How to Stop Big Alcohol from Making Its Mark on Our Communities

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Marin Institute Strategies

- Monitor and expose the alcohol industry’s harmful products, practices, and promotion

- Research viable policy solutions to reduce alcohol-related harm

- Support communities, coalitions and organizers in rejecting Big Alcohol’s damaging actions

- Frame the issues from a reasonable public health perspective
Public Health Framework

Alcohol

Individual  Environment
Big Alcohol’s Tactics

- Consolidate into transnational firms
- Market: Get kids hooked
- Lobby: undermine effective prevention
- Public Relations: Blame parents (schools, servers, cops)
- Public Relations: Fund ineffective prevention
The Biggest of Big Alcohol

- Parent companies HQ in Belgium and England
- 80% of the U.S. beer market

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

MillerCoors:
- $315 million advertising 7 beers
- $1,367,000 federal lobbying
- $426,930 fed campaign contrib
The Biggest of Big Alcohol

- HQ: England
- Top spirits producer
- $99 million advertising
- $1.96 million federal lobbying
- $161,578 fed contributions
The Biggest of Big Alcohol

- HQ: France
- Top spirits producer
- $42 million advertising
- $1,105,000 federal lobbying
The Biggest of Big Alcohol

- HQ: Bermuda
- Top spirits producer
- $42 million advertising
- $710,000 federal lobbying
- $123,251 federal contributions
Lobbying Arms

$3,500,000 federal lobbying
$23,118 federal contributions
Front Groups

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
Big Alcohol’s Tactics

- Consolidate into transnational firms

- Market: Get kids hooked

- Lobby: undermine effective prevention

- Public Relations: Blame parents (schools, servers, cops)

- Public Relations: Fund ineffective prevention
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

- One of the most effective prevention strategies
- Youth are especially sensitive to price
- Alcohol taxes can generate new revenue for states
- Revenue can fund necessary alcohol programs
Increase Alcohol Prices

For example, a 50% increase in price from a tax change would reduce:

- Underage drinking by 32.5%
- The number of heavy (more than 9 drinking occasions in last month) underage drinkers by 21%
- The number of youth traffic fatalities by 15.5%
Increase Alcohol Prices

- A 10% increase in price would reduce traffic crashes by 5 - 10%, with even larger reductions (7 - 17%) for youth

- A 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 this Legislative Session

- At least half of the states proposed tax increases
- Most bills are already dead
- Some are still pending or are in 2-year sessions
- Increases in:
  - Kentucky  Massachusetts
  - New York  New Jersey
  - Illinois  North Carolina
### What Happened this Legislative Session

<table>
<thead>
<tr>
<th>Lifted Sales Tax Exemption</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Massachusetts</td>
<td>6.5%</td>
</tr>
<tr>
<td>Kentucky</td>
<td>6%</td>
</tr>
</tbody>
</table>

### Raised Excise Tax

<table>
<thead>
<tr>
<th>State</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>New York</td>
<td>11 cents (wine) &amp; 3 cents (beer)</td>
</tr>
<tr>
<td>New Jersey</td>
<td>25 % (not beer)</td>
</tr>
<tr>
<td>North Carolina</td>
<td>8.7 cents (wine) &amp; 5 cents (beer*)</td>
</tr>
<tr>
<td>Illinois</td>
<td>64 cents (spirits) $4.05 (wine) 4.6 cents (beer)</td>
</tr>
</tbody>
</table>

Illinois tax is being challenged in court

* per liter, all others per gallon
What Happened this Legislative Session

At least 13 states had bills that died:

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

Others in 2-year sessions, many will be back in 2010

*States with additional higher tax proposals than what passed.
## Bottom of the Beer Barrel

<table>
<thead>
<tr>
<th>State</th>
<th>Tax per gallon</th>
<th>Year Last Raised</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wyoming</td>
<td>$0.02</td>
<td>1935</td>
</tr>
<tr>
<td>Missouri</td>
<td>$0.06</td>
<td>1971</td>
</tr>
<tr>
<td>Wisconsin</td>
<td>$0.06</td>
<td>1969</td>
</tr>
<tr>
<td>Colorado</td>
<td>$0.08</td>
<td>1976</td>
</tr>
<tr>
<td>Kentucky</td>
<td>$0.08</td>
<td>1982</td>
</tr>
<tr>
<td>Oregon</td>
<td>$0.08</td>
<td>1977</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>$0.08</td>
<td>1947</td>
</tr>
<tr>
<td>Maryland</td>
<td>$0.09</td>
<td>1972</td>
</tr>
<tr>
<td>Washington, DC</td>
<td>$0.09</td>
<td>1989</td>
</tr>
<tr>
<td>Rhode Island</td>
<td>$0.10</td>
<td>1989</td>
</tr>
<tr>
<td>Massachusetts</td>
<td>$0.11</td>
<td>1975</td>
</tr>
<tr>
<td>New York</td>
<td>$0.11</td>
<td>2001</td>
</tr>
<tr>
<td>New Jersey</td>
<td>$0.12</td>
<td>1992</td>
</tr>
<tr>
<td>Indiana</td>
<td>$0.12</td>
<td>1981</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, chotchkes, banners, signs

- They do not pay for initiatives to:
  - Increase alcohol taxes
  - Decrease access and availability
  - Restrict alcohol advertising to youth
Turn Down Big Alcohol Funding

- Big Alcohol spends money to add positive value to brand and company image
Turn Down Big Alcohol Funding

- Big Alcohol does not fund prevention strategies that reduce product sales.

Our company is and always will be a **sales-driven organization**... In 2008, steps were taken to ensure we become a truly **consumer-centric company**...

...we leveraged our leading brands to encourage the right consumption behavior; regular, but moderate and with a full understanding of the negative personal and social consequences of excessive drinking.

Increased taxes:  
**Lobbied against**

Restricted advertising:  
**Lobbied against**

Reduced availability:  
**Lobbied against**
What can we do?

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Take Action, Join Us

www.MarinInstitute.org

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