ALCOPOPS 2020
TIME TO END BIG ALCOHOL’S PREDATION ON YOUTH

A report from Alcohol Justice and San Rafael Alcohol & Drug Coalition
February 2019
EXECUTIVE SUMMARY

Alcopops comprise a wide array of low-price, sugary, carbonated, heavily flavored alcoholic beverages. They can be very strong and very large, going as high as 14% alcohol by volume (ABV) and coming in single-serving cans as large as 25 oz. Their strength, combined with their resemblance in both packaging and flavor to sodas and energy drinks, makes them extraordinarily attractive—and dangerous—for youth.

Findings

• **Nearly two-thirds of underage drinkers drank alcopops in the past month.** This number has risen despite government efforts to curb the products.
• **Underage drinkers who drink alcopops are more likely to have episodes of heavy drinking,** suffer alcohol-related injuries, and engage in physical fights.
• **Early exposure to alcoholic beverages may create permanent changes** in the brain. Overexposure to sugars may also permanently change brain function.
• **A single alcopop can deliver up to 5.5 standard servings of alcohol.** This makes one can the equivalent of a binge drinking session, and could send a young drinker to the emergency room.
• **Alcopop drinkers underestimate their own blood-alcohol content (BAC) by up to 0.04 percent.**
• **Big Alcohol persistently markets alcopops in youth-friendly ways,** including low price points, flashy packaging, social media campaigns, and ubiquitous presence in convenience stores.

Recommendations

Alcohol Justice has evaluated a number of strategies for controlling alcopop-related harm, and recommends the following:

• **Reclassify alcopops as distilled spirits.** Raise the prices and place manufacturers under greater scrutiny.
• **Improve labelling.** Require better labelling on containers with calorie content, explicit health warnings, alcohol standard serving information, and graphic-based safety warnings.
• **Increase taxation.** Price increases are proven effective in reducing youth access.
• **Alcopop-Free Zones.** Communities can pressure stores to voluntarily remove alcopops from shelves.
• **Restrict marketing.** Change the appearance to reduce youth appeal and limit the locations where alcopops are sold.
• **Single-serve bans.** Raise the price points, control shoplifting, and mimic existing restrictions surrounding malt liquor by requiring cans be sold in packs of 3, 6, or more.
INTRODUCTION

High-alcohol, highly sweetened, fruit-flavored beverages have become a ubiquitous sight in convenience stores and gas stations throughout the United States. The brightly colored cans with trendy names (“Twisted,” “Mike’s Hard Lemonade,” “Joose,”) pack a heavy alcoholic punch but are often hard to distinguish from sodas or energy drinks for the average consumer. This works well for their manufacturers as these drinks are a perfect introduction to alcohol for young drinkers used to the aggressively sweet taste of energy drinks but unaccustomed to the harsh taste of booze.¹

The industry and legal term of art for this product is “flavored malt beverage,” or “FMB,” but the public health community assigned them the more accurate name “alcopops.” They are a perfect storm of appealing, youth-oriented marketing surrounding a destructive, heavily alcoholic product.

Efforts to regulate these drinks have proven insufficient. U.S. authorities in the early 2010s reigned in caffeine-infused alcopops, known as “alcoholic energy drinks,” following reports of alcohol-overdose fatalities connected to the drinks and national pressure by the National Association of Attorneys General, Alcohol Justice and the Pacific Institute for Research and Evaluation (PIRE).² ³ Meanwhile, international efforts to reduce consumption through alcopop-specific taxation have been moderately successful⁴ ⁵ but constitute only part of the puzzle.⁶ ⁷ Alcopops remain pervasive, popular, and a major source of harm, especially to the underage consumer.

HARMS

Alcopops are cheap, sweet, strong, and heavily flavored beverages. They include bright packaging, with ethnic or gender-oriented marketing that appeals to teens. They are usually regulated as if they were beer, based on dubious manufacturer claims that the drinks are manufactured from a “malt” process. Therefore, FMBs enjoy lower tax rates and are often available at convenience stores and gas stations that youth can frequent. All these make alcopops ideal vectors for alcohol harm.

Youth Use

Over 4,300 youth die from alcohol-related causes each year in the United States.⁸ Underage drinking costs the United States $24 billion annually.⁹ Youth alcohol use is associated with a range of short-term harmful outcomes, including homicide,
suicide, school problems, fighting, legal problems, unwanted and/or unsafe sexual activity, car crashes, poisonings and co-use with other drugs.\textsuperscript{10} Far from being the mistakes of youth, underage drinking can create behavioral challenges that reverberate across the lifespan. The earlier a youth begins drinking, the more likely they are to have alcohol problems later in life.\textsuperscript{11,12} Problem drinkers, in turn, make up the lion’s share of industry profits. One analysis estimates that the top 10\% of U.S. drinkers consume over half the alcohol produced each year.\textsuperscript{13}

Alcopops form the cornerstone of corporate strategies to initiate youth into alcohol use. Nearly two-thirds of underage drinkers have drunk alcopops in the past month,\textsuperscript{14} a number that has risen over the past decade despite government-mandated reformulations and labelling reforms.\textsuperscript{3,15} Alcopops trail only beer in popularity among underage drinkers. Alcopops, however, tend to have a higher alcohol by volume (ABV), especially in the category known as “supersized alcopops.”

Overconsumption

Supersized alcopops come in larger (greater than 12 oz.) containers and contain up to 14\% ABV.\textsuperscript{16} Because these supersized alcopops are still normally sold in a non-resealable, pop-top can, a single “drink” can be the equivalent of up to 5.5 servings of alcohol,\textsuperscript{17} exceeding the threshold for a binge drinking session. The size, strength, and heavy flavoring easing consumption combine to earn them the sobriquet “blackout in a can.”\textsuperscript{2}

This extreme overconsumption is not mere recklessness by the consumer, it is an intractable feature of the product. Researchers comparing college students’ estimations of their own blood alcohol content (BAC) found that those drinking alcopops underestimated their BAC by 0.04 percent.\textsuperscript{18} This means young adults trying to rein in their alcopop consumption before exceeding the legal driving limit of 0.08 BAC are likely to find themselves dangerously intoxicated anyway.

Consumption of alcopops is associated with a number of other harmful behaviors. Compared to youth who did not drink alcopops, supersized alcopop drinkers were significantly more likely to:

\begin{quote}
“It got easier for people to get alcohol from stores, I could name you like five different stores that you could get them really quickly. I could walk in now and walk out with like three bottles. The logos and the marketing, the colors, it’s just calling out to them, so I think that plays a big role in why people are starting off so young. And why they start younger, and younger, and younger, until it’s out of control.”

Jessica
Youth For Justice teen leader
\end{quote}
Time to End Big Alcohol’s Predation on Youth

• have episodes of heavy drinking
• suffer alcohol-related injuries
• engage in physical fights

In addition, binge drinking is associated with physical changes in the structure of developing brains. These changes may explain later vulnerability to alcohol use disorders, as well as other academic and behavioral challenges associated with early drinking. Recent rat models suggest the high quantities of sugar used to make alcopops palatable may also cause memory impairments and other cognitive problems.

Marketing

Alcopops’ appeal to youth is not incidental. It is the result of concerted industry efforts to place, price, and promote the products to underage drinkers. It is no coincidence that global Big Alcohol corporations have developed or acquired their own brands of alcopops to introduce youth to their product lines. Their packaging, appearance, and consistency mimics sodas and especially energy drinks. They are nearly ubiquitous at convenience stores, which, broadly speaking, have lower compliance with minimum-age purchase laws. Within these stores, alcopops are frequently placed in refrigerators adjacent to ones holding nonalcoholic beverages, sandwiches, and snacks.

The prices are also surprisingly low. An Alcohol Justice study from 2012 found that alcopops at 7-Eleven were cheaper per volume than nonalcoholic drinks—and, in some cases, cheaper than water.

An analysis of marketing strategies found that three-quarters of televised alcopop ads used youth-skewed “party-sex-love” themes, more than any other category of product. Television is far from the only route through which alcopops are advertised. Online and social media-based marketing allows companies to target whatever audience they like with ineffectual “age gates” (which use targets’ self-reported age as verification) serving as the barest nod to the legal drinking age. The flood of marketing for alcoholic products may mask the specific hazards of alcopops. Young adults are liable to confuse alcopops with other beer products, diluting prevention efforts.

Marketing does not just target youth, it also targets disadvantaged communities. Evidence shows that sales in the United States are prevalent in lower-income neighborhoods. This disparity makes youth in areas of high poverty, already threatened by poorer overall health outcomes, further vulnerable to sales of this distinctly hazardous product.

RECOMMENDATIONS

1. Classify alcopops as distilled spirits

Traditionally, alcohol control in the United States has separated wines, spirits, and beers for purposes of taxation, licensing, and access. Because both controls and taxes on spirits are higher than for beer, alcopop manufacturers have devised a complicated method of creating a flavorless “malt liquor” base, then fortifying it with distilled liquors. Despite much of the alcohol being hard liquor, the base allows the drinks to be regulated as beer. The FMB distillers claim proprietary rights to hide their “brewing” and/or “distilling” process
and have thus evaded spirits taxation levels and spirits regulations.

By insisting on proper classification of these high-ABV drinks, communities can use existing liquor control policies, including higher taxes and restricted distribution of product, to make alcopops less accessible to youth. A version of this strategy was used by Utah in 2008.29

Advantages: Reclassification uses the existing liquor control system. Closes blatant loopholes in manufacturing regulations.

Disadvantages: Since availability is determined on a state-by-state basis, impact will vary by state. Alcohol companies are adept at evading definitions to keep their products accessible. Industry has responded to previous efforts with trade secret reformulations purportedly reducing or omitting distilled spirits.16,30

2. Increase taxation

States, particularly states with state control of alcohol sales, are able to create separate alcopop categories based on ABV, can size, sugar content, flavoring, and other criteria. Taxes not only reduce consumption by increasing price point, they generate revenue that can be dedicated to monitoring, prevention, or harm mitigation.35 Alcopop-specific taxes implemented in Australia have already been associated with reductions in consumption and alcohol-related harm.4,7

Advantages: Broad reach. Proven effective in controlling alcopop consumption. Generates revenue that can be used to further reduce harms.

Disadvantages: Requires legislative action at a time when legislatures seem to favor cutting already insufficient alcohol taxes. Effective on broad scale but may not be universally effective at local level.6 Without aggressive community involvement, revenue may not be dedicated to alcohol-related funding needs.

3. Improve labelling

The enhanced labeling on Four Loko cans required by the 2013 Federal Trade Commission (FTC) sadly seems to be ineffectual.31 It mandates information about what constitutes a serving of alcohol, clarifying the fact that the product is dangerously alcoholic. Unfortunately, young consumers are less likely to find this information dissuasive and more likely to use it as a way to get more “bang for their buck.”32,33 However, there is a great deal more regulators can do to pursue effective labelling. Faced with similar dangerous products to those available in the U.S., the United Kingdom has been developing best practices for effective alcohol health warnings.34 Applying these practices would go far in accomplishing what the FTC could not.

According to the U.K. guidelines, an effective alcopop health warning should include:

- calorie content display
- explicit health warnings, including dangerous driving and breast cancer advisories
- alcohol serving information accompanied by information detailing binge and overconsumption levels

SPOTLIGHT: Mike’s Harder Lemonade

Despite the name, Mike’s Hard Lemonade is not lemonade at all, but rather a sweet, alcoholic malt beverage. The brand doubled down on the disingenuous name by introducing Mike’s Harder. The Harder product deliberately promotes overconsumption with a 40% larger can and 60% more alcohol. With a street-art style label design, sophomoric innuendo, and a meaningless “warning” graphic meant to delegitimize the persistent hazards of binge drinking, Mike’s Harder cynically courts the most vulnerable youth.

- graphic presentation of information over textual presentation wherever possible

Advantages: Provide point-of-purchase intervention. Enhance consumer health literacy. Directly
counteract on-product marketing and differentiate from sodas.

**Disadvantages:** Difficult to do on a local level. Labeling jurisdiction may ultimately lie with state and federal agencies.

### 4. Alcopop-Free Zones

Dedicated community groups can create Alcopop-Free Zones on the local level. These zones begin with a youth group or other community health-oriented organization targeting areas impacted by alcopops. Through data gathering, direct pressure on stores, buy-in from local government, and efforts to maintain public focus on alcopops as a local problem, these groups can extract commitments from individual retailers to cease stocking alcopops. Continued positive feedback for participating stores, as well as local protests and other negative feedback to stores who decline to participate, can help keep these zones robust.

However, Alcopop-Free Zones need not be purely voluntary buy-ins. A variety of local policies can be adopted, including license conditions and punitive conditions for license violators. After youth and community pressure, Contra Costa County adopted alcopop sales restrictions as an enforcement mechanism for violations of a deemed approved ordinance. Anti-tobacco legislation showed time and time again that local regulations form the groundwork for national, by creating model legislation, increasing public support, and diminishing local resistance to change. With this in mind, local legislation should be as unambiguous as possible, including outright bans on the product with penalties for violation.

**Advantages:** Eliminates the product outright from specific stores. Encourages community awareness. Can be initiated as part of a positive youth development program with an alcohol prevention emphasis. Local emphasis means zones can be established quickly. Alcohol Justice provides insight and support for Alcopop-Free Zones upon request.

**Disadvantages:** Requires committed enforcement, either by authorities or through ongoing community action. Impact restricted by scope of zone. Voluntary zones may create economic reward for stores that reject alcopop-free pledge.

### 5. Restrict marketing

In 2014, 19 state attorneys general reached an agreement with Phusion Products, Inc., the creators of Four Loko, to restrict youth-targeting marketing activities. However, these restrictions were entirely voluntary and directed only at the specific company. These bans can be implemented legislatively, which provides blanket protection but may be challenging to enact. Alternately, voluntary compliance, though less effective, can be enacted on a store-by-store or producer-by-producer basis through either incentives or community action. Effective marketing restrictions should include:

- bans on advertising that appeals to underage drinkers
- elimination of packaging that mimics nonalcoholic sugary beverages and energy drinks
- restrictions on point-of-sale advertising
• limits on packaging size
• mandates of physical separation between areas where alcopops are sold and nonalcoholic drinks
• restrictions on advertising and sales in poverty-impacted areas

Advantages: Creates a healthier built environment. Doubles as best practices for all age-restricted products. Helps “denormalize” alcopop sales, reinforcing other control strategies.

Disadvantages: May be litigated. Voluntary restrictions are easy to violate. Inferior to outright changes to or bans of dangerous products.

6. Single Serve Bans

A significant proportion of the appeal of alcopops to youth comes from their low price point, a key factor for individuals with little income of their own. Raising the price of the product makes it more likely to be affordable only to adults. In localities where price control through taxation or recategorization seems prohibitively difficult, requiring that the cans and bottles be sold in packs of three or more (and, similarly, preventing sellers from breaking up six-packs) creates a similar dissuasive effect.

Variations of the “single serve ban” have been explored across the country. Frequently, they are either conditions on permitting for problem stores, or else restrictions within specified zones where crime and other civic disruption is rampant. However, the California cities of Richmond and Hesperia have been exploring blanket, citywide bans.

Targeted properly, single-serve bans end up affecting a number of bottom-shelf products associated with problem drinking, and may do more than just reduce youth access. A recent analysis of related policies targeting malt liquor sales in Minneapolis, MN, and Washington, DC, showed that bans resulted in reductions in assaults, vandalism, and other crime. These data easily provide sufficient cause for police powers legislation to reduce the sales of malt liquor’s younger cousin—alcopops.


Disadvantages: Requires careful definition of targeted products. Risks pushback from high-end single-serve market (e.g. craft brewers). Despite de facto price control, product remains on shelves and marketed to youth.

“In [my city] we have three zip codes. And the zip code that has the highest crime and the highest alcohol outlet density and the largest number of our schools also has the highest poverty rate, the highest rate of population under the age of 21. And I can tell you this—every store I’ve gone to in these hot spots sells alcopops. Their refrigerators are just loaded with them. Because there’s all these products in the stores, we’re assuming they’re being sold to the local neighborhood, and we suspect that a good number of them are youth.

The industry doesn’t seem to care about our youth population. Their concern is, their bottom line, is profit. And that’s enough for me to want to move and do something about this.”

Xavier
AOD Project Director, Pueblo Y Salud
FUTURE DIRECTIONS

Already, alcopops are being challenged by other easy-to-consume nontraditional alcoholic beverages. For example, “hard seltzers” and similar carbonated, flavorless alcoholic drinks that mimic alcohol-free mixers, are growing in market share. Hard ciders, long relegated to a niche domain in the beer market, have also seen a resurgence, with cheap, soda-like products taking the lead. And in a triumph of Big Alcohol’s immunity to irony, alcoholic sodas like Not Your Father’s Root Beer and Henry’s Hard Orange Soda have received aggressive pushes from major megabrewers.

These products do not just replicate the “easy to drink” character of alcopops, they also lend themselves to being mixed with other sugary beverages (or even distilled spirits). Regulators need to carefully watch how these permeate the market, and researchers should monitor their uses and uptake, especially in younger consumers.

Because of the failures of existing U.S. labeling in general, and the particular flaws in the FTC’s label requirements for Four Loko, more research is needed into the impact of labeling on consumption, especially as it impacts youth consumption.

The industry thrives in the knowledge gap. The alcopop fight to date has demonstrated Big Alcohol’s willingness to pivot in terms of formulation, and its heavy reliance on easily circumvented voluntary agreements. Public health groups need to continually monitor the market, push for disclosure of manufacturing practices, and lobby for tougher laws and higher taxes on the most harmful products.

In the end, the flavored malt beverage category in which alcopops fall simply should not exist. It is a boondoggle meant to keep prices low by exploiting archaic taxation categories. The ultimate victory lies in banishing these drinks from convenience stores and big boxes entirely, stopping exploitive ad campaigns, and recategorizing them as a specialty distilled spirit only available to adults.

CONCLUSION

Despite nearly two decades of efforts to reign in Big Alcohol’s love affair with sugary, flavored, high-ABV malt beverages, alcopops remain dangerously popular with young adults. Although some ground has been gained against the most hazardous products, false starts and legislative dithering has resulted in alcopops persisting as a threat. Community, public health, and youth leadership groups should aggressively push for enhanced regulations on these products. In the short run, local jurisdictions can act to limit marketing and sales, but the enactment and enforcement of these limitations require constant community vigilance. Still, the reward for this vigilance in the long run is the elimination of a product perfectly designed to introduce alcohol-naïve youth to drinking. There are a lot of futures on the line.
REFERENCES

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We envision healthy communities free of the alcohol industry’s negative impact.

We promote evidence-based public health policies and organize campaigns with diverse communities and youth against the alcohol industry’s harmful practices.

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