

Alcohol Industry in the 21st Century

**How a Few Global Corporations Control the Market,
Advertise to Youth, and Undermine Public Policy**

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**Wisconsin Alcohol Policy Seminar
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Marin Institute Strategies

- ❑ Monitor and expose the alcohol industry's harmful products, practices, promotion, and lobbying
- ❑ Research and propose viable policy solutions to reduce alcohol-related harm
- ❑ Support communities, coalitions, and individuals in rejecting Big Alcohol's damaging activities
- ❑ Frame issues from a public health perspective

Big Alcohol's Tactics

- **Consolidate** into multinational conglomerates
- **Target** vulnerable populations such as youth
- **Lobby** to undermine effective public policy
- **Misdirect** with voluntary, self-regulation charade
- **Public relations** that blames parents, drinkers
- **Fund** alternative science, “responsibility” programs

The Big Beer Duopoly



- HQs in Belgium (Brazilian run) and England (SAB Miller)
- 80% of beer market

Anheuser-Busch InBev

- \$395 million advertising 9 beers
- \$3,460,000 federal lobbying
- \$373,500 federal campaign contributions

MillerCoors (JV)

- \$315 million advertising 7 beers
- \$1,367,000 federal lobbying
- \$426,930 to federal campaigns

The Beverage Information Group. Handbook advance 2009: A special report on spirits, wine and beer sales and consumption in 2008. Norwalk (CT): M2Media360; 2009.

Center for Responsive Politics. 2008 data. www.opensecrets.org



Anheuser-Busch InBev



MillerCoors



The Biggest of Big Alcohol

DIAGEO

- HQ: England
- Top spirits producer
- \$99 million advertising
- \$1.96 million federal lobbying
- \$161,578 federal contributions



The Beverage Information Group. Handbook advance 2009: A special report on spirits, wine and beer sales and consumption in 2008. Norwalk (CT): M2Media360; 2009.

Center for Responsive Politics. 2008 data. www.opensecrets.org



The Biggest of Big Alcohol



Pernod Ricard

- ❑ HQ: France
- ❑ Top spirits producer
- ❑ \$42 million - advertising
- ❑ \$1.2 million - federal lobbying



The Beverage Information Group. Handbook advance 2009: A special report on spirits, wine and beer sales and consumption in 2008. Norwalk (CT): M2Media360; 2009.

Center for Responsive Politics. 2008 data. www.opensecrets.org



Top Selling Brands: 2008

- Bud Light
- Budweiser
- Coors Light
- Miller Lite
- Natural Light
- Busch Light
- Busch
- Miller High Life
- Keystone Light
- Michelob Ultra
- Smirnoff
- Bacardi
- Captain Morgan
- Absolut
- Jack Daniels
- Crown Royal
- Jose Cuervo
- Grey Goose
- Jim Beam
- Jagermeister

Trade Groups - Lobbying Power



BEER INSTITUTE



WINE INSTITUTE
THE VOICE FOR CALIFORNIA WINE

THE CENTURY COUNCIL

Distillers fighting drunk driving and underage drinking

DISTILLED
SPIRITS
COUNCIL
OF THE
UNITED
STATES

\$3,500,000 federal lobbying
\$23,118 federal contributions

Front Groups – not what they seem

Bacardi U.S.A.
Beam Global
Brown-Forman
Constellation Brands
DIAGEO
Hood River Distillers
Pernod-Ricard
Sidney Frank Importing Co.



Anheuser-Busch InBev
Asahi Breweries
Bacardi-Martini
Beam Global
Brown-Forman
Diageo
Heineken
Molson Coors
Pernod Ricard
SABMiller



Alcohol Advertising & Youth

The alcohol industry spent more than \$6 billion on advertising and promotion in 2005.

Greater exposure to alcohol ads contributes to

- ❑ earlier initiation of drinking for youth who have not started
- ❑ higher drinking levels among underage youth who drink
- ❑ positive expectations and attitudes about alcohol that help create an environment promoting underage drinking.

Center on Alcohol Marketing and Youth. (2007). Alcohol advertising and youth. Retrieved April 29, 2010 from: <http://camy.org/factsheets/index.php?FactsheetID=1>.

Anderson, P., et al (2009). Impact of alcohol advertising and media exposure on adolescent alcohol use: A systematic review of longitudinal studies. *Alcohol and Alcoholism* 44: 229-243.



New Frontier - Digital Marketing

“The goal is not simply to expose consumers to a particular product or service, but to create an environment in which they are actually interacting with the brand, “befriending” the product, and integrating it into their personal and social relationships.”



Coors Light Fun weekend planned? Show us what you're up to by using the Coors Light Photo Pack app! Easily upload, manipulate and share photos with your friends, through the window to cold refreshment. We are excited to see your submissions. <http://bit.ly/atGxjZ> last Friday

[Wall](#)[Info](#)[Home Draft](#)[I'm Pouring](#)[NFL](#)[Local](#)

COORS LIGHT HOME DRAFT

**I'M
POURING**

Coors LIGHT
HOME DRAFT

**THE COORS LIGHT
HOME DRAFT
NEON SIGN**

Turn it on to let friends know you're pouring Home Draft and come on over. The Coors Light Neon Sign. It's your big giant electric beer welcome mat.

I'M POURING

[Add this application to my Facebook bookmarks](#)

CLICK STRING TO TURN ON



Suggest to Friends

This is where restless minds, rebellious hearts and dreamers from around the world gather to share their extraordinary moments and inspire new acts that subvert the everyday.

555,270 People Like This



Smirnoff Ice



Wall

Info

Crash Our P...

Dress To Im...

Música

Contest

Detailed Info

Website:

<http://www.Smirnoffice.com>

<http://www.smirnoff.com>

Company Overview:

You're checking out Smirnoff Ice® on facebook, so we already know you think of everything. You know that to please a crowd, you need a variety of drinks, which is why we're excited to announce two new additions to the Smirnoff Ice® family:

Smirnoff Ice Light®

Pick up a six-pack and enjoy a brand new, crisp and refreshing option for your cooler.

Smirnoff Ice® Strawberry Acai

A cool, new blend with the exotic flavors of strawberry and the acai berry.

Mission:

How many times have you been proud to say, 'I was there!?' Some experiences are completely unforgettable and you'll talk about them for years, revelling in the fact you were there. These pages are dedicated to seeking out and sharing those one-of-a-kind moments.

Products:

PLEASE DRINK RESPONSIBLY

SMIRNOFF ICE Flavored Premium Malt Beverage

© 2010 The Smirnoff Co. Norwalk, CT

Facebook Page:

<http://www.facebook.com/Smirnoffice>

What can we do?

- ❑ Increase alcohol prices (taxes and fees)
- ❑ Stop youth-oriented products (AEDs, alcopops)
- ❑ Restrict alcohol advertising
- ❑ Refuse Big Alcohol funding and messages
- ❑ Expose industry PR, lobbying, marketing

Increase Alcohol Prices / Taxes

- ❑ One of the most effective prevention strategies
- ❑ Youth are especially sensitive to price
- ❑ Alcohol taxes can generate new revenue
- ❑ Revenue can fund needed alcohol programs

Increase Alcohol Prices

- ❑ 10% increase in price would reduce traffic crashes by 5 - 10%, with even larger reductions (7 - 17%) for youth
- ❑ 10% increase in price would reduce cirrhosis mortality from 8.3 - 12.8%
- ❑ Higher prices can reduce rates of homicide, suicide, domestic violence and child abuse

What Happened 2009 Legislative Session

- At least half of the states proposed tax increases
- Most bills died
- Some are in 2-year sessions
- Increases in:
 - Kentucky Massachusetts
 - New York New Jersey
 - Illinois North Carolina

What Happened 2009 Legislative Session

At least 13 states saw bill die, wonder why?

- **Arkansas**
- **Connecticut**
- **Delaware**
- **Indiana**
- **Kentucky***
- **Maryland**
- **Minnesota**
- **Montana**
- **Nevada**
- **New Hampshire**
- **New Mexico**
- **New York***
- **Oregon**

Others in 2-year sessions, many came back in 2010

***States with additional higher tax proposals than what passed.**

Bottom of the Beer Barrel

	Tax per gallon	Year Last Raised
1) Wyoming	\$0.02	1935
2) Missouri	\$0.06	1971
** 3) Wisconsin	\$0.06	1969
4) Colorado	\$0.08	1976
5) Kentucky	\$0.08	1982
6) Oregon	\$0.08	1977
7) Pennsylvania	\$0.08	1947
8) Maryland	\$0.09	1972
9) Washington DC	\$0.09	1989
10) Rhode Island	\$0.10	1989

Stop Youth-Oriented Products



Created to:

- Compete with beer
- Lower taxes
- Greater retail availability

Restrict Alcohol Advertising

- ❑ Assess local environment for out-of-home alcohol ads
- ❑ Limit ads to adult-oriented media
- ❑ Monitor to ensure enforcement



Turn Down Big Alcohol Funding

Big Alcohol pays for activities that don't work

- Guest speakers
- Information/awareness educational materials: posters, flyers, brochures, online info, ads
- Awareness events, banners, signs

They do not pay for initiatives to

- Increase alcohol taxes
- Decrease access and availability
- Restrict alcohol advertising to youth

What can we do?

- ❑ Increase alcohol prices (taxes and fees)
- ❑ Stop youth-oriented products (AEDs, alcopops)
- ❑ Restrict alcohol advertising (gov't property)
- ❑ Refuse Big Alcohol funding and messages
- ❑ Expose industry PR, lobbying, marketing

Take Action, Join Us

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