



BEER INSTITUTE

BI UPDATE

January 2008

TTB Labeling Issue – On January 27, 2008, final public comments to the Tax & Trade Bureau (TTB) were due regarding labeling and advertising of beer, wine, and liquor. After considering the 2005 comments from BI, Congress and others, TTB proposed specific changes to U.S. beer labeling and advertising. The proposal would require the disclosure of the following information for all alcohol beverages:

1. A mandatory “Serving Facts” panel in a location visible to consumers, displaying a typical serving size, the number of servings per container; the calories per serving, and the grams of fat, carbohydrates, and protein per serving;
2. A statement of the percentage of alcohol by volume (ABV) either within the “Serving Facts” panel or in a visible location elsewhere on the label; and
3. If calorie or carbohydrate claims are made in advertising, the information from the serving facts panel would have to be included.

TTB has also proposed allowing an optional statement of alcohol per serving expressed to the nearest tenth of a fluid ounce to be permitted on the “Serving Facts” panel adjacent to the alcohol content statement. Based on consumer survey data and studies done on other food and beverage labeling, we believe that the optional alcohol content information should not be permitted as it is overly complex and could mislead consumers.

The Beer Institute comment strongly opposed the proposal to authorize an optional display of “fluid ounces” of pure alcohol, which would correspond to a defined “serving size” on alcohol beverage labels. Such displays should be rejected under federal law which prohibits statements that are likely to mislead consumers. BI supported use of percentage ABV as the proper measure of alcohol content for all products. BI strongly urged TTB to allow use of the linear display format on all containers. With respect to serving sizes proposed by TTB, the BI proposed an alternative approach based on actual consumer habits. The BI comment is available at www.beerinstitute.org, and all of the comments are available at: <http://www.regulations.gov/fdmspublic/component/main?main=DocketDetail&d=TTB-2007-0062>.

The Beer Institute staff and our member companies successfully encouraged Members of Congress to support the brewing industry and sign a letter addressed to TTB Administrator John Manfreda expressing their support for the addition of basic nutritional information and alcohol content to all alcohol beverage labels and to reject the proposed optional statement of alcohol content in fluid ounces. The letter sponsored by Representatives William Lacy Clay (D-MO) and Mike Rogers (R-MI) garnered 75 signatures in the House of Representatives, and the letter sponsored by Senators Herb Kohl (D-WI) and Saxby Chambliss (R-GA) achieved 14 signatures in the Senate.



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World Health Organization Developments – The Executive Board of the World Health Organization (WHO) met in January and considered, among many other items, a global strategy to reduce alcohol-related harms. The Board reached consensus on a resolution that urges WHO member states to collaborate with the WHO Secretariat in “developing a draft global strategy on harmful use of alcohol based on all evidence and best practices...with special emphasis on an integrated approach to protect at-risk populations, young people and those affected by harmful drinking of others.” The draft resolution also urges member states to develop national systems to monitor alcohol consumption, its consequences, and policy responses. Further, the draft resolution requests the WHO Director-General to prepare a draft global strategy to reduce harmful use of alcohol that is based on all available evidence and existing best practices, takes national differences and existing efforts into account, and importantly, includes consultation with all stakeholders, including members of the alcohol industry. If the draft resolution is adopted by the World Health Assembly in May, the WHO will have two years to complete the draft global strategy to reduce the harmful use of alcohol.

Out and About – Beer Institute staff has already been busy attending and addressing several meetings this year. Jeff Becker gave a presentation on Beer Institute’s and its members’ efforts to prevent and reduce drunk driving to a subcommittee of the Maryland Task Force to Combat Driving Under the Influence of Drugs and Alcohol. Mr. Becker’s well-received remarks discussed national and Maryland-specific efforts undertaken by our members. Art DeCelle and Lester Jones attended the Wholesale Beer Association Executives Winter Meeting. Mr. Jones provided the assembled with an overview of 2007 industry statistics as well as strategies to combat proposed excise tax increases. Mr. DeCelle discussed three-tier litigation and various federal regulatory proposals. Brewer representatives also provided important company perspectives on pending legislative issues. Mr. DeCelle also traveled to Texas to cover the state ABC’s meeting regarding proposed revisions to their penalty system for violations of TX sales and trade practice laws. Liz Tobin participated on a panel regarding industry issues at the Cheers Beverage Conference. She was joined by colleagues from the Wine Institute, the Distilled Spirits Council of the U.S., and the American Beverage Institute. Topics included keg loss and deposits, ignition interlocks, and environmental efforts. Ms. Tobin also attended Alcohol Policy 14 which addresses research, prevention, and policy issues related to alcohol and is run by leaders in the advocacy community.