

For Immediate Release

## GANEDEN BIOTECH & MCNEIL NUTRITIONALS PARTICIPATE IN NAD SELF-REGULATORY FORUM

*NAD recommends that Ganeden Biotech discontinue claims regarding its product Digestive Advantage LI.*

New York, NY – July 27, 2005 – The National Advertising Division (NAD) of the Council of Better Business Bureaus, Inc., the advertising industry’s self-regulatory forum, recommended that **Ganeden Biotech, Inc.** discontinue claims made regarding its product **Digestive Advantage LI**. The advertiser’s claims were brought to the attention of the NAD by **McNeil Nutritionals**, manufacturer of Lactaid® lactase enzyme supplement.

NAD determined that Ganeden did not establish through competent and reliable scientific evidence that its Digestive Advantage LI product, taken once-per-day provides relief for 24 hours. NAD recommended that the challenged 24-hour claim, clinically tested claim, doctor-recommended claims, and related testimonials be discontinued.

In a statement to NAD, Ganeden expressed its appreciation for “the opportunity to participate in this proceeding and reiterates its support of the advertising industry’s voluntary self-regulation program.” The advertiser notified NAD that it would discontinue some of the claims. While it respectfully disagreed with some of NAD’s conclusions, the company said it would “take NAD’s recommendations into account in future labeling and advertising for its Digestive Advantage product for Lactose Intolerance.”

***For a complete case report of the NAD decision, please contact Sheryl Harris at 212.705.0120.  
For media inquiries, please contact Linda Bean at 212-705-0129.***

NAD’s inquiry was conducted under *NAD/CARU/NARB Procedures for the Voluntary Self-Regulation of National Advertising*. Details of the initial inquiry, NAD’s decision, and the advertiser’s response will be included in the next *NAD Case Report*.

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The National Advertising Review Council (NARC) was formed in 1971 by the Association of National Advertisers, Inc. (ANA), the American Association of Advertising Agencies, Inc. (AAAA), the American Advertising Federation, Inc. (AAF), and the Council of Better Business Bureaus, Inc. (CBBB). Its purpose is to foster truth and accuracy in national advertising through voluntary self-regulation. NARC is the body that establishes the policies and procedures for the CBBB’s National Advertising Division (NAD), the Children’s Advertising Review Unit (CARU), and the National Advertising Review Board (NARB).

NAD and CARU are the investigative arms of the advertising industry’s voluntary self-regulation program. Their casework results from competitive challenges from other advertisers, consumers and also from self-monitoring traditional and new media, including the Internet. The National Advertising Review Board (NARB), the appeals body, is a peer group from which ad-hoc panels are selected to adjudicate those cases that are not resolved at the NAD/CARU level. This unique, self-regulatory system is funded entirely by the business community; CARU is financed by the children’s advertising industry, while NAD/NARB’s sole source of funding is derived from membership fees paid to the Council of Better Business Bureaus.