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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Marin Institute

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

<table>
<thead>
<tr>
<th>Company</th>
<th>Advertising</th>
<th>Lobbying</th>
<th>Campaign Contributions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Anheuser-Busch InBev</strong></td>
<td>$395 million</td>
<td>$3,460,000</td>
<td>$373,500</td>
</tr>
<tr>
<td><strong>MillerCoors (JV)</strong></td>
<td>$315 million</td>
<td>$1,367,000</td>
<td>$426,930</td>
</tr>
</tbody>
</table>

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

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Center for Responsive Politics. 2008 data. [www.opensecrets.org](http://www.opensecrets.org)
Anheuser-Busch InBev

- Budweiser
- Bud Light
- Stella Artois
- Select 55
- Bacardi Silver
- RAZ
- Natural Light
- Michelob Ultra
- Rolling Rock
- Michelob Light
- Michelob Lager
- Beck's
- Monster Energy
The Biggest of Big Alcohol

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


Center for Responsive Politics. 2008 data. www.opensecrets.org
The Biggest of Big Alcohol

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


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 Century Council

$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.


“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
Smirnoff Ice

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

Beer 651.25*
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

<table>
<thead>
<tr>
<th>Rank</th>
<th>State</th>
<th>Tax per gallon</th>
<th>Year Last Raised</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Wyoming</td>
<td>$0.02</td>
<td>1935</td>
</tr>
<tr>
<td>2</td>
<td>Missouri</td>
<td>$0.06</td>
<td>1971</td>
</tr>
<tr>
<td><strong>3</strong></td>
<td>Wisconsin</td>
<td>$0.06</td>
<td>1969</td>
</tr>
<tr>
<td>4</td>
<td>Colorado</td>
<td>$0.08</td>
<td>1976</td>
</tr>
<tr>
<td>5</td>
<td>Kentucky</td>
<td>$0.08</td>
<td>1982</td>
</tr>
<tr>
<td>6</td>
<td>Oregon</td>
<td>$0.08</td>
<td>1977</td>
</tr>
<tr>
<td>7</td>
<td>Pennsylvania</td>
<td>$0.08</td>
<td>1947</td>
</tr>
<tr>
<td>8</td>
<td>Maryland</td>
<td>$0.09</td>
<td>1972</td>
</tr>
<tr>
<td>9</td>
<td>Washington DC</td>
<td>$0.09</td>
<td>1989</td>
</tr>
<tr>
<td>10</td>
<td>Rhode Island</td>
<td>$0.10</td>
<td>1989</td>
</tr>
</tbody>
</table>
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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