

**What We Know About the  
Social and Educational Impact of School Bus Advertising  
A Literature Review**

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October 2003

"Kids are the most unsophisticated of all consumers; they have the least and therefore want the most. Consequently, they are in a perfect position to be taken." James McNeal, *Kids as Consumers*, New York, Lexington Books, 1995, pp. 30.

This review is in response to the Revised D-12 item discussed at the August 20, 2003 Board Meeting calling for information regarding the social impact of school bus advertising.

At present, there are little to no empirically-derived data available that systematically addresses the impact of school-based advertising. There is even less information available regarding the impact of advertising on the interior of school buses. However, what follows is a synopsis of the opinions and attitudes of individuals who write about such matters in the educational and popular press.

### Introduction

The American Academy of Pediatrics has reported that advertising is a strong force in the American economy today where children have viewed an estimated 360,000 advertisements before graduating from high school. Although no school district sponsors ads for alcohol or tobacco, much of the available research concerns these two products and therefore by necessity it is discussed here. It has been estimated that teenagers see 75,000 advertisements for alcohol by their 16<sup>th</sup> birthday well before the legal drinking age. These ads are apparently effective since a 1996 survey concluded that, alcohol consumption rises as manufacturer advertising increases and decreases as anti-drinking advertising increases.<sup>2</sup>

Attesting to the impact advertising has on youth, the American Academy of Pediatrics not only attributes some of the problem of underage drinking to advertising but also the present childhood obesity epidemic.<sup>1</sup> Some studies have shown that young children can be more influenced by advertising than adult consumers. In fact, tobacco ads have been cited more frequently than peer pressure as a precursor to cigarette smoking among adolescents.<sup>4</sup>

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<sup>1</sup> American Academy of Pediatrics Committee on Communications, "Children, Adolescents, and Advertising," *Pediatrics*, Vol. 95(2), February 1995, pp. 295-297.

<sup>2</sup> "Children, Health, and Advertising," *Mediascope*, June 23, 2000. This document is available at <http://www.mediascope.org/pubs/ibriefs/cha.htm>.

<sup>3</sup> American Academy of Pediatrics Committee on Communications:, "Children, Adolescents and Advertising," *Pediatrics* 95(2), February 1995, pp. 295-297.

<sup>4</sup> Youth Partnership for Health, "Beyond Joe Camel: Tobacco Ads Draw Fire," Cited in American Academy of Pediatrics Committee on Communications, "Children, Adolescents, and Advertising," *Pediatrics*, Vol. 95(2), February 1995, pp. 295-297.

Very young children have difficulty telling what is real from what is not real and are prone to believe what adults tell them. Therefore, children are vulnerable and generally believe the content of advertisements. They generally trust the school and assume the product is endorsed by the school since it appears on school property. This naivete places children right where James McNeal indicated, " ... in a perfect position to be taken."

Barboza (2003) reported in the *New York Times* that, although children from the age of four to 12 spend approximately \$30 billion per year on their own "wants and needs" they influence what their parents spend in the \$600 billion range.' These figures were derived by James McNeal, a professor of marketing at Texas A & M University. Based on these figures, it is safe to assume that schools are major marketing targets for American businesses.

#### Brief History:

Commercialism in public schools is not new. Hammett (2001) reports that, as early as 1953, teachers were warned about accepting corporate-sponsored materials without first critically reviewing it.<sup>6</sup> A 1959 survey indicated that some 97 percent of the teachers surveyed used some form of sponsored material in their classes. Additionally, in 1979, Sheila Harty wrote *Hustlers in the Classroom* to refer to the proliferation of "self-serving corporate propaganda" that had become part of the American classroom.

In the late 1980s, Whittle Communications was successful in establishing "Channel One" in what presently amounts to approximately 12,000 public middle and senior high schools. This programming includes a 12 minute current events program and two minutes of advertisements that promote, among other products and messages, advertisements for food and designer clothes. Some have described the broadcast as an "electronic school-based marketing tool."

In 2000, schools experienced the "beverage wars" as Coke and Pepsi tried to secure exclusive contracts whereby only their brand could be sold in particular schools. Such "wars" took on such fervor, that a principal suspended a student for wearing a "Drink Pepsi" T-shirt at a school in which Coke had an exclusive contract.

In the last 20 years, commercial advertising has proliferated throughout education as an alternative funding source in an effort to supplement budgetary shortfalls. As viewed by Seth Klein, " ... having effectively lobbied for spending cuts and tax cuts, corporations now ride into the rescue of an underfunded system."<sup>7</sup>

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<sup>5</sup>Barboza D. "If You Pitch It, They Will Eat," *The New York Times*, New York, NY, August 3, 2003.

<sup>6</sup>Hammett, K. "Cashing in on Kids," Center for the Analysis of Commercialism in Education, Westview Press, September/October 2001.

<sup>7</sup> Klein, S. "Ideology of Greed Won't Serve Humanity," In Public Education Not for Sale: Businesses Target Students, *Teacher News Magazine*, Vol. 13, No. 1, September 2000.

## Pros and Cons of School Advertising

### Advantages:

Increased Revenue. In February 2002, a Florida House of Representatives Committee on Education Innovation Analysis Relating to Advertising/School Buses sought to delineate the advantages, disadvantages, and the feasibility of advertising on Florida public school buses.<sup>8</sup> The committee reported that advocates of school advertising generally cite increased revenues as the primary advantage. The Committee reported that the actual amount of revenue generated varies among the districts. The small number of districts where data were available, however, indicated such additional revenues appeared "marginal."

The Colorado Springs School District received \$338,680 between 1993 and 1997 from advertisements affixed to the exterior of school buses. This amounted to approximately \$2.50 per student per year. Molnar (2003) reported that, in 1996-97, Colorado Springs raised \$140,000 for school equipment including musical instruments, computers, and for staff training. This money was raised by renting space on the exterior of school buses and school hallways to 29 companies. This amounted to approximately \$4.35 per student toward the \$4.8 million deficit reported by the district in 1999.<sup>9</sup>

The Fabens School District in El Paso, Texas obtained approximately \$17,000 per year from advertisements placed on 12 of the district's 17 school buses. This amounted to approximately \$1,400 per bus per year. In addition, the Mobile School District in Alabama annually generated approximately \$48,000 for advertisements on 35 to 40 buses. This amounted to approximately \$1,200 per bus per year.

Advertisements are everywhere, it can't hurt. Another argument posited by advocates of school bus advertising is that commercialism is everywhere so what could it hurt to place a few advertisements on school buses.

Educators will use good judgement. Addressing corporate-sponsored curriculum materials, advocates argue that teachers and administrators are capable of evaluating such materials and can be trusted to use corporate-sponsored materials appropriately.

Public Service Announcements. Including public service announcements along side the commercial advertisements is seen as advantageous, given that such communications can convey important information to students. Such announcements can inform students about the dangers of drugs or how

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<sup>8</sup>House of Representatives Committee on Educational Innovation Analysis, "Advertising/School Budgets," Florida House of Representatives, February 12, 2002.

<sup>9</sup>Molnar, A. "School Commercialism, Student Health, and the Pressure to do More with Less," Education Policy Studies Laboratory, Arizona State University, July 2003.

they can prepare for important upcoming District events such as administration of the FCAT. The cost for such announcements can be passed on to the company responsible for implementing the advertising.

#### Disadvantages:

The nations' schools have taken on increased responsibilities over the past 30 years but have at times seen funding reductions. The "do more with less" mandate has necessitated the growing reliance on private funding realized via commercial advertisements in schools. The following arguments have been made in an effort to cite the disadvantages of school and/or school bus advertisements as they appear in the education literature.

Previous feasibility study. The information outlined immediately below was taken from a previous feasibility study which addressed the same issue in December 2001.<sup>10</sup>

- ! Commercial advertisements can turn over control to people outside education.
- ! It compromises the integrity of education.
- ! Such materials convey an endorsement on the part of the school.
- ! It promotes a sense of materialism to students.
- ! The argument that commercialism is everywhere and therefore does not affect children in school runs counter to the proven effect of advertising.
- ! It provides business with the expectation that their financial support can be exchanged for marketing opportunities.

Additional disadvantages to advertising in and around schools were found from other sources.

Commercialism in Education Research Unit (CERU). The Commercialism in Education Research Unit (CERU) at Arizona State University, funded by a grant from the Consumers Union, has been an outspoken critic of what they view as the commercialization movement currently underway in the nations' public schools. The Center's basic position is captured in the following statement by Alex Molnar the Center's Director.

"Corporate marketing in schools has become so commonplace that administrators and students alike are less troubled than they once were about selling themselves or their schools to the highest bidder. The commercial intrusion in schools, which has been growing for more than a decade, raises serious economic, ethical, and instructional issues for educators, parents, and policy makers across the United States." (p.1)<sup>11</sup>

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<sup>10</sup> Escalante, Pie, and Associates, "Feasibility Study on School Bus Advertising," December 14, 2001.

<sup>11</sup> Molnar, A. "Buy Me! Buy Me!" The Fourth Annual Report on Trends in Schoolhouse Commercialism, Education Policy Studies Laboratory, Arizona State University, September 2001.

The CERU determined that school commercialism has increased nearly 500 percent since 1990. For illustrative purposes, the CERU offers the bizarre anecdotal case of the two New Jersey high school students who auctioned themselves to the highest bidder and promised to spend their college careers doing promotions for any corporation willing to pay for their college educations. Were these young men merely expressing an enterprising spirit or a willingness to sell their moral integrity?

The Center also reports that support for school commercialism has become so commonplace that professional education associations and education administrators collaborate with corporations at conferences to learn how to increase revenue from advertising in and around schools. In fact, Alex Molnar accuses educators of being "absent without leave" given their utter silence on the proliferation of advertising across the nations' schools.

The CERU views such advertising as a contributing factor to the increasing distance between "have" and "have not" schools. They cite the example of an upscale California high school that raised \$200,000 from a one night gala affair compared to the \$60,000 raised by a neighboring urban school district after a full year of various fund-raising activities. In fact, as reported by Holmes (2000), a survey of corporations involved with schools in British Columbia indicated that, schools in "high-income areas" had received more corporate support, in both gross dollar figures and dollar figures per student, than schools in "low-income areas."<sup>12</sup> Therefore, not only can the local economy surrounding a school influence school-sponsored fund raising but it can also affect the scope, nature, and extent of corporate-school relations. Such disparities may serve to increase the achievement gap.

The CERU has categorized "school commercialism" into eight types that have shared characteristics. School bus advertising falls into the "Appropriation of Space" category. This class is defined as, "The allocation of school physical space such as scoreboards, rooftops, bulletin boards, walls, and textbooks or virtual space such as computer screens on which corporations may place corporate logos and/or advertising messages." By noting media coverage of the eight categories in the popular press, business press, and educational press, CERU has found that the news coverage associated with "Appropriation of Space" advertising has increased nationally by approximately 38 percent from 1999-00 to 2000-01. Such activities are apparently on the upswing.

### **Opposition to School Advertising**

Large Districts Take Action. A recent article appearing in the *New York Times* entitled, "Welcome to (Company Name Here) High," outlined the present status of opposition to school advertising.<sup>13</sup> It was reported that, in June 2003, New York City's Education Department banned soda and candy from vending machines in public schools. This policy change in New York City came after similar changes had already been made in both San Francisco and Los Angeles. School districts in Seattle

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<sup>12</sup> Holmes, G. "Schools B Us," In *Public Education Not for Sale: Businesses Target Students*, Teacher News Magazine, Vol. 13, September 2000.

<sup>13</sup> Quart, A. "Welcome to (Company Name Here) High," *The New Times*, New York, NY, July 16, 2003.

and Nashville were also said to have limited corporate advertising on school signs and banned Channel One. On July 1, 2003, Kraft Foods pulled its advertisements for processed foods from Channel One. In August 2001, the Madison, Wisconsin schools agreed not to renew a contract with Coca-Cola worth \$300,000 to the district. All of these efforts were reported as attempts to curb the epidemic of childhood obesity seen throughout the country.

Many exclusive beverage contracts were initiated during the 1990s. The National Soft Drink Association reports that currently 90 percent of schools sell soda and 10 percent of the nations' schools are paid for allowing just one brand of soda to be sold at the school. The *New York Times* article went on to report the anecdotal case of a Texas teenager who was told not to drink brands of soda in school other than those manufactured by the soda company that sponsored the school. The same teenager was apparently " . . . coerced into covering her textbooks with paper bearing the logo and image of that brand of soda."

Therefore, a number of public school stakeholder groups including parents, students, and administrators are opposed to, and are taking action to limit or eliminate, commercial advertisements in and around schools.

1998 Florida House of Representatives Interim Report on School Bus Advertising. A Florida House of Representatives Interim Report on School Bus Advertising published in 1998, indicated that, the National Conference on School Transportation comprising state agency representatives, school district personnel, and industry advisors adopted a resolution that " . . . vigorously urges each state to prohibit advertising on school buses." <sup>14</sup> Such a resolution from a group of industry experts that has been meeting annually since 1939 should carry some weight in a district's decision-making process.

Junk Food Ads. School advertisements promoting foods and drinks that are of little nutritional value runs counter to the curriculum taught in schools. Molnar (2003) reports that Harvard researchers found girls who drink soda are three times as likely to suffer bone fractures compared to girls who never drink soda. If the soda chosen is cola, the risk increases to five times as likely. The U.S. Centers for Disease Control and Prevention (CDC) has suggested that, "If schools must have vending machines, they should concentrate on healthy choices like bottled water." Soft drink consumption has also been correlated to the increased incidence of adolescent obesity<sup>15</sup> which is said to have increased by 100 percent in the past twenty years. Molnar believes that schools should promote good nutritional health, not only in the food they serve but also in the advertised products promoted at the school. In fact, a recent survey conducted by the CDC found that only 12.4 percent of schools prohibit the sale of junk foods and that chocolate is the most frequently sold food at fund-raising events.

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<sup>14</sup> National Conference on School Transportation, Resolution in House of Representatives Committee on Educational Innovation Analysis, "Advertising/School Budgets, February 12, 2002.

<sup>15</sup> Ludwig, D.S., Peterson, K.E., and Gortmaker, S.L. "Relation Between Consumption of Sugar-Sweetened Drinks and Childhood Obesity: A Prospective, Observational Analysis," *The Lancet*, Vol. 357, pp. 505-508. Cited in A. Molnar, Arizona State University, CERU, July 2003.

Federal and State Legislation. The CERU also reviewed legislative activity at the federal and state level from 1999 to 2003 and found thirty pieces of legislation that addressed health related issues concerning advertisements in and around schools. In fact, two pieces of legislation were introduced in the U.S. Senate. The other 28 pieces of legislation were introduced in 18 different states. Twenty-one bills limited or prohibited the sale of foods devoid of nutritional value (i.e., junk food), limited or prohibited access to vending machines that sell junk food, and declared that nutritional alternatives should be available at schools. Individual summaries of this legislation are contained in Molnar's July 2003 publication entitled, *"School Commercialism, Student Health, and the Pressure to Do More With Less."* This document can be found in the Appendix of this review.

Litigation. Although information regarding First Amendment issues will be provided to the Board in Attachment No. 3 which accompanies this item, the following represents a brief summary of relevant material found during the present review.

Lawsuits have been filed regarding commercialism in and around schools. In 2003, a suit was filed in New York challenging exclusive soft drink arrangements in schools contending such commercialism violated the state constitutional prohibition on using public property to benefit a private corporation. In Oregon in 2003, a parent filed a lawsuit against his child's school for mandating the child watch Channel One. The suit claimed the district's contract allowed the company control over content that amounts to an unlawful delegation of powers under the state constitution.

Educators have received strong criticism from consumer groups and lawyers regarding "commercializing the schools" and for sending what is interpreted as poor dietary signals home with children. Speaking about how complacent educators have been regarding the extensive commercialization in schools, John Banzhaf, a law professor at George Washington University has been quoted as saying, "It seems clear it's a breach of duty. Schools get paid a kickback for every sugary soft drink or burger sold."<sup>16</sup> Banzhaf also cautions school districts that, "... board members could be held individually liable for health problems suffered by students if the district violates its 'fiduciary duty' to protect students' health." Steve Berman, the Seattle attorney who represented thirteen states in the billion-dollar tobacco negotiations has stated in relation to the sale of soda on campus that, "I would treat it seriously, but I think it's going to take a while before the plaintiffs in these cases figure out how to hit the ball out of the infield."<sup>17</sup>

In summary, the essence of this review can be best served by concluding with a quote from Patricia Waelder, a Syracuse, New York mother of nine children and a grandmother of 26.

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<sup>16</sup> Barboza D. "If You Pitch It, They Will Eat," The New York Times, New York, NY, August 3, 2003.

<sup>17</sup> Ervin, K. "Seattle School Board Warned That Soda Contract Could Mean Lawsuits," Seattle Times, Seattle, Washington, July 2, 2003.



"Money is needed, without doubt. We are grateful to the many companies that contribute money and personnel regularly to our schools. They seek nothing in return, but step forward as responsible corporate citizens. Our school board needs to foster more of these `no-strings' contributions. Parents and school boards need to use their powers of persuasion to convince the community and the state to fund our schools-not to promote caffeinated sugar water to a captive audience." <sup>18</sup>

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<sup>18</sup>American Quality Beverages, "Suit Claims Coca-Cola's School Soda Contracts Illegally Circumvent Competitive Bidding Laws," Press Release, July 29, 2003. This document is available at <http://www.asu.edu/educ/eps/ceru/community%20comer/ceru-0307-151-rcc.doc>.