

Speech to The Duncan Society by Michael Thompson, Head of Communications and External Affairs, the Portman Group.

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The increasing burden of harm on people's health arising from high levels of consumption and the influence of price, availability and advertising

Thank you. It is a pleasure to speak to you this evening. And thank you to Professor Gilmore for giving us such an insightful view of this complex subject.

The Portman Group is an industry body funded by the major drinks producers. Our members are the largest companies in the UK, accounting for more than 60 percent of the alcohol produced. Drinks producers know they are walking a tightrope. And there is no safety net if they let their standards slip. They want to retain their commercial freedom to advertise and market their drinks. That is why they take social responsibility so seriously.

The Portman Group's job is to encourage drinks producers to be socially responsible. We have a unique role. We are not a trade association making arguments on commercial grounds. We do not lobby the Treasury for lower taxes on alcohol. Instead, we challenge drinks producers. The industry is able to take tough decisions itself. Drinks companies realise it is in their long-term business interests to rise to the challenge of social responsibility.

Be in no doubt, there are serious health and social problems in this country caused by alcohol misuse. But we need to make the distinction between alcohol misuse and alcohol use. The vast majority of us drink responsibly. The emphasis should be on harm reduction rather than 'across the board' measures which may only succeed in reducing the amount that we all drink - light drinkers as well as heavy drinkers.

We need to influence a change in this country's drinking culture. We have to engineer a greater appreciation that drinking in moderation is fine, excessively is not.

The subject of this talk is the increasing burden on people's health arising from high levels of consumption and the influence of price, availability and advertising. So I will examine each of these areas in turn.

In general terms, is pricing the silver bullet to solve our drinking problems? Are low prices to blame for alcohol misuse?

A competitive market is good for consumers. Of course, pricing and promotions affect consumers' purchasing patterns. But it is a crude assessment of the situation to suggest that purchasing behaviour necessarily translates into harmful patterns of drinking.

Taxation and price rises aimed at reducing overall consumption could be a blunt weapon in the battle to achieve healthier lifestyles. An increase in price is likely to cause low and moderate drinkers to consume less rather than those who are addicted to alcohol. Raising price would force everyone to pay more money for alcohol and it may not change the behaviour of heavy drinkers.

Take a look at Scandinavia, where alcohol is more expensive than here. Yet in the European league table of binge drinking, people in Sweden, Finland and Denmark are among the heaviest drinkers despite the high price of alcohol.

The opposite is the case in France and Spain where alcohol is cheaper than here. They have a totally different culture and do not suffer the same kinds of social problems associated with excessive drinking. So this suggests that pricing alone does not cause alcohol misuse.

There appears to be little public belief that higher prices would stop people binge drinking. According to a recent European Commission report, two out of three people in the European Union believe raising prices would not discourage young people and heavy drinkers from drinking excessively.

Although price increases through taxation should not be used as a way of tackling alcohol misuse. This isn't to say, there are NOT elements of pricing that deserve attention. I'm talking about particular types of promotions.

We would be alarmed if as part of a promotion, a bar is serving doubles when the customer has asked for a single measure. What is the option for these customers? They have to drink it or leave it. We do not regulate bars, pubs and clubs. This sector of the industry has published its own standards on social responsibility. They have called time on irresponsible Happy Hours. For example, no longer should you

come across promotions promising free drinks all night for ladies. No longer should you see promotions which involve drinking games or those which are linked to unpredictable events such as free drinks until the first goal is scored in a football match. The effectiveness of the steps taken by the bars, pubs and clubs to end irresponsible happy hours will be examined later this year by the Government. The Government will want to look for evidence that these measures are reducing alcohol-related harm.

There is an important difference between price promotions in supermarkets and other stores and promotions in pubs, bars and clubs where you drink on the premises.

Over recent months there has also been considerable public concern over price discounts for buying volume, in supermarkets in particular. These can encourage people to buy more alcohol than they would otherwise have done. So buy 2 bottles of wine for the price of 1. Or 8 cans of beer for the price of 6.

But we do not know how quickly people are then drinking this extra alcohol. It could be that the vast majority of people are drinking this alcohol at home, in moderation, over time.

For example, if you buy 2 bottles of wine rather than 1 because of this sort of discount. Does it mean you will drink that wine that night or even that same week?

This is why we need firm evidence of a link between these sorts of promotions and alcohol misuse before the Government can decide if it should adopt additional measures and what they should be.

We are pleased that the Government recently announced that it will establish an independent review to investigate if price and promotions influence harmful drinking behaviour. Because this should reveal the true impact of supermarket promotions.

We firmly believe that all new policy and laws should be based on sound evidence and a proper assessment of their potential impact.

Turning to availability:

The extension of licensing hours was criticised because people feared that it might lead to an explosion of problems. However, anecdotal evidence suggests that is not the case. Staggered closing times have stopped people spilling out onto the streets at the same time. This should lead to lower levels of crime and anti-social behaviour. It's too early to say for sure what the impact has been of the change but it does not appear to have had a negative effect. It is unlikely that responsible drinkers have changed their drinking behaviour simply because they have more time to do so. We want people to drink in moderation, over time and not to feel pressured into drinking quickly.

The availability of alcohol to under-18s is another contentious issue. If retailers are knowingly doing this, they deserve to lose their licence. But we need to appreciate the difficulty faced by them. Some 15 year-olds can appear to be in their early 20s. You may have seen the Challenge 21 posters in your local bar, store, off-licence or supermarket. Staff are urged to ask anyone who looks under 21, rather than the legal limit of 18, to prove their age by showing ID.

Retailers have sharpened up their act in this area. The number of under-age sales is still too high but it is falling. Only last week, Trading Standards reported that the proportion of schoolchildren aged over 14 who buy their own alcohol has dropped from 40% to 28% in the last two years, while the number that drink at least once a week has fallen from 50% to 44%.

Alcohol advertising is another area under the spotlight.

There is no evidence that alcohol advertising increases overall consumption levels. If you look at the United States beer companies are spending more on advertising than ever before but despite this the beer sector's share of the overall market is falling. Why then do drinks companies advertise?

They are trying to persuade consumers to switch brands. They want to promote their drinks and poach customers. And successful marketing campaigns will do this.

The important point is that all alcohol marketing and advertising must be done responsibly. In particular, it must not target under-18s. Very often critics of the industry overlook the effective regulations that already exist.

Through Codes of Practice, the Advertising Standards Authority ensures that advertising is responsible and the Portman Group keeps a check on all other marketing. Our Code covers a drink's name and packaging, press releases, websites, sponsorship, sampling, branded merchandise, advertorials and all other promotional material. The Code applies to all alcoholic drinks sold in the UK.

It prevents marketing aimed at under-18s; the alcohol content of a drink must be made absolutely clear; its alcoholic strength should not be dominant; there must be no association with illegal drugs, bravado, aggression or anti-social behaviour and any suggestion that the drink will lead to sexual success or increased popularity are also banned.

Following a public consultation involving medics and alcohol charities, we have recently amended our Code to prevent drinks producers from putting their logos on children's replica sports shirts. Although there is no evidence that this was causing under-age drinking, drinks producers have been concerned by the negative perception surrounding this. Indeed, Professor Gilmore has said this makes children look like walking billboards for drinks companies.

Our rules already state that unbranded alternatives must be available for parents. But of course 7 year-olds want to look exactly like their sporting heroes and so you see children wearing the logos on their shirts.

Drinks companies did not enter into this kind of sponsorship to advertise on children's shirts. It is a side effect of sponsorship which will not be allowed under contracts signed after the start of next year.

Another new rule which will also apply from the start of next year will stop drinks producers from urging consumers to drink rapidly or down their drinks in one. Of course, producers cannot stop people drinking rapidly. But it is essential that they are not encouraging this harmful drinking style because it can quickly lead to drunkenness.

Our Code is supported by 140 retailers who have agreed to abide by the decisions of the Independent Complaints Panel. These retailers will not sell any drink found to be in breach of the Code by the Panel. The independence of this Panel is very important. The industry sets the rules but is not judge and jury.

The Independent Complaints Panel is led by Sir Richard Tilt, former Director General of the Prison Service. Members of the panel have no connections with the alcohol industry. We would encourage you to make a complaint if you believe that any alcohol marketing falls below these high standards. Over 70 drinks have been removed from sale or re-branded for breaching the Code.

Our Code of Practice has been praised by the Government's Better Regulation Taskforce as an example of a Code which works well and has a powerful sanction. But we are not complacent. Later this year, we will be carrying out independent monitoring to ensure that companies are complying with the Code. We will also be running a consumer awareness campaign. We want consumers to know how to complain if they come across inappropriate drinks marketing.

Ultimately, it will for the Government to decide if there is evidence of a link between price, availability, advertising and misuse. It is entirely appropriate that the Government addresses public concern about these issues. Although we welcome this closer scrutiny, we believe the most effective solution lies in stronger education and in reversing the culture of acceptance of alcohol misuse.

Campaigns against drink-driving have been inspirational. There has been a cultural sea change. Twenty years ago drinking and driving was something too many people did. Now it widely regarded as socially unacceptable. And the drink drive figures have fallen. The Government grabbed hold of the issue and invested in hard-hitting advertising campaigns to change behaviour.

The same thing can happen with alcohol misuse. And there are promising signs of progress.

The Chief Medical Officer recommends that men do not regularly drink more than 4 units a day and women do not regularly exceed 3 units a day. For too many people this message is complicated and meaningless. According to Government research, seven out ten people know about the safe drinking daily limits but only 13% keep a check on the number of units they are drinking.

Therefore, we are pleased that the Government is planning a sustained national marketing campaign to increase awareness of alcohol units and to educate people

about what exactly is a safe level of drinking. People must start counting their units if we are to be successful in changing harmful drinking behaviour.

But promoting responsible drinking is not just Government's responsibility. The Drinkaware Trust is a world first. This new charity brings together medical experts, alcohol charities with industry. It now runs the Drinkaware website which was established by the Portman Group. This has been advertised on more than 3 billion drinks containers in the last year alone. The website attracts more than 3 thousand visitors every day making it the main source of sensible drinking information for consumers.

The Drinkaware Trust is funded by the industry. It has a budget of £3million pounds for each of the next three years. £2.1 million each year comes from Portman Group member companies. Decisions about how the money is spent will be taken by the Trustees. They are very respected and knowledgeable about alcohol issues.

They include Srabani Sen, Chief Executive of Alcohol Concern, Professor David Foxcroft from Oxford Brookes University, who has advised the British Government and the World Health Organisation on alcohol misuse prevention.

Dr Nick Sheron - Head of Clinical Hepatology, Southampton General Hospital, And Dr Michael Wilks – Chairman of the British Medical Association.

Drinkaware will benefit from their considerable expertise.

The Portman Group continues to push the industry to be more responsible. Producers are committed to using their labels to communicate sensible drinking messages. All Portman Group member companies include information on their labels giving the alcoholic content of each drink, a message about drinking responsibly and the website address for drinkaware. Not only are major drinks companies funding the work of Drinkaware but they are also running their own responsible drinking campaigns.

You may have seen Diageo's responsible drinking ads which appeared on television very recently. The 'Many Me' and 'Mirror' adverts were broadcast across the UK during prime time programmes on the main commercial channels. The adverts have

been designed to encourage people to re-consider their attitudes to alcohol by demonstrating the negative impact that excessive drinking can have.

Educating people of all ages is the key. Communicating the sensible drinking message is the responsibility of producers, retailers, the health professionals, teachers, Government, of course parents and the media. You only need to pick up a paper to see images of celebrities, stumbling out of nightclubs, drunk. What did Andrew Flintoff do when the England cricket team won the Ashes? He went on a drinking binge. This sort of behaviour should not be condoned or glamourised.

If we look at the continent, we see a very different drinking culture. There people do not go out to get drunk. Alcohol is enjoyed as part of the social occasion and is not the focus of a night out. That is the mind set we need to achieve. We must all take responsibility for our drinking. Parents are too often overlooked in this debate. They have a vital role to play in teaching their children about the importance of responsible drinking.

There is no escaping the fact that we have a real problem with alcohol misuse in the UK. But let's not assume it's all doom and gloom. Keep in mind some of the evidence from the Government's latest strategy:

People aged between 16 and 24 drink the most. But since 2003, the number of them drinking a harmful amount – above the Government's recommended sensible drinking level – has decreased from 37 % of people in this age group in 2003, down to 30 percent in the most recent data for 2005.

Overall, the percentage of the adult population drinking at harmful levels has steadily dropped since 2001. And among school pupils aged 11-15, the percentage of them drinking alcohol in 2001 was 26%. That has also gone down to 20%.

Drinks producers share Professor Gilmore's concerns about problem drinking in this country. They are determined to play their part in cutting alcohol misuse. It may take a decade to completely change our drinking culture. But we can do it through stronger education and effective enforcement of the law and marketing regulations.

We can create a very different drinking culture, a healthier nation and therefore a better society.

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