

February 27, 2007

August A. Busch IV
President and Chief Executive Officer
Anheuser-Busch Companies, Inc.
One Busch Place
St. Louis, Missouri 63118

Dear Mr. Busch:

We have recently learned that Anheuser-Busch's Bud Light brand is sponsoring an irresponsible "charity" event in Washington, D.C. that will encourage and enable high-risk drinking. Bud Light's sponsorship of this event is in violation of the Beer Institute's Advertising and Marketing Code, and we believe you will agree that Bud Light should not be its sole sponsor. Because this event is scheduled to occur this Saturday, March 3, at 2:00 p.m. at the Front Page, a bar in the Dupont Circle neighborhood of Washington, we urge you immediately to withdraw Bud Light's sponsorship and, in the future, provide better guidance to your distributors and retailers who might be inclined to participate in such hazardous and tasteless orgies of heavy drinking.

The event is called the "2007 D.C. Idiotarod," a race loosely modeled after the Alaskan Iditarod dogsled race except, according to the website promoting the event (<http://smashed.geekpad.com/idiotarod/Welcome.html>), the sled is replaced with a shopping cart and the dogs are replaced by people, who pull the cart from bar to bar, where they are encouraged to drink heavily. In fact, the race is hosted by a group called "SMASHED" (Society of Mature Adults Seeking to Help, Entertain, and Donate), whose motto is, "Remind me tomorrow that I helped someone today!" – a clear suggestion that its events involve drinking to oblivion as a custom. The charity connection seems a mere afterthought or, at best, an excuse for uncontrolled drinking.

Based on descriptions of the "Idiotarod" on the aforementioned website, the event clearly violates the beer industry's voluntary marketing code, especially Section 2, which generally instructs that "[b]eer advertising and marketing materials should portray beer in a responsible manner." The organizers of the Idiotarod freely admit that it is not an activity in which alcohol will be consumed responsibly.

Section 2(b) of the Code states that beer marketing materials "should not depict situations where beer is being consumed rapidly, excessively, involuntarily, as part of a drinking game, or as a result of a dare."

Yet the event organizers admit that "we know there is a going to be a lot of drinking, and in some places we might even encourage it." Participants are even advised to "[p]repare your

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liver.” The organizers also note that they “have negotiated some nice cheap drink specials at the various bars,” presumably to encourage heavy drinking.

Section 2(c) of the Code states that beer ads and marketing materials “should not portray persons lacking control over their behavior, movement, or speech as a result of consuming beer or in any way suggest that such conduct is acceptable.”

Yet in a “disclaimer,” the organizers of the “Idiotarod” note that the event “is about testing your own willingness to make an ass of yourself. You are not expected to be in top physical condition or to run the entire time. You are not required to remain sober. We will not actually reward drunkenness, but we will surely be amused by it.”

Section 2(d) of the Code states that promotional materials “should not portray or imply illegal activity of any kind by an individual prior to, during, or after the individual consumes, purchases, or is served beer...”

Yet according to the “short version” of the rules for the event, participants are vaguely instructed to “acquire a shopping cart.” Suggesting that the cart would probably be stolen, the rules state that “we don’t want to know how or from where!”

In the FAQ section of the Idiotarod website, event organizers state, “We do not encourage stealing and accept no responsibility for your cart,” yet they immediately follow this statement with a parenthetical note that “many supermarkets use devices that will lock the wheels when the cart goes past the entrance, so plan accordingly!” suggesting that they aren’t too serious about discouraging theft.

Further, the “official rules” of the event note that the “Idiotarod” is “fully intended to be an event of stupidity.” Admitting their ignorance, the organizers offer that “this is something of an underground event and there is probably a whole lot that we don’t really want to know about.” Presumably, what they don’t want to know about are laws that might prevent it from occurring.

Section 2(e) of the Code states that beer ads and marketing materials “should not portray beer drinking before or during activities, which for safety reasons, require a high degree of alertness or coordination.”

Yet the organizers eschew safety precautions for this apparently dangerous event and even go so far as to offer some examples of “acceptable sabotage,” which include “[p]utting Vaseline on another cart’s handlebar” and “[f]inding a way to non-permanently gum up the wheels of another cart.” There is no prohibition on riding in the shopping cart. The only precautionary advice offered is more tongue-in-cheek than serious: “If you do decide to ride in the cart we strongly suggest that a helmet of some sort is worn. It’s not only practical, but it’s funny.”

Section 4(d) of the Beer Institute’s voluntary advertising standards states that beer ads should not “claim or represent that individuals cannot solve social...problems without beer consumption.”

Yet the event organizer, SMASHED, describes itself as “a group of very kind-hearted DC-area troublemakers who realized that if they could only harness the energy, enthusiasm, power and financial resources expended regularly on drinking...and redirect just a small portion to a good cause, then maybe, just maybe, one of them could escape the burning pits of hell...Really it helps us feel better about ourselves.” The suggestion is clear: the only way these hedonists can get themselves to help their fellow man is by staging ridiculous displays of drunken behavior.

Binge drinking is no laughing matter, especially when it is combined with potentially dangerous activities. According to the U.S. Centers for Disease Control and Prevention, in 2001, 4,766 people died from falls attributable to excessive alcohol use. A new study in the February 2007 issue of the journal *Alcoholism: Clinical and Experimental Research* found that excessive or “binge” drinking occurs in a much greater percentage of the population than alcohol dependency and is responsible for a broader range of health and social problems.

Anheuser-Busch purports to be a good “corporate citizen” and care about the responsible consumption of its products. On its website, the company proclaims that that “Anheuser-Busch and our team of more than 600 independently owned distributors are proud to be industry leaders in the fight against alcohol abuse.” The site further boasts that “we’ve invested more than a half-billion dollars in a comprehensive portfolio of more than two dozen community-based programs and national advertising campaigns to promote responsible drinking...” Bud Light’s sponsorship of the Idiotarod hardly promotes responsible drinking.

It is remarkable that A-B has permitted this promotion just as the Federal Trade Commission finalizes its plans to seek information from alcohol producers on their advertising practices and the operation of their self-regulatory processes to monitor inappropriate advertising.

The Center for Science in the Public Interest believes this promotion blatantly violates the letter and spirit of the beer industry’s voluntary advertising standards. Bud Light’s (A-B’s) sponsorship of this event should be terminated immediately.

Sincerely,



George A. Hacker
Director
Alcohol Policies Project

cc: Jeff Becker, President, Beer Institute
Janet Evans, Senior Attorney, Division of Advertising Practices, Federal Trade Commission
Jack Evans, D.C. City Council Member, Ward 2

Ramon Estrada, Chair, Dupont Circle Advisory Neighborhood Council 2B
Larry McCoy, Third District Commander, Metropolitan Police Department (Washington,
D.C.)



John T. Kaestner
VICE PRESIDENT
CONSUMER AFFAIRS

March 2, 2007

Mr. George Hacker
Center for Science in the
Public Interest
1875 Connecticut Avenue, NW
Suite 300
Washington, DC 20009-5728

Dear Mr. Hacker:

Your letter to August Busch IV regarding a charity pub event scheduled for March 5 in the Washington, DC area was forwarded to my attention for review and response. We appreciate you letting us know about this issue, which was obviously out of character with Anheuser-Busch's marketing efforts and our commitment to promoting the responsible consumption of our products to adults.

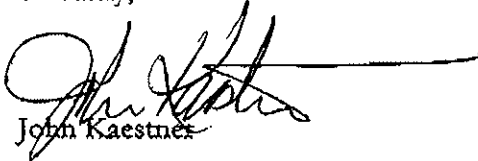
Let me be clear: neither Anheuser-Busch nor its wholesaler was ever a sponsor of the event being held by SMASHED (Society of Mature Adults Seeking to Help, Entertain and Donate) to raise funds for a local food pantry. Anheuser-Busch takes its commitment to following the guidelines of the Beer Institute Advertising and Marketing Code very seriously. We also encourage our independent beer wholesalers to adhere to the Code as they represent our brands and our company in the local marketplace. We regularly communicate with our wholesalers about these guidelines and our company's College Marketing Code.

After receiving your letter, I immediately called our local wholesaler in the area, Capital Eagle, who informed me they were not a sponsor of this event. Neal Katcef, president of Capital Eagle, contacted the SMASHED organization to find out more about the event and asked them to remove our Bud Light logo from the web site, which was placed there without the knowledge or permission of our wholesaler or our company. SMASHED very promptly complied with this request and conveyed their apologies for any misunderstanding.

The president of SMASHED acknowledged that the only relationship her members had with Anheuser-Busch was that they enjoyed our products, and they thought they were doing us a favor by including our Bud Light logo in announcing their charity event.

Thank you, again, for bringing this to our attention, and we trust this addresses your concerns. You and I have known each other for a number of years and while we might not always agree on some issues, we have always been respectful of one another. In the future, I encourage you to call me with any similar questions before alarming various public officials unnecessarily. In this same vein, I hope CSPI will also set the record straight and make its constituents aware of the misunderstanding.

Sincerely,



John Kaestner

cc: August Busch IV, President and CEO
Neal Katcef, President, Capital Eagle, Inc.
Jeff Becker, President, Beer Institute
Janet Evans, Senior Attorney, Division of Advertising Practices, Federal
Trade Commission
Ellen Shortill, Founder and President, SMASHED
Jack Evans, D.C. City Council Member, Ward 2
Ramon Estrada, Chair, Dupont Circle Advisory Neighborhood Council 2B
Larry McCoy, Third District Commander, Metropolitan Police
Department (Washington, D.C.)