



For Immediate Release

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NAD Recommends Allstate Discontinue Certain Claims in 'Mayhem' Campaign

NAD Finds Advertiser Can Support Certain Claims, Following Progressive Challenge

New York, NY – May 8, 2012 – The National Advertising Division has recommended that Allstate Insurance Company discontinue certain advertising claims made in its "Mayhem" advertising campaign, and modify additional claims. NAD determined, however, that the company could support one challenged claim, as well as the tagline: "Shop less. Get more. Make one call to an Allstate agent."

The claims at issue were challenged before NAD by Progressive Casualty Insurance Company, which features a "name your own price," option for consumers.

NAD is an investigative unit of the advertising industry self-regulatory system, administered by the Council of Better Business Bureaus.

NAD reviewed express and implied claims, including:

- *"And if you named your own price on car insurance, you could be picking up this tab by yourself. So get Allstate. You could save some cash and be better protected from mayhem like me."*
- *"Dollar for dollar, nobody protects you from mayhem like Allstate."*
- *"And if you have cut-rate insurance, it may not pay for all this. So get Allstate. You could save money and be better protected from mayhem like me."*
- Consumers will get better coverage at lower cost from Allstate, without the need to comparison shop.
- Allstate provides better protection than other insurance companies.
- Allstate will provide additional coverage, to cover the risks shown, for less than the cost that consumers are currently paying for insurance.

The "Mayhem" campaign featured actor Dean Cain as Mayhem, a character who dramatizes various risks faced by drivers. NAD reviewed the commercials to determine whether they conveyed the unsupported message that Allstate always offers better insurance coverage, at lower rates, than the competition.

In "Tree Branch Mayhem," a wind storm caused a tree branch to fall on a car parked by the side of the road. Mayhem stated: "And if you named your own price on car insurance, you could be picking up this tab by yourself. So get Allstate. You could save some cash and be better protected from mayhem like me." The commercial ended with this voiceover: "Dollar for dollar, nobody protects you from Mayhem like Allstate."

In "Ref Mayhem," a referee escaped an angry crowd by racing out of a stadium parking lot, hitting cars, driving over a sidewalk, through a fence and into someone's front yard. Mayhem stated: "And if you have cut-rate insurance, it may not pay for all this. So get Allstate. You could save money and be better protected from mayhem like me." The voiceover ends with "Shop less. Get more. Make one call to an Allstate agent."

In "Blind Spot Mayhem," a driver attempting to change lanes collided with another car. Mayhem stated: "And if you named your own price on car insurance, you could be paying for this yourself. So get Allstate. You could save money and be better protected from mayhem like me." The voiceover ends with "Shop less. Get more. Make one call to an Allstate agent." In an alternate version, the voiceover states, "Dollar for dollar, nobody protects you from mayhem like Allstate agents."

Following its review of the advertising at issue, NAD recommended that Allstate discontinue the "Ref Mayhem" commercial, finding that consumers could take away the unsupported message that Allstate's policies provide coverage for intentional acts like those committed by the referee.

NAD determined that the claim, "And if you have cut-rate insurance, it may not pay for all this. So get Allstate. You could save money and be better protected from mayhem like me," conveyed the accurate message that Allstate, like other insurance companies, offered the option of robust coverage which could protect consumers from the depicted "Mayhem."

However, NAD determined that the claim "And if you named your own price on car insurance, you could be picking up this tab by yourself. So get Allstate. You could save some cash and be better protected from mayhem like me," conveyed the misleading message that consumers who name their own price for insurance would necessarily receive insufficient coverage. NAD recommended that the advertiser discontinue advertising that references Progressive's Name Your Price in a manner that falsely implies that such an option will result in inadequate coverage.

NAD also examined whether the "Mayhem" commercials falsely conveyed that consumers would save money on insurance premiums if they switched to Allstate.

NAD concluded that the phrases "you could save some cash" and "you could save money," do not clearly communicate the advertiser's intended message that consumers could save money on out-of-pocket expenses in the event of an accident if they carry adequate insurance. To avoid the potential for any consumer confusion, NAD recommended that the advertiser modify the claims to expressly communicate that "save some cash" or "save money" refers to saving money on costs associated with an accident, rather than on insurance premiums.

With respect to the tagline, "Dollar for dollar, nobody protects you from mayhem like Allstate," NAD determined that one of the messages conveyed was the unsupported claim that consumers would get more protection for their money with Allstate. Therefore, NAD recommended that the advertiser discontinue use of this tagline in the context in which it appeared in the challenged advertising.

Finally, with regard to the tagline, "Shop less. Get more. Make one call to an Allstate agent," NAD determined that consumers are likely to take away the accurate message that by making a single phone call to Allstate they will be able to purchase a policy which includes robust insurance coverage.

Allstate, in its advertiser's statement, said that while it respectfully disagrees with certain of NAD's determinations, "Allstate is committed to the self-regulatory process and will take NAD's recommendations into account in its future advertising."

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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/CARU Case Report.

About Advertising Industry Self-Regulation: The Advertising Self-Regulatory Council establishes the policies and procedures for advertising industry self-regulation, including the National Advertising Division (NAD), Children's Advertising Review Unit (CARU), National Advertising Review Board (NARB), Electronic Retailing Self-Regulation Program (ERSP) and Online Interest-Based Advertising Accountability Program (Accountability Program.) The self-regulatory system is administered by the Council of Better Business Bureaus.

Self-regulation is good for consumers. The self-regulatory system monitors the marketplace, holds advertisers responsible for their claims and practices and tracks emerging issues and trends. Self-regulation is good for advertisers. Rigorous review serves to encourage consumer trust; the self-regulatory system offers an expert, cost-efficient, meaningful alternative to litigation and provides a framework for the development of a self-regulatory to emerging issues.

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