wing groups and produced campaign ads for the Republican Party, Kroc remained aloof from electoral politics — with one notable exception. In 1972, Kroc gave $250,000 to President Nixon's reelection campaign, breaking the gift into smaller donations, funneling the money through various state and local Republican committees. Nixon had every reason to like McDonald's, long before tasting one of its hamburgers. Kroc had never met the president; the gift did not stem from any personal friendship or fondness. That year the fast food industry was lobbying Congress and the White House to pass new legislation — known as the "McDonald's bill" — that would allow employers to pay sixteen- and seventeen-year-old kids wages 20 percent lower than the minimum wage. Around the time of Kroc's $250,000 donation, McDonald's crew members earned about $1.60 an hour. The subminimum wage proposal would reduce some wages to $1.28 an hour.

The Nixon administration supported the McDonald's bill and permitted McDonald's to raise the price of its Quarter Pounders, despite the mandatory wage and price controls restricting other fast food chains. The size and the timing of Kroc's political contribution sparked Democratic accusations of influence peddling. Outraged by the charges, Kroc later called his critics "sons of bitches." The uproar left him wary of backing political candidates. Nevertheless, Kroc retained a soft spot for Calvin Coolidge, whose thoughts on hard work and self-reliance were prominently displayed at McDonald's corporate headquarters.

better living

DESPITE A PASSIONATE OPPOSITION to socialism and to any government meddling with free enterprise, Walt Disney relied on federal funds in the 1940s to keep his business afloat. The animators' strike had left the Disney Studio in a precarious financial condition. Disney began to seek government contracts — and those contracts were soon responsible for 90 percent of his studio's output. During World War II, Walt Disney produced scores of military training and propaganda films, including *Food Will Win the War, High-Level Precision Bombing,* and *A Few Quick Facts About Venereal Disease.* After the war, Disney continued to work closely with top military officials and military contractors, becoming America's most popular exponent of Cold War science. For audiences living in fear of nuclear annihilation, Walt Disney became a source of reassurance, making the latest technical advances seem marvelous and exciting. His faith in the goodness of American technology was succinctly expressed by the title of a film that the Disney Studio produced for Westinghouse Electric: *The Dawn of Better Living.*

Disney's passion for science found expression in "Tomorrowland," the name given to a section of his theme park and to segments of his weekly television show. Tomorrowland encompassed everything from space travel to the household appliances of the future, depicting progress as a relentless march toward greater convenience for consumers. And yet, from the very beginning, there was a dark side to this Tomorrowland. It celebrated technology without moral qualms. Some of the science it espoused later proved to be not so benign — and some of the scientists it promoted were unusual role models for the nation's children.

In the mid-1950s Wernher von Braun cohosted and helped produce a series of Disney television shows on space exploration. "Man in Space" and the other Tomorrowland episodes on the topic were enormously popular and fueled public support for an American space program. At the time, von Braun was the U.S. Army's leading rocket scientist. He had served in the same capacity for the German army

during World War II. He had been an early and enthusiastic member of the Nazi party, as well as a major in the SS. At least 20,000 slave laborers, many of them Allied prisoners of war, died at Dora-Nordhausen, the factory where von Braun's rockets were built. Less than ten years after the liberation of Dora-Nordhausen, von Braun was giving orders to Disney animators and designing a ride at Disneyland called Rocket to the Moon. Heinz Haber, another key Tomorrowland adviser — and eventually the chief scientific consultant to Walt Disney Productions — spent much of World War II conducting research on high-speed, high-altitude flight for the Luftwaffe Institute for Aviation Medicine. In order to assess the risks faced by German air force pilots, the institute performed experiments on hundreds of inmates at the Dachau concentration camp near Munich. The inmates who survived these experiments were usually killed and then dissected. Haber left Germany after the war and shared his knowledge of aviation medicine with the U.S. Army Air Force. He later cohosted Disney's "Man in Space" with von Braun. When the Eisenhower administration asked Walt Disney to produce a show championing the civilian use of nuclear power, Heinz Haber was given the assignment. He hosted the Disney broadcast called "Our Friend the Atom" and wrote a popular children's book with the same title, both of which made nuclear fission seem fun, instead of terrifying. "Our Friend the Atom" was sponsored by General Dynamics, a manufacturer of nuclear reactors. The company also financed the atomic submarine ride at Disneyland's Tomorrowland.

The future heralded at Disneyland was one in which every aspect of American life had a corporate sponsor. Walt Disney was the most beloved children's entertainer in the country. He had unrivaled access to impressionable young minds — and other corporations, with other agendas to sell, were eager to come along for the ride. Monsanto built Disneyland's House of the Future, which was made of plastic. General Electric backed the Carousel of Progress, which featured an Audio-Animatronic housewife, standing in her futuristic kitchen, singing about "a great big beautiful tomorrow." Richfield Oil offered utopian fantasies about cars and a ride aptly named Autopia. "Here you leave Today," said the plaque at the entrance to Disneyland, "and enter the world of Yesterday, Tomorrow, and Fantasy."

At first, Disneyland offered visitors an extraordinary feeling of escape; people had never seen anything like it. The great irony, of course, is that Disney's suburban, corporate world of Tomorrow would soon become the Anaheim of Today. Within a decade of its opening, Disneyland was no longer set amid a rural idyll of orange groves, it was stuck in the middle of cheap motels, traffic jams on the Santa Ana freeway, fast food joints, and industrial parks. Walt Disney frequently slept at his small apartment above the firehouse in Disneyland's Main Street, USA. By the early 1960s, the hard realities of Today were more and more difficult to ignore, and Disney began dreaming of bigger things, of Disney World, a place even farther removed from the forces he'd helped to unleash, a fantasy that could be even more thoroughly controlled.

Among other cultural innovations, Walt Disney pioneered the marketing strategy now known as "synergy." During the 1930s, he signed licensing agreements with dozens of firms, granting them the right to use Mickey Mouse on their products and in their ads. In 1938 *Snow White* proved a turning point in film marketing: Disney had signed seventy licensing deals prior to the film's release. Snow White toys, books, clothes, snacks, and records were already for sale when the film opened. Disney later used television to achieve a degree of synergy beyond anything that anyone had previously dared. His first television broadcast, *One Hour in Wonderland* (1950), culminated in a promotion for the upcoming Disney film *Alice in Wonderland.* His first television series, *Disneyland* (1954), provided weekly updates on the construction work at his theme park. ABC, which broadcast the show, owned a large financial stake in the Anaheim venture. Disneyland's other major investor, Western Printing and Lithography, printed Disney books such as *The Walt Disney Story of Our Friend the Atom.* In the guise of televised entertainment, episodes of *Disneyland* were often thinly disguised infomercials, promoting films, books, toys, an amusement park — and, most of all, Disney himself, the living, breathing incarnation of a brand, the man who neatly tied all the other commodities together into one cheerful, friendly, patriotic idea.

Ray Kroc could only dream, during McDonald's tough early years, of having such marketing tools at his disposal. He was forced to rely instead on his wits, his charisma, and his instinct for promotion. Kroc believed completely in whatever he sold and pitched McDonald's franchises with an almost religious fervor. He also knew a few things about publicity, having auditioned talent for a Chicago radio station in the 1920s and performed in nightclubs for years. Kroc hired a publicity firm led by a gag writer and a former MGM road manager to get McDonald's into the news. Children would be the new restaurant chain's target customers. The McDonald brothers had aimed for a family crowd, and now Kroc improved and refined their marketing strategy. He'd picked the right moment. America was in the middle of a baby boom; the number of children had soared in the decade after World War II. Kroc wanted to create a safe, clean, all-American place for kids. The McDonald's franchise agreement required every new restaurant to fly the Stars and Stripes. Kroc understood that how he sold food was just as important as how the food tasted. He liked to tell people that he was really in show business, not the restaurant business. Promoting McDonald's to children was a clever, pragmatic decision. "A child who loves our TV commercials," Kroc explained, "and brings her grandparents to a McDonald's gives us two more customers."

The McDonald's Corporation's first mascot was Speedee, a winking little chef with a hamburger for a head. The character was later renamed Archie McDonald. Speedy was the name of Alka-Seltzer's mascot, and it seemed unwise to imply any connection between the two brands. In 1960, Oscar Goldstein, a McDonald's franchisee in Washington, D.C., decided to sponsor *Bozo's Circus*, a local children's television show. Bozo's appearance at a McDonald's restaurant drew large crowds. When the local NBC station canceled *Bozo's Circus* in 1963, Goldstein hired its star — Willard Scott, later the weatherman on NBC's *Today* show — to invent a new clown who could make restaurant appearances. An ad agency designed the outfit, Scott came up with the name Ronald McDonald, and a star was born. Two years later the McDonald's Corporation introduced Ronald McDonald to the rest of the United States through a major ad campaign. But Willard Scott no longer played the part. He was deemed too overweight; McDonald's wanted someone thinner to sell its burgers, shakes, and fries.

The late-1960s expansion of the McDonald's restaurant chain coincided with declining fortunes at the Walt Disney Company. Disney was no longer alive, and his vision of America embodied just about everything that kids of the sixties were rebelling against. Although McDonald's was hardly a promoter of whole foods and psychedelia, it had the great advantage of seeming new — and there was something trippy about Ronald McDonald, his clothes, and his friends. As McDonald's mascot began to rival Mickey Mouse in name recognition, Kroc made plans to create his own Disneyland. He was a highly competitive man who liked, whenever possible, to settle the score. "If they were drowning to death," Kroc once said about his business rivals, "I would put a hose in their mouth." He planned to buy 1,500 acres of land northeast of Los Angeles and build a new amusement park there. The park, tentatively called Western World, would have a cowboy theme. Other McDonald's executives opposed the idea, worried that Western World would divert funds from the restaurant business and lose millions. Kroc offered to option the land with his own money, but finally listened to his close advisers and scrapped the plan. The McDonald's Corporation later considered buying Astro World in Houston. Instead of investing in a large theme park, the company pursued a more decentralized approach. It built small Playlands and McDonaldlands all over the United States.

The fantasy world of McDonaldland borrowed a good deal from Walt Disney's Magic Kingdom. Don Ament, who gave McDonaldland its distinctive look, was a former Disney set designer. Richard and Robert Sherman — who had written and composed, among other things, all the songs in Disney's *Mary Poppins,* Disneyland's "It's a Great, Big, Beautiful Tomorrow" and "It's a Small World, After All" — were enlisted for the first McDonaldland commercials. Ronald McDonald, Mayor McCheese, and the other characters in the ads made McDonald's seem like more than just another place to eat. McDonaldland — with its hamburger patch, apple pie trees, and Filet-O-Fish fountain — had one crucial thing in common with Disneyland. Almost everything in it was for sale. McDonald's soon loomed large in the imagination of toddlers, the intended audience for the ads. The restaurant chain evoked a series of pleasing images in a youngster's mind: bright colors, a playground, a toy, a clown, a drink with a straw, little pieces of food wrapped up like a present. Kroc had succeeded, like his old Red Cross comrade, at selling something intangible to children, along with their fries.

kid kustomers

TWENTY-FIVE YEARS AGO, only a handful of American companies directed their marketing at children — Disney, McDonald's, candy makers, toy makers, manufacturers of breakfast cereal. Today children are being targeted by phone companies, oil companies, and automobile companies, as well as clothing stores and restaurant chains. The explosion in children's advertising occurred during the 1980s. Many working parents, feeling guilty about spending less time with their kids, started spending more money on them. One marketing expert

has called the 1980s "the decade of the child consumer." After largely ignoring children for years, Madison Avenue began to scrutinize and pursue them. Major ad agencies now have children's divisions, and a variety of marketing firms focus solely on kids. These groups tend to have sweet-sounding names: Small Talk, Kid Connection, Kid2Kid, the Gepetto Group, Just Kids, Inc. At least three industry publications — *Youth Market Alert, Selling to Kids,* and *Marketing to Kids Report* — cover the latest ad campaigns and market research. The growth in children's advertising has been driven by efforts to increase not just current, but also future, consumption. Hoping that nostalgic childhood memories of a brand will lead to a lifetime of purchases, companies now plan "cradle-to-grave" advertising strategies. They have come to believe what Ray Kroc and Walt Disney realized long ago — a person's "brand loyalty" may begin as early as the age of two. Indeed, market research has found that children often recognize a brand logo before they can recognize their own name.

The discontinued Joe Camel ad campaign, which used a hip cartoon character to sell cigarettes, showed how easily children can be influenced by the right corporate mascot. A 1991 study published in the *Journal of the American Medical Association* found that nearly all of America's six-year-olds could identify Joe Camel, who was just as familiar to them as Mickey Mouse. Another study found that one-third of the cigarettes illegally sold to minors were Camels. More recently, a marketing firm conducted a survey in shopping malls across the country, asking children to describe their favorite TV ads. According to the CME KidCom Ad Traction Study II, released at the 1999 Kids' Marketing Conference in San Antonio, Texas, the Taco Bell commercials featuring a talking chihuahua were the most popular fast food ads. The kids in the survey also liked Pepsi and Nike commercials, but their favorite television ad was for Budweiser.

The bulk of the advertising directed at children today has an immediate goal. "It's not just getting kids to whine," one marketer explained in *Selling to Kids,* "it's giving them a specific reason to ask for the product." Years ago sociologist Vance Packard described children as "surrogate salesmen" who had to persuade other people, usually their parents, to buy what they wanted. Marketers now use different terms to explain the intended response to their ads — such as "leverage," "the nudge factor," "pester power." The aim of most children's advertising is straightforward: get kids to nag their parents and nag them well.

James U. McNeal, a professor of marketing at Texas A&M University, is considered America's leading authority on marketing to children. In his book *Kids As Customers* (1992), McNeal provides marketers with a thorough analysis of "children's requesting styles and appeals." He classifies juvenile nagging tactics into seven major categories. A *pleading* nag is one accompanied by repetitions of words like "please" or "mom, mom, mom." A *persistent* nag involves constant requests for the coveted product and may include the phrase "I'm gonna ask just one more time." *Forceful* nags are extremely pushy and may include subtle threats, like "Well, then, I'll go and ask Dad." *Demonstrative* nags are the most high-risk, often characterized by full-blown tantrums in public places, breath-holding, tears, a refusal to leave the store. *Sugar-coated* nags promise affection in return for a purchase and may rely on seemingly heartfelt declarations like "You're the best dad in the world." *Threatening* nags are youthful forms of blackmail, vows of eternal hatred and of running away if something isn't bought. *Pity* nags claim the child will be heartbroken, teased, or socially stunted if the parent refuses to buy a certain item. "All of these appeals and styles may be used in combination," McNeal's research has discovered, "but kids tend to stick to one or two of each that prove most effective . . . for their own parents."

McNeal never advocates turning children into screaming, breath-holding monsters. He has been studying "Kid Kustomers" for more than thirty years and believes in a more traditional marketing approach. "The key is getting children to see a firm . . . in much the same way as [they see] mom or dad, grandma or grandpa," McNeal argues. "Likewise, if a company can ally itself with universal values such as patriotism, national defense, and good health, it is likely to nurture belief in it among children."

Before trying to affect children's behavior, advertisers have to learn about their tastes. Today's market researchers not only conduct surveys of children in shopping malls, they also organize focus groups for kids as young as two or three. They analyze children's artwork, hire children to run focus groups, stage slumber parties and then question children into the night. They send cultural anthropologists into homes, stores, fast food restaurants, and other places where kids like to gather, quietly and surreptitiously observing the behavior of prospective customers. They study the academic literature on child development, seeking insights from the work of theorists such as Erik Erikson and Jean Piaget. They study the fantasy lives of young children, then apply the findings in advertisements and product designs.

Dan S. Acuff — the president of Youth Market System Consulting and the author of *What Kids Buy and Why* (1997) — stresses the importance of dream research. Studies suggest that until the age of six, roughly 80 percent of children's dreams are about animals. Rounded, soft creatures like Barney, Disney's animated characters, and the Teletubbies therefore have an obvious appeal to young children. The Character Lab, a division of Youth Market System Consulting, uses a proprietary technique called Character Appeal Quadrant Analysis to help companies develop new mascots. The technique purports to create imaginary characters who perfectly fit the targeted age group's level of cognitive and neurological development. !

Children's clubs have for years been considered an effective means of targeting ads and collecting demographic information; the clubs appeal to a child's fundamental need for status and belonging. Disney's Mickey Mouse Club, formed in 1930, was one of the trailblazers. During the 1980s and 1990s, children's clubs proliferated, as corporations used them to solicit the names, addresses, zip codes, and personal comments of young customers. "Marketing messages sent through a club not only can be personalized," James McNeal advises, "they can be tailored for a certain age or geographical group." A well-designed and well-run children's club can be extremely good for business. According to one Burger King executive, the creation of a Burger King Kids Club in 1991 increased the sales of children's meals as much as 300 percent.

The Internet has become another powerful tool for assembling data about children. In 1998 a federal investigation of Web sites aimed at children found that 89 percent requested personal information from kids; only 1 percent required that children obtain parental approval before supplying the information. A character on the McDonald's Web site told children that Ronald McDonald was "the ultimate authority in everything." The site encouraged kids to send Ronald an e-mail revealing their favorite menu item at McDonald's, their favorite book, their favorite sports team — and their name. Fast food Web sites no longer ask children to provide personal information without first gaining parental approval; to do so is now a violation of federal law, thanks to the Children's Online Privacy Protection Act, which took effect in April of 2000. !

Despite the growing importance of the Internet, television remains the primary medium for children's advertising. The effects of these TV ads have long been a subject of controversy. In 1978, the Federal Trade

Commission (FTC) tried to ban all television ads directed at children seven years old or younger. Many studies had found that young children often could not tell the difference between television programming and television advertising. They also could not comprehend the real purpose of commercials and trusted that advertising claims were true. Michael Pertschuk, the head of the FTC, argued that children need to be shielded from advertising that preys upon their immaturity. "They cannot protect themselves," he said, "against adults who exploit their present-mindedness."

The FTC's proposed ban was supported by the American Academy of Pediatrics, the National Congress of Parents and Teachers, the Consumers Union, and the Child Welfare League, among others. But it was attacked by the National Association of Broadcasters, the Toy Manufacturers of America, and the Association of National Advertisers. The industry groups lobbied Congress to prevent any restrictions on children's ads and sued in federal court to block Pertschuk from participating in future FTC meetings on the subject. In April of 1981, three months after the inauguration of President Ronald Reagan, an FTC staff report argued that a ban on ads aimed at children would be impractical, effectively killing the proposal. "We are delighted by the FTC's reasonable recommendation," said the head of the National Association of Broadcasters.

The Saturday-morning children's ads that caused angry debates twenty years ago now seem almost quaint. Far from being banned, TV advertising aimed at kids is now broadcast twenty-four hours a day, closed-captioned and in stereo. Nickelodeon, the Disney Channel, the Cartoon Network, and the other children's cable networks are now responsible for about 80 percent of all television viewing by kids. None of these networks existed before 1979. The typical American child now spends about twenty-one hours a week watching television — roughly one and a half months of TV every year. That does not include the time children spend in front of a screen watching videos, playing video games, or using the computer. Outside of school, the typical American child spends more time watching television than doing any other activity except sleeping. During the course of a year, he or she watches more than thirty thousand TV commercials. Even the nation's youngest children are watching a great deal of television. About one-quarter of American children between the ages of two and five have a TV in their room.

perfect synergy

ALTHOUGH THE FAST FOOD chains annually spend about $3 billion on television advertising, their marketing efforts directed at children extend far beyond such conventional ads. The McDonald's Corporation now operates more than eight thousand playgrounds at its restaurants in the United States. Burger King has more than two thousand. A manufacturer of "playlands" explains why fast food operators build these largely plastic structures: "Playlands bring in children, who bring in parents, who bring in money." As American cities and towns spend less money on children's recreation, fast food restaurants have become gathering spaces for families with young children. Every month about 90 percent of American children between the ages of three and nine visit a McDonald's. The seesaws, slides, and pits full of plastic balls have proven to be an effective lure. "But when it gets down to brass tacks," a *Brandweek* article on fast food notes, "the key to attracting kids is toys, toys, toys."

The fast food industry has forged promotional links with the nation's leading toy manufacturers, giving away simple toys with children's meals and selling more elaborate ones at a discount. The major toy crazes of recent years — including Pokémon cards, Cabbage Patch Kids, and Tamogotchis — have been abetted by fast food promotions. A successful promotion easily doubles or triples the weekly sales volume of children's meals. The chains often distribute numerous versions of a toy, encouraging repeat visits by small children and adult collectors who hope to obtain complete sets. In 1999 McDonald's distributed eighty different types of Furby. According to a publication called *Tomart's Price Guide to McDonald's Happy Meal Collectibles,* some fast food giveaways are now worth hundreds of dollars.

Rod Taylor, a *Brandweek* columnist, called McDonald's 1997 Teenie Beanie Baby giveaway one of the most successful promotions in the history of American advertising. At the time McDonald's sold about 10 million Happy Meals in a typical week. Over the course of ten days in April of 1997, by including a Teenie Beanie Baby with each purchase, McDonald's sold about 100 million Happy Meals. Rarely has a marketing effort achieved such an extraordinary rate of sales among its intended consumers. Happy Meals are marketed to children between the ages of three and nine; within ten days about four Teenie

Beanie Baby Happy Meals were sold for every American child in that age group. Not all of those Happy Meals were purchased for children. Many adult collectors bought Teenie Beanie Baby Happy Meals, kept the dolls, and threw away the food.

The competition for young customers has led the fast food chains to form marketing alliances not just with toy companies, but with sports leagues and Hollywood studios. McDonald's has staged pro-motions with the National Basketball Association and the Olym-pics. Pizza Hut, Taco Bell, and KFC signed a three-year deal with the NCAA. Wendy's has linked with the National Hockey League. Burger King and Nickelodeon, Denny's and Major League Baseball, McDon-ald's and the Fox Kids Network have all formed partnerships that mix advertisements for fast food with children's entertainment. Burger King has sold chicken nuggets shaped like Teletubbies. McDonald's now has its own line of children's videos starring Ronald McDonald. *The Wacky Adventures of Ronald McDonald* is being produced by Klasky-Csupo, the company that makes *Rugrats* and *The Simpsons*. The videos feature the McDonaldland characters and sell for $3.49. "We see this as a great opportunity," a McDonald's executive said in a press release, "to create a more meaningful relationship between Ron-ald and kids."

All of these cross-promotions have strengthened the ties between Hollywood and the fast food industry. In the past few years, the major studios have started to recruit fast food executives. Susan Frank, a for-mer director of national marketing for McDonald's, later became a marketing executive at the Fox Kids Network. She now runs a new family-oriented cable network jointly owned by Hallmark Entertain-ment and the Jim Henson Company, creator of the Muppets. Ken Snelgrove, who for many years worked as a marketer for Burger King and McDonald's, now works at MGM. Brad Ball, a former senior vice president of marketing at McDonald's, is now the head of marketing for Warner Brothers. Not long after being hired, Ball told the *Holly-wood Reporter* that there was little difference between selling films and selling hamburgers. John Cywinski, the former head of marketing at Burger King, became the head of marketing for Walt Disney's film di-vision in 1996, then left the job to work for McDonald's. Forty years after Bozo's first promotional appearance at a McDonald's, amid all the marketing deals, giveaways, and executive swaps, America's fast food culture has become indistinguishable from the popular culture of its children.

In May of 1996, the Walt Disney Company signed a ten-year global marketing agreement with the McDonald's Corporation. By linking with a fast food company, a Hollywood studio typically gains any-where from $25 million to $45 million in additional advertising for a film, often doubling its ad budget. These licensing deals are usually negotiated on a per-film basis; the 1996 agreement with Disney gave McDonald's exclusive rights to that studio's output of films and vid-eos. Some industry observers thought Disney benefited more from the deal, gaining a steady source of marketing funds. According to the terms of the agreement, Disney characters could never be depicted sit-ting in a McDonald's restaurant or eating any of the chain's food. In the early 1980s, the McDonald's Corporation had turned away offers to buy Disney; a decade later, McDonald's executives sounded a bit de-fensive about having given Disney greater control over how their joint promotions would be run. "A lot of people can't get used to the fact that two big global brands with this kind of credibility can forge this kind of working relationship," a McDonald's executive told a reporter. "It's about their theme parks, their next movie, their characters, their videos . . . It's bigger than a hamburger. It's about the integration of our two brands, long-term."

The life's work of Walt Disney and Ray Kroc had come full-circle, uniting in perfect synergy. McDonald's began to sell its hamburgers and french fries at Disney's theme parks. The ethos of McDonaldland and of Disneyland, never far apart, have finally become one. Now you can buy a Happy Meal at the Happiest Place on Earth.

the brand essence

THE BEST INSIGHT INTO the thinking of fast food marketers comes from their own words. Confidential documents from a recent McDonald's advertising campaign give a clear sense of how the restau-rant chain views its customers. The McDonald's Corporation was fac-ing a long list of problems. "Sales are decreasing," one memo noted. "People are telling us Burger King and Wendy's are doing a better job of giving . . . better food at the best price," another warned. Consumer research indicated that future sales in some key areas were at risk. "More customers are telling us," an executive wrote, "that McDonald's is a big company that just wants to sell . . . sell as much as it can." An emotional connection to McDonald's that customers had formed "as toddlers" was now eroding. The new radio and television advertising had to make people feel that McDonald's still cared about them. It had to link the McDonald's of today to the one people loved in the past. "The challenge of the campaign," wrote Ray Bergold, the chain's top marketing executive, "is to make customers believe that McDonald's is their 'Trusted Friend.'"

According to these documents, the marketing alliances with other brands were intended to create positive feelings about McDonald's, making consumers associate one thing they liked with another. Ads would link the company's french fries "to the excitement and fanaticism people feel about the NBA." The feelings of pride inspired by the Olympics would be used in ads to help launch a new hamburger with more meat than the Big Mac. The link with the Walt Disney Company was considered by far the most important, designed to "enhance perceptions of Brand McDonald's." A memo sought to explain the underlying psychology behind many visits to McDonald's: parents took their children to McDonald's because they "want the kids to love them . . . it makes them feel like a good parent." Purchasing something from Disney was the "*ultimate*" way to make kids happy, but it was too expensive to do every day. The advertising needed to capitalize on these feelings, letting parents know that "ONLY MCDONALD'S MAKES IT EASY TO GET A BIT OF DISNEY MAGIC." The ads aimed at "minivan parents" would carry an unspoken message about taking your children to McDonald's: "It's an easy way to feel like a good parent."

The fundamental goal of the "My McDonald's" campaign that stemmed from these proposals was to make a customer feel that McDonald's "cares about me" and "knows about me." A corporate memo introducing the campaign explained: "The essence McDonald's is embracing is 'Trusted Friend' . . . 'Trusted Friend' captures all the goodwill and the unique emotional connection customers have with the McDonald's experience . . . [Our goal is to make] customers believe McDonald's is their 'Trusted Friend.' Note: this should be done without using the words 'Trusted Friend' . . . Every commercial [should be] honest . . . Every message will be in good taste and feel like it comes from a trusted friend." The words "trusted friend" were never to be mentioned in the ads because doing so might prematurely "wear out a brand essence" that could prove valuable in the future for use among different national, ethnic, and age groups. Despite McDonald's faith in its trusted friends, the opening page of this memo said in bold red letters: "ANY UNAUTHORIZED USE OR COPYING OF THIS MATERIAL MAY LEAD TO CIVIL OR CRIMINAL PROSECUTION."

mcteachers and coke dudes

NOT SATISFIED WITH MARKETING to children through playgrounds, toys, cartoons, movies, videos, charities, and amusement parks, through contests, sweepstakes, games, and clubs, via television, radio, magazines, and the Internet, fast food chains are now gaining access to the last advertising-free outposts of American life. In 1993 District 11 in Colorado Springs started a nationwide trend, becoming the first public school district in the United States to place ads for Burger King in its hallways and on the sides of its school buses. Like other school systems in Colorado, District 11 faced revenue shortfalls, thanks to growing enrollments and voter hostility to tax increases for education. The initial Burger King and King Sooper ad contracts were a disappointment for the district, gaining it just $37,500 a year — little more than $1 per student. In 1996, school administrators decided to seek negotiating help from a professional, hiring Dan DeRose, president of DD Marketing, Inc., of Pueblo, Colorado. DeRose assembled special advertising packages for corporate sponsors. For $12,000, a company got five school-bus ads, hallway ads in all fifty-two of the district's schools, ads in their school newspapers, a stadium banner, ads over the stadium's public-address system during games, and free tickets to high school sporting events.

Within a year, DeRose had nearly tripled District 11's ad revenues. But his greatest success was still to come. In August of 1997, DeRose brokered a ten-year deal that made Coca-Cola the district's exclusive beverage supplier, bringing the schools up to $11 million during the life of the contract (minus DD Marketing's fee). The deal also provided free use of a 1998 Chevy Cavalier to a District 11 high school senior, chosen by lottery, who had good grades and a perfect attendance record.

District 11's marketing efforts were soon imitated by other school districts in Colorado, by districts in Pueblo, Fort Collins, Denver, and Cherry Creek. Administrators in Colorado Springs did not come up with the idea of using corporate sponsorship to cover shortfalls in a school district's budget. But they took it to a whole new level, packaging it, systematizing it, leading the way. Hundreds of public school districts across the United States are now adopting or considering similar arrangements. Children spend about seven hours a day, one hundred and fifty days a year, in school. Those hours have in the past been largely free of advertising, promotion, and market research — a source of frustration to many companies. Today the nation's fast food chains are marketing their products in public schools through conventional ad campaigns, classroom teaching materials, and lunchroom franchises, as well as a number of unorthodox means.

The proponents of advertising in the schools argue that it is necessary to prevent further cutbacks; opponents contend that schoolchildren are becoming a captive audience for marketers, compelled by law to attend school and then forced to look at ads as a means of paying for their own education. America's schools now loom as a potential gold mine for companies in search of young customers. "Discover your own river of revenue at the schoolhouse gates," urged a brochure at the 1997 Kids Power Marketing Conference. "Whether it's first-graders learning to read or teenagers shopping for their first car, we can guarantee an introduction of your product and your company to these students in the traditional setting of the classroom."

DD Marketing, with offices in Colorado Springs and Pueblo, has emerged as perhaps the nation's foremost negotiator of ad contracts for schools. Dan DeRose began his career as the founder of the Minor League Football System, serving in the late 1980s as both a team owner and a player. In 1991, he became athletic director at the University of Southern Colorado in Pueblo. During his first year, he raised $250,000 from corporate sponsors for the school's teams. Before long he was raising millions of dollars to build campus sports facilities. He was good at getting money out of big corporations, and formed DD Marketing to use this skill on behalf of schools and nonprofits. Beverage companies and athletic shoe companies had long supported college sports programs, and during the 1980s began to put up the money for new high school scoreboards. Dan DeRose saw marketing opportunities that were still untapped. After negotiating his first Colorado Springs package deal in 1996, he went to work for the Grapevine-Colleyville School District in Texas. The district would never have sought advertising, its deputy superintendent told the *Houston Chronicle,* "if it weren't for the acute need for funds." DeRose started to solicit ads not only for the district's hallways, stadiums, and buses, but also for its rooftops — so that passengers flying in or out of the nearby

Dallas–Forth Worth airport could see them — and for its voice-mail systems. "You've reached Grapevine-Colleyville school district, proud partner of Dr Pepper," was a message that DeRose proposed. Although some people in the district were skeptical about the wild ideas of this marketer from Colorado, DeRose negotiated a $3.4 million dollar exclusive deal between the Grapevine-Colleyville School District and Dr Pepper in June of 1997. And Dr Pepper ads soon appeared on school rooftops.

Dan DeRose tells reporters that his work brings money to school districts that badly need it. By pitting one beverage company against another in bidding wars for exclusive deals, he's raised the prices being offered to schools. "In Kansas City they were getting 67 cents a kid before," he told one reporter, "and now they're getting $27." The major beverage companies do not like DeRose and prefer not to deal with him. He views their hostility as a mark of success. He doesn't think that advertising in the schools will corrupt the nation's children and has little tolerance for critics of the trend. "There are critics to penicillin," he told the *Fresno Bee.* In the three years following his groundbreaking contract for School District 11 in Colorado Springs, Dan DeRose negotiated agreements for seventeen universities and sixty public school systems across the United States, everywhere from Greenville, North Carolina, to Newark, New Jersey. His 1997 deal with a school district in Derby, Kansas, included the commitment to open a Pepsi GeneratioNext Resource Center at an elementary school. Thus far, DeRose has been responsible for school and university beverage deals worth more than $200 million. He typically accepts no money up front, then charges schools a commission that takes between 25 and 35 percent of the deal's total revenues.

The nation's three major beverage manufacturers are now spending large sums to increase the amount of soda that American children consume. Coca-Cola, Pepsi, and Cadbury-Schweppes (the maker of Dr Pepper) control 90.3 percent of the U.S. market, but have been hurt by declining sales in Asia. Americans already drink soda at an annual rate of about fifty-six gallons per person — that's nearly six hundred twelve-ounce cans of soda per person. Coca-Cola has set itself the goal of raising consumption of its products in the United States by at least 25 percent a year. The adult market is stagnant; selling more soda to kids has become one of the easiest ways to meet sales projections. "Influencing elementary school students is very important to soft drink marketers," an article in the January 1999 issue of *Beverage*

soda

Industry explained, "because children are still establishing their tastes and habits." Eight-year-olds are considered ideal customers; they have about sixty-five years of purchasing in front of them. "Entering the schools makes perfect sense," the trade journal concluded.

The fast food chains also benefit enormously when children drink more soda. The chicken nuggets, hamburgers, and other main courses sold at fast food restaurants usually have the lowest profit margins. Soda has by far the highest. "We at McDonald's are thankful," a top executive once told the *New York Times*, "that people like drinks with their sandwiches." Today McDonald's sells more Coca-Cola than anyone else in the world. The fast food chains purchase Coca-Cola syrup for about $4.25 a gallon. A medium Coke that sells for $1.29 contains roughly 9 cents' worth of syrup. Buying a large Coke for $1.49 instead, as the cute girl behind the counter always suggests, will add another 3 cents' worth of syrup — and another 17 cents in pure profit for McDonald's.

"Liquid Candy," a 1999 study by the Center for Science in the Public Interest, describes who is not benefiting from the beverage industry's latest marketing efforts: the nation's children. In 1978, the typical teenage boy in the United States drank about seven ounces of soda every day; today he drinks nearly three times that amount, deriving 9 percent of his daily caloric intake from soft drinks. Soda consumption among teenaged girls has doubled within the same period, reaching an average of twelve ounces a day. A significant number of teenage boys are now drinking five or more cans of soda every day. Each can contains the equivalent of about ten teaspoons of sugar. Coke, Pepsi, Mountain Dew, and Dr Pepper also contain caffeine. These sodas provide empty calories and have replaced far more nutritious beverages in the American diet. Excessive soda consumption in childhood can lead to calcium deficiencies and a greater likelihood of bone fractures. Twenty years ago, teenage boys in the United States drank twice as much milk as soda; now they drink twice as much soda as milk. Soft-drink consumption has also become commonplace among American toddlers. About one-fifth of the nation's one- and two-year-olds now drink soda. "In one of the most despicable marketing gambits," Michael Jacobson, the author of "Liquid Candy" reports, "Pepsi, Dr Pepper and Seven-Up encourage feeding soft drinks to babies by licensing their logos to a major maker of baby bottles, Munchkin Bottling, Inc." A 1997 study published in the *Journal of Dentistry for Children* found that many infants were indeed being fed soda in those bottles.

The school marketing efforts of the large soda companies have not gone entirely unopposed. Administrators in San Francisco and Seattle have refused to allow any advertising in their schools. "It's our responsibility to make it clear that schools are here to serve children, not commercial interests," declared a member of the San Francisco Board of Education. Individual protests have occurred as well. In March of 1998, 1,200 students at Greenbrier High School in Evans, Georgia, assembled in the school parking lot, many of them wearing red and white clothing, to spell out the word "Coke." It was Coke in Education Day at the school, and a dozen Coca-Cola executives had come for the occasion. Greenbrier High was hoping for a $500 prize, which had been offered to the local high school that came up with the best marketing plan for Coca-Cola discount cards. As part of the festivities, Coke executives had lectured the students on economics and helped them bake a Coca-Cola cake. A photographer was hoisted above the parking lot by a crane, ready to record the human C-O-K-E for posterity. When the photographer started to take pictures, Mike Cameron — a Greenbrier senior, standing amid the letter *C* — suddenly revealed a T-shirt that said "Pepsi." His act of defiance soon received nationwide publicity, as did the fact that he was immediately suspended from school. The principal said Cameron could have been suspended for a week for the prank, but removed him from classes for just a day. "I don't consider this a prank," Mike Cameron told the *Washington Post*. "I like to be an individual. That's the way I am."

Most school advertising campaigns are more subtle than Greenbrier High's Coke in Education Day. The spiraling cost of textbooks has led thousands of American school districts to use corporate-sponsored teaching materials. A 1998 study of these teaching materials by the Consumers Union found that 80 percent were biased, providing students with incomplete or slanted information that favored the sponsor's products and views. Procter & Gamble's *Decision Earth* program taught that clear-cut logging was actually good for the environment; teaching aids distributed by the Exxon Education Foundation said that fossil fuels created few environmental problems and that alternative sources of energy were too expensive; a study guide sponsored by the American Coal Foundation dismissed fears of a greenhouse effect, claiming that "the earth could benefit rather than be harmed from increased carbon dioxide." The Consumers Union found Pizza Hut's Book It! Program — which awards a free Personal Pan Pizza to children who reach targeted reading levels — to be

Corp Texts

"highly commercial." About twenty million elementary school students participated in Book It! during the 1999–2000 school year; Pizza Hut recently expanded the program to include a million preschoolers.

Lifetime Learning Systems is the nation's largest marketer and producer of corporate-sponsored teaching aids. The group claims that its publications are used by more than 60 million students every year. "Now you can enter the classroom through custom-made learning materials created with your specific marketing objectives in mind," Lifetime Learning said in one of its pitches to corporate sponsors. "Through these materials, your product or point of view becomes the focus of discussions in the classroom," it said in another, ". . . the centerpiece in a dynamic process that generates long-term awareness and lasting attitudinal change." The tax cuts that are hampering America's schools have proved to be a marketing bonanza for companies like Exxon, Pizza Hut, and McDonald's. The money that these corporations spend on their "educational" materials is fully tax-deductible.

The fast food chains run ads on Channel One, the commercial television network whose programming is now shown in classrooms, almost every school day, to eight million of the nation's middle, junior, and high school students — a teen audience fifty times larger than that of MTV. The fast food chains place ads with Star Broadcasting, a Minnesota company that pipes Top 40 radio into school hallways, lounges, and cafeterias. And the chains now promote their food by selling school lunches, accepting a lower profit margin in order to create brand loyalty. At least twenty school districts in the United States have their own Subway franchises; an additional fifteen hundred districts have Subway delivery contracts; and nine operate Subway sandwich carts. Taco Bell products are sold in about forty-five hundred school cafeterias. Pizza Hut, Domino's, and McDonald's are now selling food in the nation's schools. The American School Food Service Association estimates that about 30 percent of the public high schools in the United States offer branded fast food. Elementary schools in Fort Collins, Colorado, now serve food from Pizza Hut, McDonald's, and Subway on special lunch days. "We try to be more like the fast food places where these kids are hanging out," a Colorado school administrator told the *Denver Post.* "We want kids to think school lunch is a cool thing, the cafeteria a cool place, that we're 'with it,' that we're not institutional . . ."

The new corporate partnerships often put school officials in an awkward position. The Coca-Cola deal that DD Marketing negotiated

for Colorado Springs School District 11 was not as lucrative as it first seemed. The contract specified annual sales quotas. School District 11 was obligated to sell at least seventy thousand cases of Coca-Cola products a year, within the first three years of the contract, or it would face reduced payments by Coke. During the 1997–98 school year, the district's elementary, middle, and high schools sold only twenty-one thousand cases of Coca-Cola products. Cara DeGette, the news editor of the *Colorado Springs Independent*, a weekly newspaper, obtained a memorandum sent to school principals by John Bushey, a District 11 administrator. On September 28, 1998, at the start of the new school year, Bushey warned the principals that beverage sales were falling short of projections and that as a result school revenues might be affected. Allow students to bring Coke products into the classrooms, he suggested; move Coke machines to places where they would be accessible to students all day. "Research shows that vendor purchases are closely linked to availability," Bushey wrote. "Location, location, location is the key." If the principals felt uncomfortable allowing kids to drink Coca-Cola during class, he recommended letting them drink the fruit juices, teas, and bottled waters also sold in the Coke machines. At the end of the memo, John Bushey signed his name and then identified himself as "the Coke dude."

Bushey left Colorado Springs in 2000 and moved to Florida. He is now the principal of the high school in Celebration, a planned community run by The Celebration Company, a subsidiary of Disney.