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 September 21 & 22



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.



Anheuser-Busch InBev







































MillerCoors





























The Biggest of Big Alcohol



- 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.

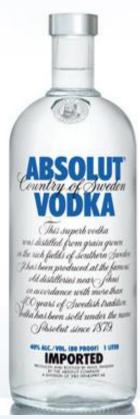
Marin Institute

The Biggest of Big Alcohol



- 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.



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









\$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

THE CENTURY COUNCIL

Distillers fighting drunk driving and underage drinking

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.



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

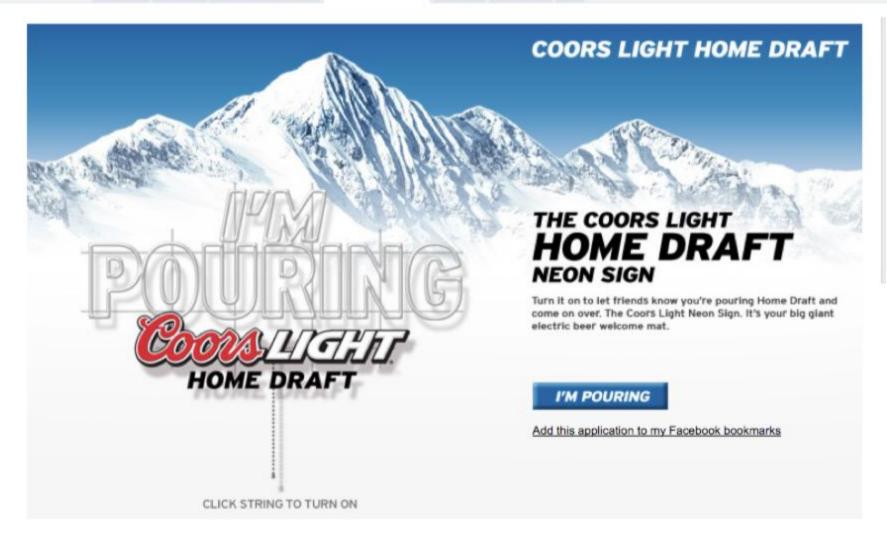
Home Draft

I'm Pouring

NFL

Local







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.Smirnofflce.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:

SE ALCOHOL BY VOLUM

Compete with beer

Greater retail availability

Lower taxes

Restrict Alcohol Advertising

- Assess local environment for out-of-home alcohol ads
- Limit ads to adultoriented 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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