



BI Update

June 2008

FTC Report on Advertising – On June 26, the Federal Trade Commission (FTC) released its report on advertising and marketing practices of brewers and other alcohol beverage producers. The report highlighted brewers' conscientious compliance with the Beer Institute Advertising and Marketing Code and reaffirmed that self-regulation continues to work well. The FTC report found that more than 92 percent of all TV, print, and radio ads placed met the BI Code voluntary 70 percent adult audience standard, and 97 percent of total alcohol advertising "impressions," or individual exposures, were due to placements that met the standard. In addition, the report noted that more than 85 percent of the audience for alcohol advertising placed in the first half of 2006 by the 12 suppliers reviewed in the report consisted of persons 21 and older. Acknowledging this success, the Commission recommended the industry maintain the 70 percent standard. In addition, the FTC acknowledged the industry's substantial commitment to responsibility initiatives, noting that companies invested more than \$111 million on responsibility messaging in measured media alone, in 2005. "These findings are consistent with past FTC reports, recognizing that brewers and beer importers execute their advertising and marketing campaigns in a responsible manner directed to adult consumers," Jeff Becker, BI President, explained.

SAMHSA Report on Underage Drinking – On the same day as the FTC report release, the Substance Abuse and Mental Health Services Administration (SAMHSA) released a new report on underage drinking as part of their ongoing effort to prevent and reduce underage drinking. The report summarized survey data from 2002-2006 and analyzed trends in underage drinking. The report showed that lifetime alcohol use among 12-20 year olds declined overall and within each gender gradually yet statistically significantly from 2002 to 2006. While there was variance by age, generally the rates of current and binge drinking among 12-20 year olds remained stable over the same time period. One section of the report focused on data that was collected for the first time in 2006. For that year, among all underage drinkers, 69.0% of underage drinkers did not pay for the alcohol they drank - they were given it by an unrelated adult of legal drinking age, given it by a family member, or took the alcohol from their home. Of the 31.0% percent of underage drinkers who paid for the alcohol they drank, either by purchasing it at retail or paying someone else to buy alcohol for them, 9.3% purchased it from retail outlets themselves. This finding supports other research that a majority of underage drinkers obtain the alcohol they consume from social sources.

