

Distilled Spirits Industry Council of Australia
Submission to the Australian National Preventative Health Agency
Consultation on Alcohol Advertising

Executive Summary

The Distilled Spirits Industry Council of Australia (DSICA) welcomes the opportunity to make a submission on the Australian National Preventative Health Agency (ANPHA) consultation on alcohol advertising.

It must be acknowledged in this consultation that the issues of alcohol and of advertising individually engender mixed emotions from the general public. Almost all people prefer not to have advertising intrude into their consciousness. Australians (and all other nations) have been debating the proper role of alcohol (and how it should be regulated) for centuries. The legitimacy of commercial operators have also been debated extensively, even more so in what are usually referred to as 'sin' industries. Alcohol advertising brings those issues together into a highly subjective and complex debate.

A starting point for much commentary appears to be that alcohol does not have a legitimate role in society and therefore its use should be curtailed as far and as fast as possible. For these commentators, that there is a competitive industry supplying and marketing alcohol is a further outrage.

We note that that ANPHA has changed the task of this review from that requested by the National Preventative Health Taskforce (*"monitoring the compliance of the alcohol industry with voluntary codes of practice and other commitments on responsible alcohol advertising"*) to that of reviewing alcohol-related regulations on advertising and the effectiveness of these codes in addressing community concerns. The discussion paper's overview notes this change to the purpose of the review was made by ANPHA following consultation with the members of its Expert Committee on Alcohol and a number of key stakeholders. This change is somewhat ironic given that the chair and the deputy chair of the then existing National Preventative Health Taskforce currently serve on ANPHA's Advisory Council.

DSICA is aware that prior to the consultation paper being issued, ANPHA held consultations on social media with selected stakeholders and excluded any alcohol or communications industry involvement in that process. DSICA is also aware that several members of ANPHA's Expert Committees and the ANPHA Advisory Council are also founders or are employed by members of the National Alcohol Action Alliance, which has a declared policy of sharply reducing all forms of alcohol advertising, greatly increasing regulation, and ending sports sponsorship through banning its broadcast before 8.30pm. DSICA questions their ability to approach this review process and submissions with an open and unbiased mind.

The discussion paper has a clear undertone regretting the widespread use of and general acceptance of alcohol in Australia. The preventative health sector's essential objections to alcohol advertising appear to be two-fold:

1. that it portrays consuming alcohol as a normal and accepted part of Australian life, contrary to the views of health non-governmental organisations and much of the preventative health sector, and
2. That advertising leads to earlier and higher levels of underage drinking.

The reality is that alcohol consumption is a normal and accepted part of Australian life, given that approximately 80% of adult Australians consumed a full serve of alcohol in the past year. Lower percentages drink on a monthly, weekly or daily basis. DSICA notes that alcohol consumption pre-dates the establishment of all forms of government and of nation states, let alone the founding of Australia. Alcohol consumption will outlast the nation state. Alcohol's portrayal in our culture and society as normal and accepted should not be curtailed, merely because that normalcy is not what a small but highly-organised minority of the population desires the situation to be.

Those opposing the current regulation of alcohol advertising in Australia must successfully make the argument that alcohol advertising, in its content, placement, and overall volume, is leading to an increase in underage drinking. This is an impossible argument to make in light of the facts that the Australian and state and territory government's own surveys (Australian Secondary School Students Use of Alcohol and Drugs (ASSAD) and National Drug Strategy Household Survey (NDSHS) show a decline in underage drinking and in underage risky drinking across the past decade.

The case for further restrictions on alcohol advertising is further weakened when looking more broadly at per capita consumption of alcohol as this has been essentially static for the past 20 years. If advertising increases alcohol consumption then it does not appear to have had any impact in Australia.

DSICA rejects the belief that there are significant levels of genuine unprompted community concern about current alcohol advertising and how it is regulated. We also believe that attempts to de-normalise alcohol use – using the same regulatory methods as used with tobacco – are unjustified and driven by a narrow band of alcohol and preventative health activists.

The Distilled Spirits Industry Council of Australia (DSICA)

The Distilled Spirits Industry Council of Australia Inc. (DSICA) is the peak body representing the interests of distilled spirit manufacturers and importers in Australia. DSICA was formed in 1982, and the current member companies are:

- Bacardi Lion Pty Ltd;
- Beam Global Australia Pty Ltd;
- Brown-Forman Australia;
- Bundaberg Distilling Company Pty Ltd;
- Diageo Australia Limited;
- Mast-Jägermeister SE;
- Moët-Hennessy Australia Pty Ltd;
- Rémy Cointreau International Pte Ltd;
- Suntory (Australia) Pty Ltd; and
- William Grant & Sons International Ltd.

DSICA's goals are:

- To create an informed political and social environment that recognises the benefits of moderate alcohol intake and to provide opportunities for balanced community discussion on alcohol issues; and
- To ensure public alcohol policies are soundly and objectively formed, that they include alcohol industry input, that they are based on the latest national and international scientific research and that they do not unfairly disadvantage the spirits sector.

DSICA's members are committed to:

- Responsible marketing and promotion of distilled spirits;
- Supporting social programs aimed at reducing the harm associated with the excessive or inappropriate consumption of alcohol;
- Supporting the current co-regulatory regime for alcohol advertising; and
- Making a significant contribution to Australian industry through primary production, manufacturing, distribution and sales activities.

Meeting 'community concerns' - a subjective test set up for ABAC to fail?

DSICA strongly objects to ANPHA's amended review of alcohol advertising essentially being the result of a circular process: a public health NGO and/or academic declares to the public that alcohol advertising causes underage drinking and that ABAC's regulation is a failure, so generating and heightening public concern. That NGO or academic then lobbies ANPHA that the public are concerned about alcohol advertising and its regulation. ANPHA in turn then holds a consultation on community concerns, citing the NGO's or academic's evidence of that community concern and the ABAC Scheme's failure.

It is perverse that those groups and individuals who have done the most to increase and heighten the purported community concern by publicly agitating against alcohol advertising while also denigrating the effectiveness of ABAC, are currently closely associated either with ANPHA's stakeholders, or are amongst the expert sources that ANPHA has relied on in its discussion paper.

DSICA submits that the questions surrounding alcohol advertising, what is a failure of regulation, and what is a significant level of community concern requiring a change in government policy, are highly subjective and very much in the eye of the beholder, going to essential questions about the legitimacy of alcohol.

Contrary to the belief of public health stakeholders, DSICA submits that there is a distinct lack of genuine community concern about how alcohol is advertised and how alcohol advertising is regulated. In contrast to the advocate/NGO lobbying feedback loop outlined above, the only sources of truly objective evidence about the real levels of community concern can be found through independently conducted surveys and by looking at actual rates of complaints about alcohol advertising. ANPHA itself notes in its discussion paper that the Advertising Standards Bureau's ability to take complaints about all forms of advertising is well known to the general public, and that it is quite easy to find the ABAC complaints process if a member of the public wants to.

Advocates for greater restrictions (and ANPHA) draw heavily on public opinion surveys to argue that the Australian public are concerned about alcohol advertising. However, there is a substantial difference between how people respond to a survey question (which is usually part of a larger questionnaire on alcohol issues and concerns) and how they act, which is a better indicator of what they truly think. Economists refer to this as being a case of stated versus revealed preferences. It is what action people take that is a better measure of genuine concern.

The ABAC scheme presents almost no barriers to making a complaint. Very little effort is required to lodge a complaint, there is no cost to the complainant, and complaints can be made anonymously. Given that there are at least 16 million Australian adults (aged 18+) and the objective fact that ABAC receives between 100-160 complaints per annum, leads DSICA to believe that the real, demonstrated level of community concern about alcohol advertising is vanishingly low.

To illustrate this point mathematically, assuming (very generously) that all complainants only lodge a single complaint per year, then one in every 100,000 Australians sees or hears an alcohol advertisement they consider sufficiently objectionable or concerning to make a complaint. Even if only one per cent of these offended or concerned Australians carry through to register a complaint, then the calculation becomes one in a thousand Australian adults sees or hears an objectionable or concerning alcohol advertisement in any year.

This demonstrated preference is a very low level, particularly in light of the facts that a) alcohol-related harms do happen frequently and affect many Australians, b) alcohol's role in Australia society and culture engenders strong emotions from a minority of Australians, and c) advertising in general is not well regarded or liked.

Apathy or disbelief about the impact of an advertising complaint cannot be a reason for so few Australians making a complaint about alcohol advertising: Australians make far more complaints about other types of advertising. In fact, alcohol adverts make up only 3% of all advertising complaints. In short, advertising complaints are made by Australians, just not about alcohol to any great level.

Given the volume and range of alcohol advertising in Australia (noting that advertising is conducted 365 days of the year and through many different mechanisms), the ABAC Scheme appears on the objective evidence of actual complaints made to be effectively regulating how alcohol is advertised and marketed, and to be meeting community concerns.

When evaluating the real level of community concern, ANPHA should also take into account that a substantial proportion of complaints are made by alcohol NGOs or alcohol researchers in order to test or disprove the ABAC system. DSICA is aware that Professor Sandra Jones (whose research ANPHA repeatedly references) has very recently stated publicly that in order to increase the number of complaints to ABAC and so prove ABAC's ineffectiveness, she is developing resources and materials for NSW Community Drug and Alcohol Teams to encourage them to lodge many complaints¹ She also remarked that lodging complaints to ABAC is "fun".

DSICA disagrees with ANPHA's assertion at paragraph 68 that the Australian community disagrees with adjudication decisions as being without foundation. We are unaware of a genuinely 'community' response to an adjudication. However, many health NGOs and public health academics with a strong vocal opposition

¹ Presentation by Dr Sandra Jones, 21 March, 6th Australasian Drug and Alcohol Strategy Conference, Sydney

to alcohol advertising are often unhappy with adjudication decisions and the ABAC Scheme in general. DSICA notes some of these academics serve on ANPHA's committees.

An unbiased evaluation of the adjudication process and of the written decisions would lead most reasonable and unbiased people to conclude that adjudications are conducted quickly, fairly, with proper regard for the complainant's opinion, and with careful deliberation.

Impact of alcohol advertising on initiation and scale of underage drinking in Australia

ANPHA's amended review has decided to focus on the impact of alcohol advertising and marketing on children and young people. While some longitudinal research is cited by ANPHA in its discussion paper on the purported effect of advertising and marketing on that age group, the empirical evidence from long-standing and highly regarded Australian Government-run surveys of underage drinkers and the general population here in Australia, in the UK and the US, shows rapidly decreasing rates of underage drinking. This trend has existed for the greater part of the past decade.

The following two graphs are from a report prepared for the Australian Government Department of Health and Ageing, *Australian secondary school students' use of tobacco, alcohol and over the counter and illicit substances in 2011*, (referred to as ASSAD 2011).

Figure 1

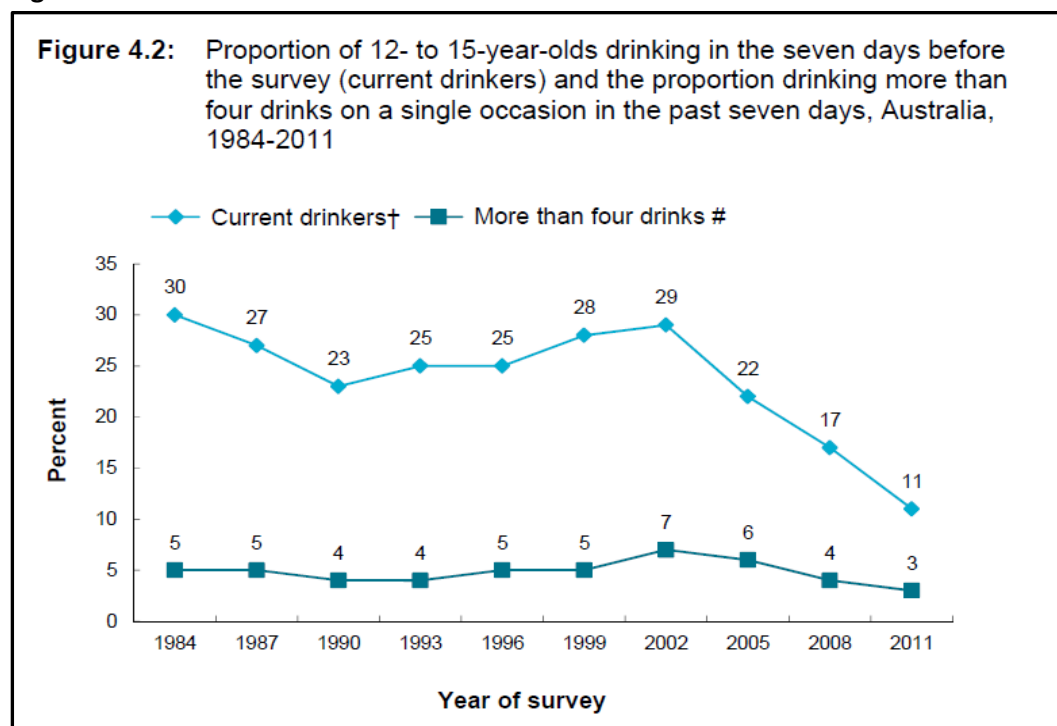
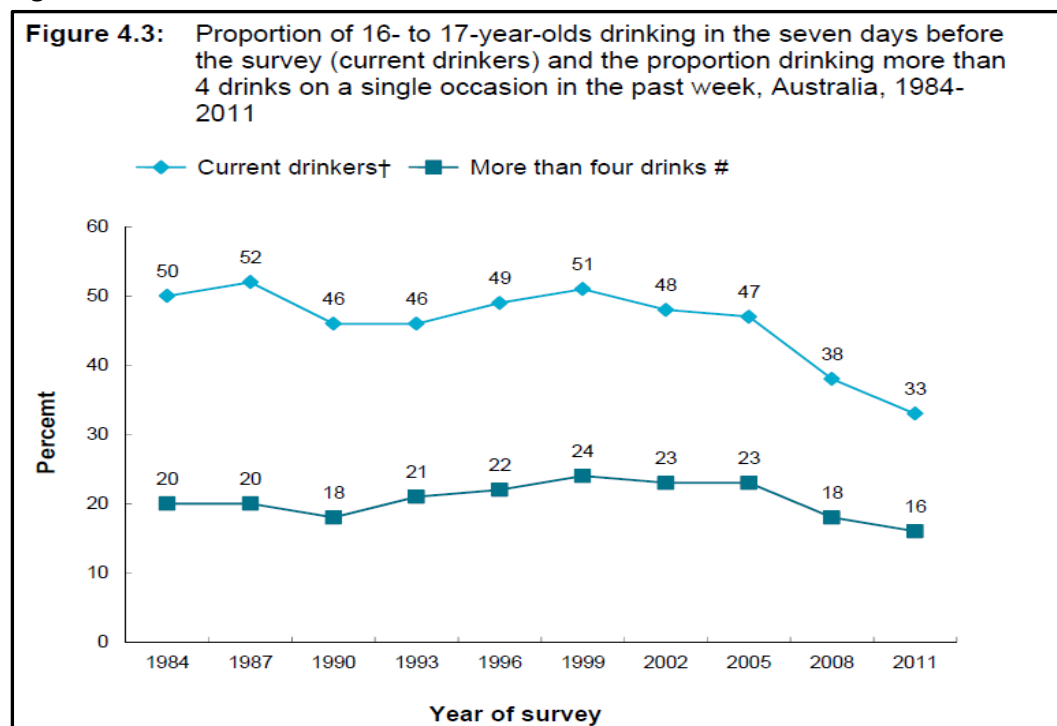


Figure 2



The following two graphs use the National Drug Strategy Household Survey data sourced from the AIHW reports on the National Drug Strategy Household Surveys.

Figure 3

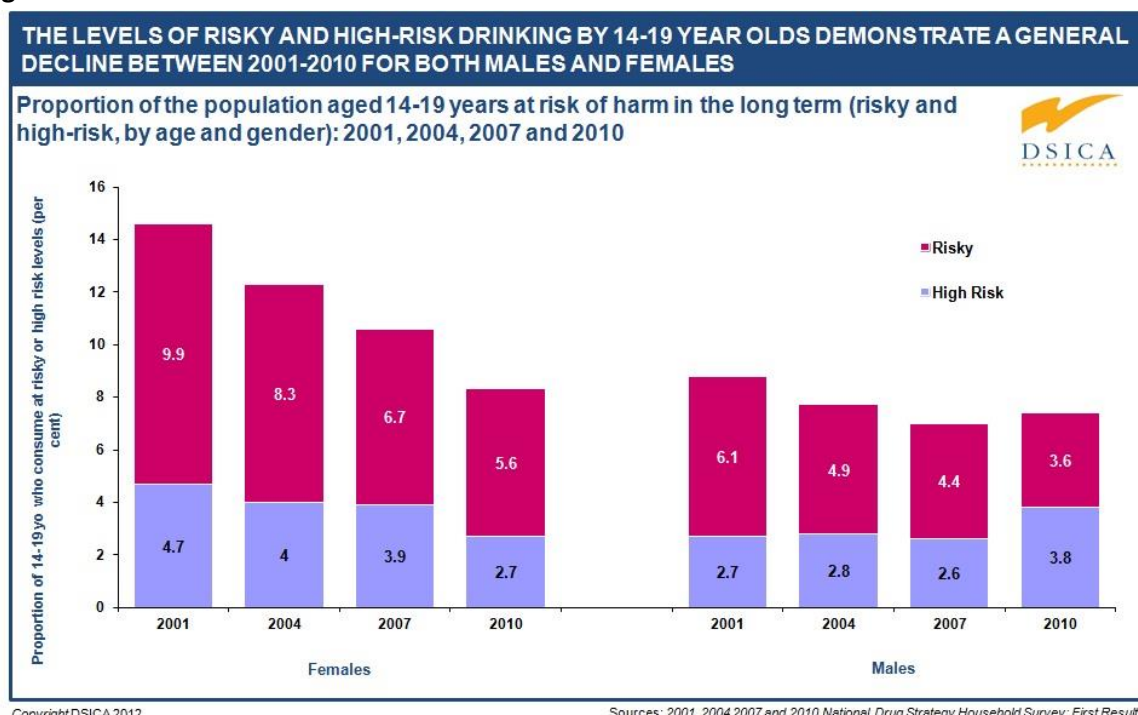
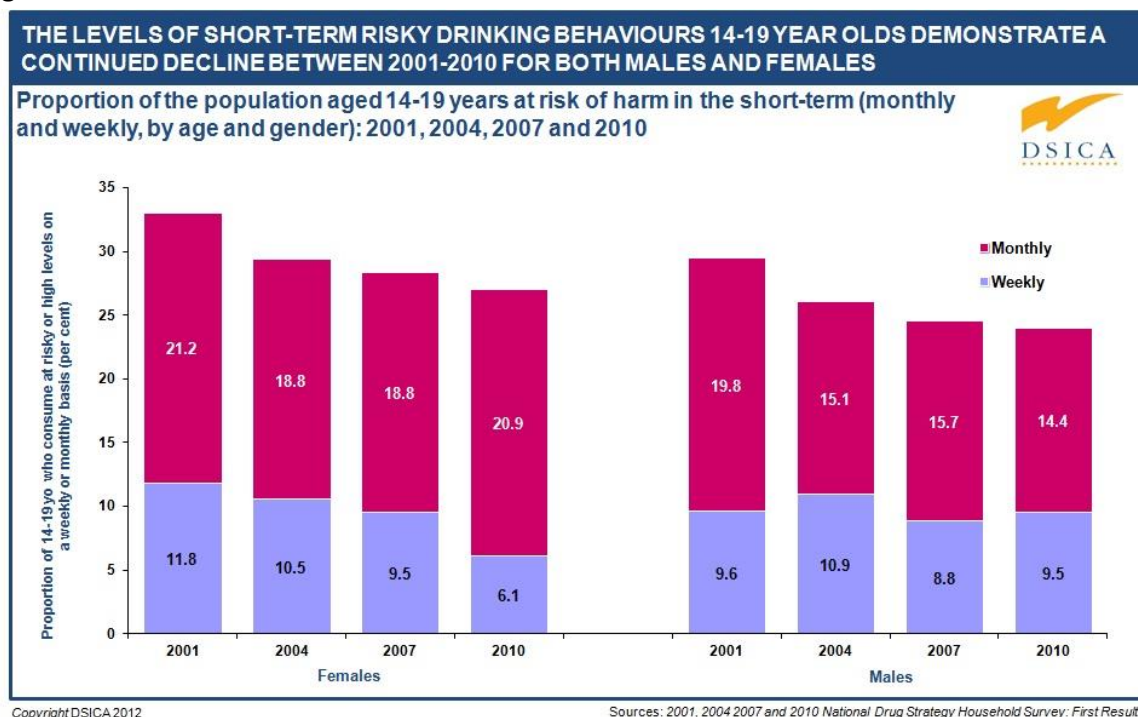


Figure 4



Those advocating greater restrictions on alcohol advertising in order to protect young Australians (under 18 year old) have to overcome the objective evidence of that increasing number of the underage population is making quite positive changes in regard to consuming alcohol and how they drink, regardless of what public health advocates believe about how alcohol advertising is conducted and regulated.

A related issue is the apparent decline in the age of alcohol initiation. Advocates of greater restriction highlight this as a reason for greater regulation. DSICA notes that the decline in the age of initiation is long-standing and has been detected over a period of at least 50 years. It is stretching credibility that this decline in the age of alcohol initiation has a great deal to do with how alcohol has been or is currently advertised. Alcohol advocates have also discounted or completely ignored the decreasing age of puberty, at which point children begin to establish an independent identity separate from their parents and to take on adult-like behaviours, i.e. drinking and forming sexual relationships.

There is some evidence that alcohol-related harm is increasing in the decreasing proportion of underage drinkers who are drinking in risky ways, but it is hard to see how advertising is implicated causally. Under ABAC regulation, alcohol advertising does not portray heavy consumption of alcohol or drunkenness, or risky behaviour (e.g. swimming, driving) surrounding consumption. These risky drinkers are seeing the same advertising as their non-drinking or moderate drinking peers, yet are drinking in very different ways. DSICA submits that there are far more plausible explanations for why some underage drinkers are apparently drinking in more harmful ways.

Alcohol consumption and underage drinking does not take place in a vacuum from a broader cultural and social milieu. To suggest that alcohol advertising is the major factor - or even a significant contributory factor - behind underage drinking and the apparent increase in alcohol harms is to ignore the very substantial changes in the surrounding Australian culture and society. For example, other factors impacting on underage drinking and the age of drinking initiation include substantially changing parenting styles and

attitudes, the changing roles and expectations of children, particularly having much greater levels of freedom, and a general lessening of accepted distinctions between adult behaviour versus child behaviour, and reduced respect for authority. In addition, these changes in the cultural norms of children's roles (and hence behaviour) have shown up in many other forms of socially-undesirable phenomena (e.g. early sexualisation, body image concerns, sexting, cyber bullying, early initiation of illicit drugs, etc.) which have also increased over recent decades.

Given these substantial confounding factors, it is simply impossible for alcohol researchers and advocates to credibly separate out the role and/or contribution of alcohol advertising from quite significant social, cultural and economic changes.

The argument of advertising leading to an earlier onset of drinking is not a strong or credible argument for greater restrictions, because as the Australian Institute of Health and Welfare summarised it in 2011, there is simply no such trend: *"The mean ages at which people in Australia first used most licit and illicit drugs have changed very little between 1995 and 2010. For tobacco and alcohol, the mean ages of initiation remained relatively stable between 1995 and 2010, at about 16 years for tobacco and 17 years for alcohol"*².

Whilst some research from within the alcohol policy and child health fields purports to show a link between alcohol advertising and problem drinking, there is an absence of compelling evidence to support the view that alcohol advertising causes particular beliefs about drinking, intentions to drink or drinking related problems³.

Advocates for greater regulation rely heavily on longitudinal studies, noting that these are - in ANPHA's view - *"generally considered to be the most effective means of examining alcohol marketing exposure and consumption in young people. These studies tend to demonstrate that alcohol marketing does influence alcohol consumption, age of alcohol initiation and risky drinking amongst youth"*. However, longitudinal studies do have serious weaknesses that are under-weighted in ANPHA's discussion paper^{4,5} citing those studies as supporting the findings that alcohol advertising increases rates of underage drinking and decreases age of initiation.

Countering that research from public health researchers, international econometric studies and studies by advertising and marketing academics have failed to show any causal link between alcohol advertising expenditure and increases in alcohol related harm⁶. The US Federal Trade Commission study⁷ found that there is *"no reliable basis to conclude that alcohol advertising significantly affects consumption, let alone abuse."*

In an econometric study on U.S. alcohol advertising and consumption between 1971 and 2008, which was period during which the US distilled spirits industry resumed advertising, Wilcox, G, KyungOk, K, and Schulz, H findings were *"consistent with previous research in that alcohol*

² Australian Institute of Health and Welfare 2011. 2010 National Drug Strategy Household Survey report. Drug statistics series no. 25. Cat. no. PHE 145. Canberra: AIHW. page 11

³ Young, D.J. (1993). Alcohol advertising bans and alcohol abuse [Comment]. *Journal of Health Economics*, 12(2): 213-228.

⁴ Nelson, J.P. What is Learned from Longitudinal Studies of Advertising and Youth Drinking and Smoking? A Critical Assessment. *Int. J. Environ. Res. Public Health* **2010**, 7, 870-926.

⁵ Nelson, J. P. (2011), Alcohol Marketing, Adolescent Drinking And Publication Bias In Longitudinal Studies: A Critical Survey Using Meta-Analysis. *Journal of Economic Surveys*, 25: 191-232. Doi: 10.1111/J.1467-6419.2010.00627.

⁶ Nelson, J.P. and Young, D.J. (2001). Do advertising bans work? An international comparison. *International Journal of Advertising*, 20(3): 273-296.

⁷ Federal Trade Commission (FTC) (2008) Self-regulation in the alcohol industry: Report to the Federal Trade Commission, Washington DC.

advertising appears to support the brand in the marketplace instead of impacting the overall consumption of the category. The authors further noted that *however tempting, proposed restrictions or bans on spirits advertising cannot be justified based on the results of this study*⁸.

DSICA does not support the contention that the alcohol advertising or promotion has a significant, if any, impact on young peoples' intention to drink or how much they will drink.

Advocates for marketing bans or greater restrictions on alcohol advertising greatly overstate the importance of advertising and promotions in forming children and young peoples' attitudes to alcohol and drunkenness. In doing so, they simply ignore the role of far more significant influences such as parental style and use of alcohol, the extended family's use of alcohol, and their peers' attitude to risk-taking.

The debate on regulating alcohol marketing is usually silent on the vital roles and responsibilities of parents and carers to supervise those under the drinking age, not only in terms of their access to alcohol, but also in terms of their access to mass media communications which are targeted to an older and more mature population.

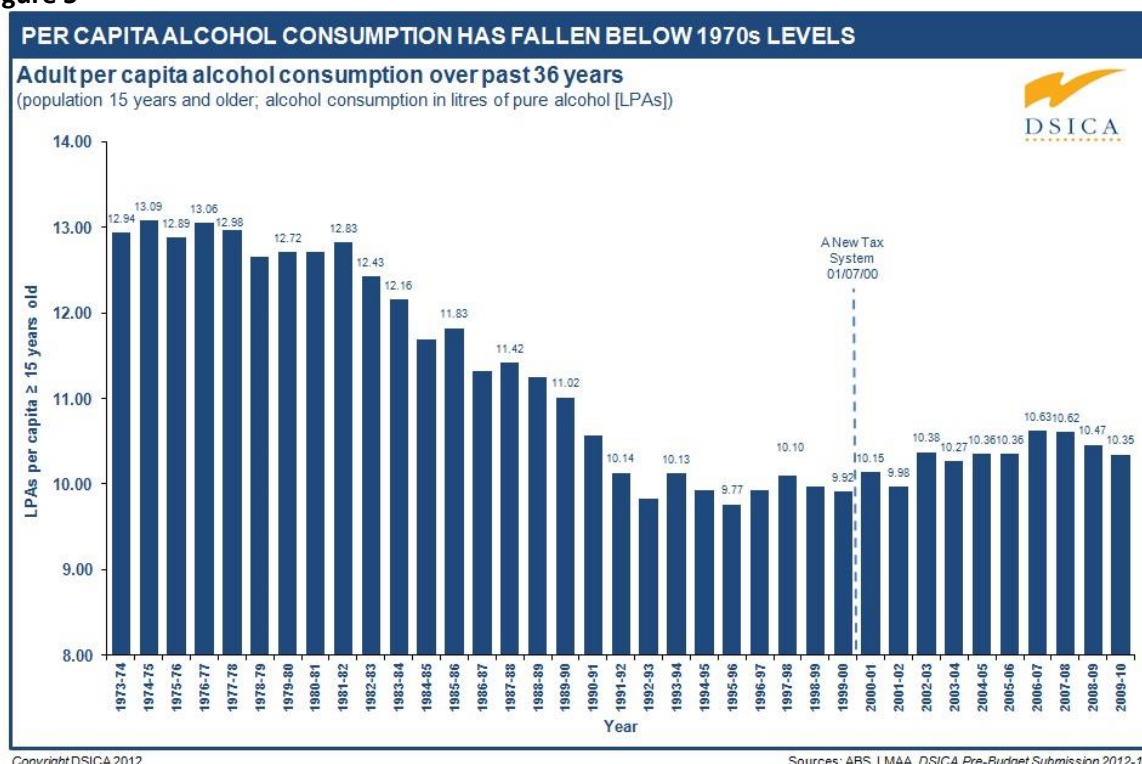
A commonly-used argument for further regulating or banning alcohol advertising is that if it didn't work, then companies would not advertise. This begs the question as to what is meant by advertising has 'worked'.

The purpose of alcohol product advertising is to tell potential customers above the legal purchase age who are looking to make an alcohol purchase within a short period of time (the next week or so) about the products available to them, so that they can then make informed choices among competing brands. The advertisers' objectives are to encourage consumers to switch to their brand and to create or maintain brand loyalty. Thus, advertisers gain market share at the expense of other producers, who lose market share. In that sense, advertising 'works'.

Given that per capita alcohol consumption is relatively static at approximately 10L per year for the past 20 years and is currently in decline, on that evidence alcohol advertising appears to have not increased overall consumption.

⁸ Wlicox, G, KyungOk K, Schultz H (2012)– Liquor Advertising and consumption in the United States: 1970-2008, *International Journal of Advertising*, 31 (4) pp819-834, DOI: 10.2501/IJA-31-4-819-834

Figure 5



Notwithstanding the considerable research focus that has been applied to the impact of alcohol advertising particularly on young people over several decades, it has not been reliably shown that alcohol advertising causes an increase in alcohol consumption or alcohol-related harms.^{9,10}

Consumers benefit from alcohol advertising

Discussion of the appropriate regulation of alcohol advertising is usually conducted solely within the paradigms and value systems of the public health community. However, that view and ANPHA's consideration of appropriate regulation of alcohol advertising should be broadened out to consider other valuable aspects.

Australia has several millions of adults who consume alcohol. The concerns and interests of these adults have been ignored in the ANPHA discussion paper, and those adult drinkers would be substantially disadvantaged by greater restrictions on alcohol marketing and advertising. There would be far less ability for adults to be informed of their choices, where they can access alcohol most easily, and of any particular discounts that were available to them.

Advertising plays an essential role in informing consumers of their available choices. Without the ability to be informed of their choices, consumers suffer a loss of welfare as they are not aware of new products and

⁹ Fisher, J.C. (1993). Advertising, Alcohol Consumption, and Abuse: A Worldwide Survey. Westport, CT: Greenwood Press.

¹⁰ Fisher, J.C. and Cook, P.A. (1995). Advertising, Alcohol Consumption, and Mortality: An Empirical Investigation. Westport, CT: Greenwood Press.

enhanced opportunities to purchase, for example sales offering lower prices, more convenient packaging and sizes, etc.

Alcohol is a mature market in that the public do not need to be informed of the product's existence, and the Australian alcohol market has not seen substantial growth for several years. The effect of banning or regulating to reduce marketing and promotion in any mature industry is to shift the emphasis of competition for market share between suppliers from being about their brands to then competing on price, product attributes (for example, ABV), container sizes, or into non-regulated areas of retailing and marketing.

DSICA does not believe that any of those potential shifts in how alcohol suppliers compete for market share would offer any benefits to public health.

The Alcohol Beverage Advertising (and Packaging) Code Scheme

The Alcohol Beverage Advertising (and Packaging) Code Scheme (ABAC) is a highly effective quasi-regulatory system that has effectively and efficiently regulated alcohol advertising and packaging in Australia for many years. It is an effective mechanism for balances out the rights of industry to market and promote a legal product desired and consumed by a large majority of adult Australians, with the Australian and other governments' public health concerns.

So long as the Australian Government and the state and territory governments believe that alcohol should remain available to adults and also allow the existence a competitive alcohol industry, then alcohol marketing in some form will be conducted. ABAC provides an effective mechanism to control and shape that marketing into desirable and accountable forms.

The ABAC system has been negotiated with government, consumer complaints are handled independently, but with all operational costs borne by industry. The ABAC Scheme is administered by a Management Committee, which includes industry, advertising and government representatives. Through ABAC, Australia has one of the most accessible complaints systems in the world, accepting complaints via email, letter or fax with no costs to the consumer.

The industry has worked closely with the Australian Government to ensure that ABAC operates in an open and transparent manner, and provides the easiest mechanism by which complaints with respect to the application of the ABAC code can be managed.

As a quasi-regulatory system, ABAC has a number of clear advantages over other forms of advertising regulation:

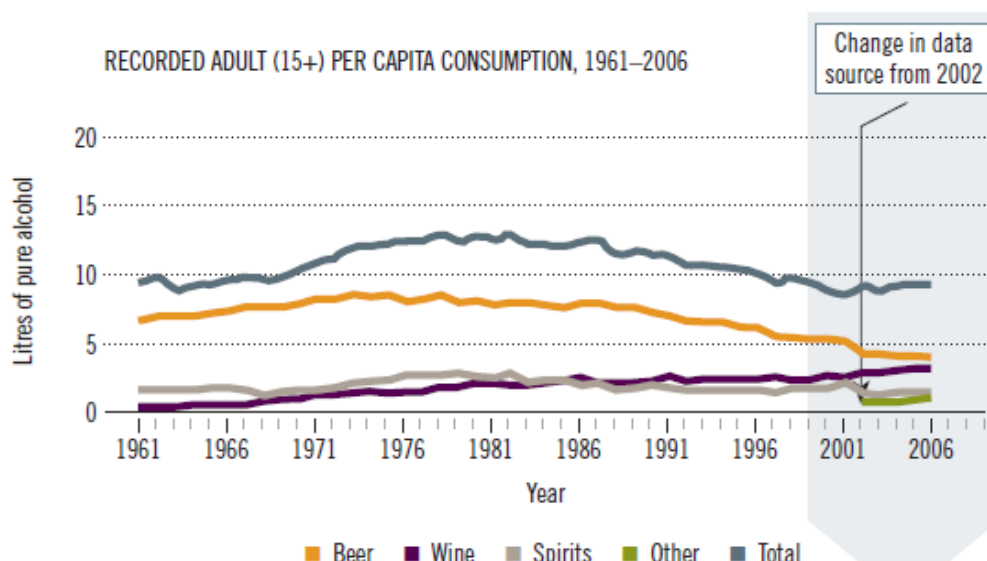
- The ABAC Scheme is flexible to changing marketing conditions and techniques, and can quickly respond to new marketing developments.
- ABAC has the support and backing of the alcohol and advertising industries, which reduces the level of 'gaming' that can take place with regulation that relies on 'black letter law' and strict definitions.
- It has continuous and substantial input from the Australian Government.
- ABAC is transparent in its operation.
- ABAC's operation does not create any costs for the government.
- There are no issues of political interference in its operation, being at arms-length from politicians.

DSICA notes that quasi-regulatory systems for alcohol advertising are used widely in the European Union (except France) and in New Zealand. France and New Zealand offer useful real-world lessons on the impact of restricting or liberalising alcohol marketing, in that they both made substantial policy shifts at roughly the same time. New Zealand liberalised in 1989, and France greatly restricted advertising under the Loi Évin in 1991. Both countries' pre-existing trend in alcohol consumption continued unaltered under the two policy shifts - towards restriction or liberalisation.

New Zealand¹¹

ALCOHOL CONSUMPTION

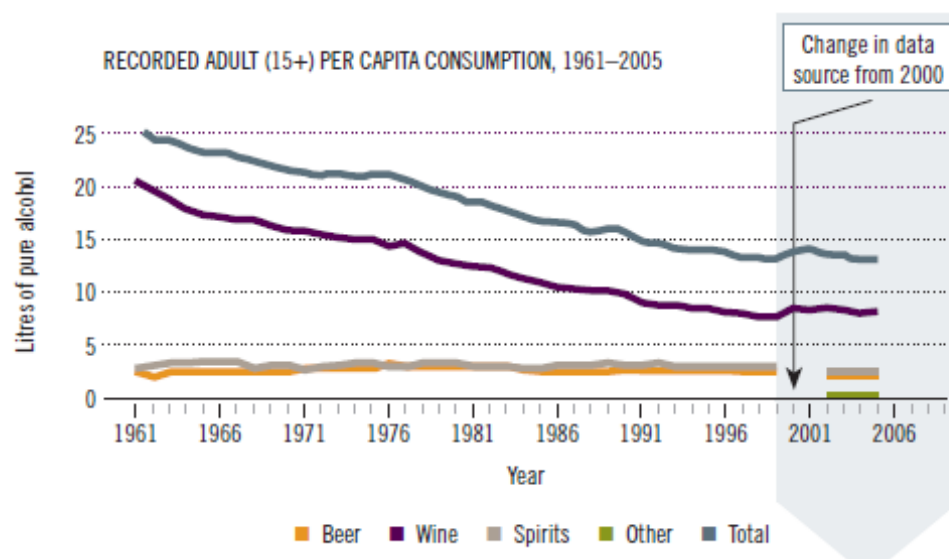
Population data (refer to the population 15 years and older and are in litres of pure alcohol).



France¹²

ALCOHOL CONSUMPTION

Population data (refer to the population 15 years and older and are in litres of pure alcohol).



¹¹ http://www.who.int/substance_abuse/publications/global_alcohol_report/profiles/nzl.pdf

¹² http://www.who.int/substance_abuse/publications/global_alcohol_report/profiles/fra.pdf

DSICA notes ANPHA describes the Loi Évin in these words: *“While the Loi Évin is highlighted as successful regulation, the impact of the restrictions on reducing alcohol consumption and alcohol-related harm is difficult to assess.”* This is an odd statement as policies making no impact are not usually difficult to assess as a failure.

DSICA asks that if the Loi Évin did not make any appreciable impact either way on consumption, then why does ANPHA regard it as successful regulation?

The alternatives to a quasi-regulatory system such as ABAC are usually presented without any critical assessment of their additional costs or likely effectiveness. A more heavily regulated system will cost both industry and governments a great deal more in funding for:

- increased levels of policy and planning,
- pre-vetting and clearing of advertisements (for whatever degree advertising is allowed),
- monitoring of what advertising and marketing occurs, and
- Investigation / enforcement procedures.

While the ABAC Code is a content code and does not address advertising placement directly, two important points must be considered:

- 1) ABAC Adjudication Panels do explicitly consider where the advertisement appears under its test of that the conformity of an *“ad with an ABAC standard is to be assessed with regard to ‘the class of persons to whom the advertisement is directed’.* This means that the ABAC does not prescribe the type of media within which an alcohol ad can be placed but, in assessing the standards as to the ad’s content, the likely audience of a particular ad is relevant.¹³ This element of ABAC’s regulation appears to be lost on alcohol advocates.
- 2) The wider system of advertising regulation explicitly directs (quite separately from ABAC) where alcohol advertisements should appear through the following industry codes.
 - the Australian Association of National Advertisers (AANA) Code of Ethics;
 - the Outdoor Media Association (OMA) Code of Ethics;
 - the Commercial Television Industry Code of Practice;
 - the Australian Subscription Television and Radio Association Code of Practice;
 - the Commercial Radio Code of Practice; and
 - The Publishers’ Advertising Advisory Bureau’s Guiding Principle for Alcohol Beverage Advertising.

Future regulatory options

In terms of possible future regulation, the effectiveness of placement restrictions in the medium to long-term has to be seriously questioned. For example, the 1992 Broadcast Standards Act (BSA) can be used to control what advertisements are shown when through the use of codes of practice. When fewer and fewer young people engage with television, those regulations become less and less relevant. For example, the practice of time-shifting (the recording of video for later viewing) and the wide availability of equipment to

¹³ ABAC, 2011 Annual Report, pg. 8.

record TV, and distribute it over the internet makes regulations based on time and method of distribution increasingly irrelevant.

The convergence of media and the flexible way that people consume media also makes controlling where adverts appear through strict formal rules less and less effective. Given convergence and the proliferation of methods used by Australians of all ages to consume content, advertising regulation should remain focused on content standards – what is in an advert, and less where and when it appears. As noted above, blurring of clearly understood norms of what are adult behaviours and what are child behaviours also adds to the decline in effectiveness. As an example, TVs in children's bedrooms removes parental oversight of what and when children watch TV after the watershed of 8.30pm. Also, computer-based TV viewing software and antennas enables children to record and view anything they want to watch. This ability was not simply considered in 1992 when the BSA was drafted.

In addition, we note that all forms of media content regulation are increasingly problematic and ineffective in a globalised world, including attempts to regulate advertising. Putting it as simply as possible, those people who use online media (a group that would include many young people) pay little attention to what national regulators want them to see or not see. Restrictions on Australian advertising might restrict what advertising Australian companies put out to the public, but cannot control what content and related advertising Australians go looking for.

ANPHA should also note that the cost of making video content is ever-decreasing, and that consumers can and do make their own tribute 'adverts' and post them on websites such as YouTube. Advertising content regulation can control what and how companies communicate about their products, but cannot control what individuals say about brands, experiences and the use of alcohol in general.

Product Placement

Product placement has recently emerged as an issue of concern for public health and alcohol advocacy stakeholders following an ABAC adjudication on the Australian broadcasting of a music video produced in the United States for worldwide distribution, which used a branded alcohol product as a prop. This was the first time that the ABAC Scheme had dealt with product placement.

DSICA does not believe that product placement is widely used for Australian-produced content (if at all), and that regulating its use in overseas content is problematic as so many alcohol brands are global in reach. The regulation burden would fall on broadcasters to evaluate and if necessary censor overseas films and TV programs to comply with any Australian standards.

A further difficulty would be determining if the placement was the result of an arrangement between the alcohol producer and the content maker, or was merely incidental to the plot and context of the content. ANPHA could possibly recommend that video content distributed in Australia (or written works published here) not use or show brand names. Non-compliant video could be pixelated, and books edited or stickered over for Australian audiences.

For its part, DSICA members are global companies and have adopted the United States spirits industry's standard for product placements:

DSICA Statement of Responsible Practices for Alcohol Advertising and Marketing

Product placements

- *Movies, television programs, music videos, and video games frequently may portray the consumption of alcohol products and related signage in their productions. For those DSICA members who seek placement opportunities, product placements will be guided by the following principles:*
- *Case-by-case assessment: DSICA members should approve or reject a product placement on a case-by-case basis based upon the information about the movie, television program, music video, or video game available at the time provided by the project's producers.*
- *Portrayal of drinking and driving: Driving while intoxicated is against the law and alcohol advertising and marketing materials should not portray, encourage or condone driving any motor vehicle while intoxicated. DSICA members should not approve a product placement where the characters engage in illegal or irresponsible consumption of their products in connection with driving.*
- *Underage drinking: DSICA members strongly oppose underage drinking. DSICA members should not approve a product placement which portrays the purchase or consumption of their products by persons who are below the legal purchase age.*
- *Primary appeal to persons below the legal purchase age: DSICA members should not approve a product placement where the primary theme(s), because of its content or presentation, is especially attractive to persons below the legal purchase age beyond the general attractiveness such theme(s) has for persons of the legal purchase age.*
- *Portraying alcoholism/alcohol abuse: DSICA members should not approve a product placement where characters use their products irresponsibly or abusively or where alcoholism is portrayed, unless the depiction supports a responsible consumption message or encourages abusive drinkers to seek treatment.*
- *Measured media: DSICA members should not request or approve a product placement in any measured media unless the placement is consistent with the responsible placement provisions of the Statement.*

Given that product placement is not widely practiced within ABAC's jurisdiction, and has attracted only one complaint, DSICA would oppose extending ABAC's reach to include product placement.

Sports Sponsorship

Sponsorship of sports and culture attracts a great deal of comment from alcohol advocacy groups on the basis that they believe that sport and culture as a healthy activity should not be associated with drinking, which they consider an unhealthy activity. This belief is essentially based on a particular view about drinking, not on any substantial evidence base that associating sport/culture with alcohol is inherently harmful, or a rational process of logic. The primary argument for ending or restricting alcohol sponsorship is that it should be part of de-normalising alcohol consumption.

The role of sports sponsorship and youth is heavily debated, primarily due to the Commercial Television Code of Practice allowing alcohol advertising during live sports broadcasts, in contrast to the normal restrictions on broadcasting. There is a widely held belief that because many underage males play sports in some form that they then must be a large part of the television audience for live broadcasts. DSICA believes that in reality viewers under the legal purchase age make up a smaller part of the sports broadcast audience than expected, generally in the range of 10- 15%. We would also refer to the earlier evidence of declining underage drinking in Australia. Advertisements during sports broadcasts must have been pre-vetted and comply with the ABAC content standards.

The alcohol industry sponsors sports because alcohol and sports share a common audience – the heaviest consumers of sport and alcohol are adult males.

The issue of sports stars as role models is also controversial, but DSICA would note that individuals are not sponsored by the alcohol industry, only sports codes or particular teams. We would also point out that sporting stars who abuse alcohol and behave badly are treated far more harshly and publicly than members of the general public. If there are any lessons for young people from combining alcohol and sports stars, it is that drunkenness, bad behaviour and violence has severe consequences.

DSICA would oppose any form of regulating of alcohol companies sponsoring sporting codes and community sports clubs.

A note on ANPHA's sources

ANPHA usefully notes in its discussion paper that different fields of academic study have different findings on the role of alcohol advertising. This can best be summarised thus: advertising researchers and economists find no consistent or reliable results from their studies, but alcohol researchers and child and mental health researchers consistently find a negative impact.

It is then somewhat disheartening to see that ANPHA drew so heavily on such a narrow field of study, and on documents published by alcohol and health NGOs including the AMA, Alcohol Concern (UK), and the Alcohol Policy Coalition for its evidence base to discuss the impact of alcohol advertising, and to support by implication the argument that regulation of advertising in Australia is insufficient.

Unacknowledged is the role of the National Alcohol Action Alliance– an umbrella group for organisations lobbying for alcohol restrictions, co-founded by ANPHA Advisory Council member Professor Mike Daube and ANPHA Obesity committee member Todd Harper. Professor Mike Daube is also co-founder and Chief Executive Officer of the Alcohol Advertising Review Board. Todd Harper heads one of the organisations making up the Alcohol Policy Coalition.

It is a matter of doctrine for these groups that advertising influences earlier and greater levels of underage drinking and overall consumption, all forms of regulation involving industry are inherently flawed, and that alcohol advertising should follow tobacco advertising into history.

DSICA notes that in ANPHA's discussion paper relies very heavily on a small number of academic journals specialising in alcohol studies, and another journal of paediatric health. The narrowing of the evidence base is increased when the authorship of several academic papers, policy documents, and reports cited by ANPHA

is considered. For example, papers by Sally Casswell are cited under her own name, but she was also a contributor to *Alcohol: No ordinary commodity*, cited as Barbor et al. Similarly Anderson, P also chaired the working group that wrote the cited report for the Science Group of the European Alcohol and Health Forum.

DSICA also notes that the ANPHA discussion paper repeats the Jones, S.C and Smith, K (2011) finding that point-of-sale promotions are almost exclusively related to Ready-To-Drink products. This finding would be very surprising news to every person who drinks beer, bottled spirits or wine and has ever visited a bottle store.

Conclusion

DSICA submits that the ABAC Scheme as currently operating is very effectively regulating alcohol advertising, and provides the best means to balance the valid competing interests in the inherently complex issue of alcohol advertising. It has significant input from the Australian Government.

We do not believe that the evidence-base is robust or strong that alcohol advertising influences overall alcohol consumption, underage consumption or age of alcohol initiation. We note that those researchers and advocates seeking to prove advertising does have a significant impact have been seeking such proof for decades, and that other academic fields do not replicate the findings of alcohol researchers. We also note that the objective evidence is that Australian has a decade-long trend of declining underage drinking.

We also note that alcohol advertising and its regulation has been the subject of sustained and organised political efforts to have greater restrictions imposed, and we acknowledge that alcohol's role in Australian culture and society is controversial amongst some Australians.