Partner or Foe?
The Alcohol Industry, Youth Alcohol Problems, and Alcohol Policy Strategies
Introduction

The alcohol industry has become a major funder and designer of prevention and education programs. Anheuser-Busch’s sponsorship of social norms marketing, a new strategy for preventing alcohol problems on college campuses, is a recent example (see page 3). The beer giant’s support has triggered a healthy debate in the higher education and public health communities. Does it taint the programs? Given the company’s aggressive marketing to college students, should universities refuse the funds? Will the funding undermine efforts to restrict those marketing practices? Many recipients respond that the funding is essential to their programs and the company has not influenced their design or implementation. Anheuser-Busch declares that it is acting as a good corporate citizen: Its marketing does not target or influence young people, and it is seeking avenues to reduce the abuse of its products, promote responsible drinking practices, and build partnerships with worthy prevention programs.

This debate is not limited to college campus communities. The industry has entered the prevention arena aggressively in local communities, school districts, and states, and at national and international levels. It has developed school curricula and parent guides, subsidized educational programs and scholarships, broadcast responsible drinking messages in the mass media, provided grants to social causes, sponsored prevention workshops, provided public speakers for schools and communities, and funded research programs.1 The industry may accomplish these activities by funding “social aspects” organizations (nonprofit organizations with a public health or educational mission but controlled by industry members) and enlisting both public and private agencies to be partners. For example, Anheuser-Busch distributed its underage drinking guide for parents through state attorneys general offices. In 1996 the Century Council, a distilled spirits industry group, partnered with Boys and Girls Clubs of America and distributed a video on underage drinking for parents of middle school-aged children. Thirty-seven members of the U.S. Congress, including then Speaker of the House Newt Gingrich and Senate Democratic Leader Tom Daschle, co-sponsored the program.2

This briefing paper offers a guide to public health professionals and activists for understanding and responding to the alcohol industry’s public awareness and education initiatives. Its central thesis is that these programs can only be understood in the context of the industry’s marketing and political agendas. The paper is divided into five parts that provide:

- a description of the industry’s structure and market, and common misconceptions regarding alcohol consumption patterns;
- a review of the industry’s marketing strategies and their impact on social norms and the alcohol environment;
- an introduction to the environmental approach to prevention and its role in addressing industry marketing strategies;
- an analysis of industry awareness and education programs and their role in its marketing and political agenda;
- recommendations for negotiating with and responding to industry prevention initiatives.
University of Virginia students have a tradition. Before the final game of each football season, they throw parties at which fourth-year students are expected to consume a fifth of liquor, The Fourth-year Fifth. Leslie Baltz, a 21-year-old senior, participated in this drinking game ritual on a Saturday afternoon in mid-November 1997, raising her blood alcohol level to .27 percent. Later that day, she died of an alcohol-induced fall. She was the fifth Virginia college student to die of alcohol-related causes that year and the 18th at the university since 1990.

Ms. Baltz’s death prompted the university administration to explore a new prevention program, social norms marketing, which is based on research showing that most students are moderate drinkers or abstainers and substantially overestimate how much alcohol their peers are consuming. This suggests that students are drinking more than they want in an effort to fit into a binge drinking culture supported by only a minority of the campus community. Social norm marketers suggest that educational programs designed to make students aware of these facts will change a campus’ drinking norms and reduce student binge drinking behavior. Preliminary research provides some support for this hypothesis. John Nau, a University of Virginia alumnus and Anheuser-Busch Company distributor, became intrigued by the school’s interest in social norms marketing and arranged a meeting with the campus administration and Francine Katz, Anheuser-Busch’s Vice President in charge of alcohol education. Katz says she committed company funding “on the spot.” By early 2000, Anheuser-Busch had pledged nearly $400,000 to social norms marketing programs on seven campuses and funded a $5 million social norms resource center. Other industry members are following Anheuser-Busch’s lead, sponsoring a conference on social norms marketing and planning a rapid expansion of their financial support for the programs.
The Alcohol Industry and its Market: The Importance of Hazardous and Heavy Drinking

The alcohol market generates huge sales and profits. The alcohol industry pursues an enormous market in the United States. $115 billion in annual sales generate substantial profits for producers, distributors and retailers. Anheuser-Busch Co., the largest brewer, reported a net income in 2000 in excess of $1.5 billion. As with any business, the alcohol industry’s primary focus is on maximizing profits. As stated in the 1997 Anheuser-Busch annual report: “Every action taken by... management is guided by one overriding objective—enhancing shareholder value.”

The alcohol production market is concentrated in a small number of large companies. A handful of large companies control the market, and their numbers have steadily shrunk during two decades of corporate mergers. Beer is by far the most concentrated market, with only two companies, Anheuser-Busch and Philip Morris (owner of Miller Brewing Company), accounting for two-thirds of all beer sales. Together with eight other alcohol companies that sell beer, wine and distilled spirits, these producers account for approximately 70 percent of all U.S. alcohol sales (measured in terms of pure alcohol).

Producers are the dominant power within the alcohol market. Producers, distributors, and retailers have distinct, sometimes conflicting, interests. In general, retailers face more regulation, particularly at the state level, and are more directly accountable to consumers and communities. Yet retailer and distributor practices are largely dictated by the producers’ marketing programs.

A small percentage of drinkers consume most of the alcohol sold. The heaviest five percent of the drinkers (averaging more than four drinks per day) consume 42 percent of the alcohol sold.

Young people who consume hazardous quantities of beer are the alcohol industry’s most important customers. Hazardous drinking, defined as 5 drinks or more per day, accounts for more than half the alcohol industry’s market and 76 percent of the beer market. Hazardous drinking practices first appear during 8th grade, increase dramatically during the early college years, then decline by the time respondents are 25 and older. Thus, 16- to 25-year-olds constitute a critical part of the alcohol market, particularly for brewers.

Underage drinkers are a substantial part of the alcohol market and a key consumer group. There are varying estimates of the underage drinking market. Eigen and Noble (1994) concluded that underage drinkers account for approximately 10 percent of the alcohol market, or almost $10 billion annually. The Inspector General for the U.S. Department of Health and Human Services estimated in 1991 that students in 7th through 12th grades annually consume 1.1 billion cans of beer and about 35 percent of all wine coolers sold in the United States. Most of this consumption occurs in a hazardous fashion (five or more drinks in a single session). Youth consumption is also critical to the alcohol market because it sets the stage for long-term adult drinking habits. Early onset of drinking is correlated with heavier drinking, higher injury rates, and learning deficits later in life.

Conversely, most young people and adults drink very little or not at all. Seven in ten American adults drink less than one drink on average per week, and three of these seven abstained altogether in the last year. Only about 10 percent of the adult population consume moderate amounts (defined by the federal government as from one to two drinks per day), despite a popular belief that most Americans consume alcohol in moderation.

Young people are even more likely to be light consumers or abstainers: 83 percent of 12- to 17-year-olds reported abstaining in the past month.

Most people overestimate the levels of alcohol consumption in our society. As these data suggest, alcohol is not an important part of life for most Americans. Yet we generally concur with the alcohol industry’s common assertion that “the overwhelming majority of adults drink [alcohol] responsibly.” This is true only if you include abstainers and very light drinkers; moderate drinkers (those who average two drinks or less a day) make up only about one quarter of the industry’s sales.

Young people in particular are likely to overestimate the alcohol consumption of their peers. Several studies have found that college students are likely to overestimate
the drinking frequency of their fellow students and the drinking norms on their campuses. Misperceptions of drinking norms have the most impact on the heaviest student drinkers, who are more likely to drink more when they believe that their student peers drink heavily and the college community condones such behavior. These findings have implications for society at large: Our permissive norms regarding drinking may have their biggest impact on heavy drinkers.

Social Norms, the Alcohol Environment, and Alcohol Industry Marketing Strategies

As discussed above, college-based social norms prevention programs focus precisely on these misperceptions: If we inform college students of actual drinking practices, then they will moderate their consumption. Several studies suggest that this is a promising approach, although their evaluation designs are weak and findings are inconsistent. The programs may have only limited or no success with some student groups, particularly heavy drinkers; they need to be carefully tailored and monitored; and their long-term impact is largely unknown. Still, doesn’t the alcohol industry’s support of these programs suggest a good faith effort to promote moderate drinking?

To answer this question, one must examine what social norms programs omit—the social environment that shapes and reinforces those norms. These industry-supported programs focus on educating students to actual drinking practices. A community’s social norms and expectations about drinking emerge from and reflect the community alcohol landscape or environment, including such factors as messages in the media and elsewhere regarding alcohol use; the ease of obtaining alcohol through commercial and noncommercial sources; the price of alcohol; and the role of alcohol in community events, workplaces, and social institutions. This landscape is shaped by alcohol policies and policy enforcement, formal and informal laws and rules regarding when, how much, and where drinking can and should take place. Social norms programs omit these variables, leaving untouched the alcohol industry’s ability to promote and sell its products with as few restrictions as possible.

The alcohol industry’s marketing practices promote an alcohol environment and alcohol policies that support and normalize the very drinking patterns and practices that social norms programs purport to prevent. Community alcohol environments (particularly those surrounding college campuses) typically encourage heavy alcohol use and downplay its potential harms to public health and safety. Ironically, the environments reflect and reinforce misconceptions about alcohol use in our society. We make alcohol use normal, convenient, and cheap in part because we believe this responds to the demands of most people. In fact, as noted above, most Americans drink very little or not at all.

The four P’s of marketing (product, promotion, place and price) is a helpful typology for understanding the industry’s marketing strategies. These variables are used by marketers generally to create social environments that encourage consumers to purchase their products.

- Product – New alcohol products target youthful consumers and may promote abusive drinking practices. Sweet, fruity alcohol products popular with teenagers blur the line between alcohol and soft drinks. Alcopops are the latest entry in this drink category. Many of the largest alcohol producers are now aggressively marketing these lemonade-flavored beverages that mask the taste of the five percent alcohol they contain. Teenagers are far more likely than adults to be familiar with and consume alcopop brands. Malt liquors, which offer high alcohol content at low prices, are sold in 40-ounce and larger containers that are marketed to young people as single servings. Novelties such as test tube “shots,” containers that look like dynamite, products with labels such as “Hot Sex,” and beverages that change the color
of the drinker’s tongue promote hazardous drinking behavior among young people.28

- **Promotion** – Young people are bombarded with $4 billion of alcohol marketing each year.29 Alcohol advertising is common on television and radio shows with a majority of under age viewers, on Internet sites attractive to young people, in magazines with large youth readerships, and on billboards and in retail outlets frequented by young people.30 The Federal Trade Commission reported that eight of the largest alcohol companies had made product placements in “PG” and “PG-13” movies with youth-oriented themes and large youth audiences and on eight of the 15 television shows most popular with teenagers.31 The alcohol industry regularly sponsors rock concerts, sporting events, and cultural and community celebrations with large youth audiences. Video games are another venue where the industry targets young people. Jack Daniels, for example, had a three-month product placement on shockwave.com’s “real pool” video game, a popular youth web site; and Miller Beer uses video race car driving on its web site. College campuses are targets for aggressive, creative marketing campaigns by producers, distributors, and retailers.32 The alcohol industry’s promotions directly contradict the social norms marketing messages. According to the ads, “everybody is doing it, and so should you.” Testimonials by youth idols, including rap musicians, athletes, and movie stars, are common. The ads promise excitement, sex, glamour, rebellion, and sophistication, themes particularly important to young people.33 They often use child-friendly images such as cartoon characters, animals, and fast-paced animation.34 Public health and safety messages are notably absent, except for the federally-mandated warning labels on the bottle, printed in barely legible small type (a concession to the alcohol industry when Congress enacted the warning label legislation).35

- **Price** – Alcohol is cheap and becoming cheaper. The relative price of alcohol has been dropping steadily for the last five decades, in part due to the reduction of the real value of alcohol excise taxes, which have been eroded by inflation.39 Cheap beers are now roughly the same price as popular brands of soft drinks. Price promotions such as happy hours that promote hazardous drinking are common in college communities.40 Young people are particularly sensitive to alcohol prices: As relative prices decline, youth consumption increases. Researchers at the New York Bureau of Economic Research examined the potential impact on youth drinking if beer taxes had kept pace with inflation during the 1980s (adding approximately 14 cents to the cost of a bottle of beer). They estimated that high school seniors’ heavy drinking rates (nine or more drinking episodes in the last month) would have decreased by 19 percent, and hazardous drinking (five or more drinks in one setting during the previous two weeks) by 8.6 percent.41

Taken together, these marketing strategies communicate a powerful message about alcohol’s role in society. The marketing in college communities is particularly aggressive, promoting alcohol’s glamour and attractiveness and making it readily available at low prices, variables that a recent study found to correlate directly with underage college binge drinking.42
The Environmental Approach to Prevention: Implementing Alcohol Policies

Environmental prevention addresses these same variables, using policy interventions to create an alcohol environment that supports healthy, safe behavior. Research over the last two decades (and described in more detail in several reports) demonstrates that these policy reforms work: They reduce the problems associated with youth drinking. For example:

- Increasing alcohol taxes and reducing discount drink specials substantially reduce heavy and hazardous drinking among college and high school students.
- Decreasing the number of alcohol outlets in a community is closely associated with reduction in rates of alcohol-related youth violence.
- Holding retailers liable for damage inflicted on others by intoxicated and underage patrons (asserting dram shop liability) promotes responsible server practices and reduces alcohol-related traffic crashes.
- Increasing the minimum legal drinking age to 21 substantially reduces youth alcohol-related motor vehicle crashes; and increasing enforcement of laws prohibiting sales to underage drinkers reduces youth access to alcohol.
- Reducing noncommercial forms of youth access to alcohol (e.g., parties, older friends) shows promise in reducing youth drinking problems.
- Reducing the amount of youth exposure to alcohol advertising and increasing the number of alcohol counter-ads have a positive impact on youth beliefs and intentions regarding alcohol use and may influence drinking decisions.
- Combining environmental strategies such as those listed above and implementing them in a comprehensive community program results in substantial reductions in underage drinking and alcohol-related problem rates.

Nuestra Cultura no se Vende

“Our culture is not for sale.” That was the message when the D.C. Latino Festival made the event alcohol and tobacco free after 26 years. The D.C. Latino Festival is the annual “family reunion” showcasing music, food, performing and visual arts from 35 Latin American nations and Caribbean islands.

In 1996, the Latino Festival received a $10,000 cash contribution from Coors Brewing Company and beer with an equal value. Anheuser-Busch and Miller Brewing each provided reduced cost beer for the festival to sell at a profit. During the two-day event 500,000 people shopped from 180 vendors. But when gunfire and bottle throwing forced the early closing of the festival, local health advocates within the Hispanic community were quick to note the link between violence and alcohol.

In 1997, the Board of Directors voted unanimously to ban alcohol and tobacco sales and advertising. The festival struggled financially by rejecting alcohol sales and sponsorships. However, in 1998, the Festival returned to pre-ban vendor and attendance levels. The Festival published an open letter to sponsors declaring the Festival had an important role as a “vehicle to convey social messages about health, the environment, economic development… and civic behavior.” The Festival and its leaders had turned a corner.

In 2001, an estimated 500,000 visitors will see three stages, a children’s area, artisans creating their works, vendors and an amazing array of food. The transition was not easy for the Latino Festival, but this community-focused festival demonstrated that community support and a clear focus is the best step to take.

Various federal agencies and non-governmental organizations have recommended these and other alcohol policies, most of which receive strong support in national opinion surveys. Many are being implemented at the local level, responding to community concern and pressure for action. Local reforms include reduced numbers of
alcohol billboards and other kinds of outdoor advertising, restrictions on the number and location of alcohol outlets, and reforms in alcohol server practices.52

Environmental strategies complement, rather than replace, strategies targeting individual behavior (such as social norms and other educational programs). Individual-based programs can have only limited impact if environmental forces undermine and contradict their messages and advice. Conversely, environmental strategies enhance individual-based strategies, by creating a social climate that reinforces the educational messages.

**Alcohol Industry-sponsored Prevention Programs in Perspective**

Despite their promise, federal and state governments largely ignore environmental strategies as a means to address alcohol problems. This is largely due to the political influence of the alcohol industry, which opposes environmental strategies because of their potential adverse effect on industry profitability. The alcohol industry donated more than $11.7 million to the national Democratic and Republican parties and their candidates for federal offices in the 2000 election cycle, making it one of the most generous funders among major industries.53 Its political donations at the state level are equally impressive: In California alone, it donated more than $4 million to state political parties, candidates, and pro-industry voter initiative campaigns.54 The industry augments its political donations with the services of an army of well-connected, highly-paid lobbyists, who have ready access to the inner sanctums of state and federal power.

The industry’s political muscle is effective. Advertising and tax reform have been largely thwarted by industry lobbying efforts in state and federal legislatures. In the late 1980s and early 1990s, the Center for Substance Abuse Prevention (CSAP), a federal agency with the Department of Health and Human Services, funded community action programs that included environmental strategies.55 The industry’s aggressive attacks led CSAP to eliminate this portion of its program. The industry is currently seeking to roll back past public health gains. For example, it is lobbying on behalf of HR 1305, which would substantially decrease beer taxes; and proposing a return to the 18-year minimum drinking age.56 At the state level, the industry has successfully rolled back many local initiatives by convincing state legislatures to enact preemptive legislation that nullifies local ordinances,57 thus hindering community efforts to create healthy alcohol environments.58

The alcohol industry’s support for social norms and other alcohol education programs can only be understood within this broader social and political context: It views them as a substitute for, rather than a supplement to, environmental programs. The industry’s goal is to focus on individual behavior, taking as a given the broader community context where its own marketing practices hold sway.

The industry’s educational materials offer a consistent theme: Environmental strategies do not work and the individual drinker (or the underage individual with his or her parent) bears the sole responsibility for any problems that occur. The individuals the industry seeks to blame for problems with its products are also their best customers, and the industry’s marketing budgets, which dwarf its expenditures on educational programs, are tailored to reinforce and encourage heavy drinking behavior. Perhaps most deceptive is the industry’s claim that its educational and public awareness programs targeting individual behavior are effective in reducing alcohol problems and are largely responsible for gains that have been made in the last 15 years.59 Evaluation
research provides no support for this view. In fact, one
evaluation found that the beer industry’s moderation and
responsible drinking commercials send confusing mes-
sages and in many cases actually promote drinking.
Lowered alcohol-related motor vehicle crash and under-
geage drinking rates are primarily the results of public
policy reforms (such as the 21-year minimum drinking
age laws) and changes in social norms, developments
that the industry strongly opposed.

Within its own trade press, the industry makes the case
explicitly: Its support for individual-level programs
is designed to blunt efforts to address environmental
variables. In fact, the industry’s initiatives are often
crafted in direct response to alcohol policy campaigns that
threaten its marketing interests. Its various anti-drunk
driving educational campaigns are a counter to the
efforts of Mothers Against Drunk Driving and other
organizations to enact various alcohol policy measures to
address the issue. When law enforcement began focusing
on illegal alcohol sales to minors, the Century Council,
a distilled spirits-funded organization, developed the
“Cops in Shops” program to shift the responsibility from
the retailer to the underage buyer. Industry-sponsored
college campus programs emerged after several alcohol-
related school tragedies led to a reexamination of
institutional alcohol environments and industry marketing
strategies.

An additional weakness associated with industry-sponsored
educational programs is their lack of detail. Slogans such
as “think when you drink” and “know when to say when,”
which are frequently targeted to underage youth, assume
the recipient is drinking and provide no information
regarding safe levels of drinking. Studies show that most
people cannot accurately assess their own intoxication—
in other words, do not think when they drink and do not
know when to stop.

An industry priority embedded in these educational
messages is an important marketing goal: to normalize
drinking. According to Peter Cressy, the CEO of the
Distilled Spirits Council of the United States: “DISCUS”
is working to ensure cultural acceptance of alcohol bever-
ages by ‘normalizing’ them in the minds of consumers
as a healthy part of a normal lifestyle. Cultural accept-
ance, he concludes, is the key to boosting industry sales.

This priority reflects the industry’s frustration that so many
Americans drink so little or not at all, a major impediment
to market growth. It also helps explain the industry’s
enthusiasm for social norms marketing: Ignoring the
environmental component, its message blames deviant
“irresponsible” drinkers for problems and normalizes
college drinking.

Does the industry’s opposition to environmental strategies
constitute a sufficient reason to refuse its funding and
support for individual-based programs? Why not
collaborate on matters where there is agreement and agree
to disagree where necessary? Organizations implement-
ing social norms programs, for example, may well support
environmental strategies, such as reducing the number of
bars and happy hour specials in the community. If indus-
try support does not alter their position on these other
policies, why not accept industry funding?
Before taking this step, prevention programs need to consider what the industry gains from such collaboration. There are at least four benefits the industry seeks:

1. **Create positive public image.** “innocence by association.” Viewed by a majority as contributing to alcohol problems rather than helping to find solutions, the alcohol industry has historically had a negative public image, which detracts from its political agenda. The industry funds public awareness and educational programs and builds collaboration with health and safety groups as a way to improve its public image, to claim the mantle of responsible corporate citizen. A group that agrees to collaborate with an industry member can anticipate that its name will appear in various industry publications distributed both to the public at large and to politicians and other decision makers.

2. **Defeat environmental policy proposals.** As described above, the industry’s educational initiatives are an integral part of its strategy to oppose measures that would impact its marketing agendas.

3. **Create dependence.** The industry knows that funding affects priorities, even if no formal strings are attached. When a public health group agrees to accept industry funding, then its attention focuses on the program at hand. Any pending work on alcohol-related issues and programs slides down the agenda if the industry might object to it. The influence may be subtle. An organization usually avoids offending a funder, so the impact may be in what is not done or said—through self-censorship and decisions regarding program priorities.

4. **Influence program content.** The industry claims expertise in developing educational programs for young people, parents, and the general public, and directly controls the content of most of its programs, hiring those who develop them and reserving final approval. Individual companies, trade associations, and affiliated organizations all develop and distribute alcohol education materials. In some cases, the industry will fund programs developed by others. In these cases of indirect influence, the programs must meet industry criteria that disregard environmental and marketing issues and undermine important public health messages.

The industry garners these political and public relations benefits at a relatively modest cost. Although industry-wide data is not available, Anheuser-Busch, the largest alcohol company, estimates its expenditures on alcohol education and awareness efforts at $300 million between 1982 and 2000, or about $15 million per year. The company spent $232 million on measured media advertising in 1997, and probably an additional $464 million or more on unmeasured media. In other words, for every dollar it spends on alcohol education, the company spends $46 or more promoting beer.

The industry’s efforts to control the content of alcohol educational materials raises a larger issue: What is the appropriate role for the alcohol industry in prevention? Its mission and expertise are to sell alcohol profitably, not to further public health and prevention education. Prudence dictates that the educational and marketing functions should be separated, with those in public health and education developing the programs independently. The important role for the industry in prevention is to ensure that its marketing is not targeted to and attractive to young people and does not promote problematic drinking practices.
Conclusion: Negotiating with the Alcohol Industry

Alcohol industry funding for educational and awareness programs creates a thorny dilemma for many public health and safety groups. In many cases, nonprofit organizations need outside funding to maintain core programs. An industry overture may trigger a heated internal debate that can weaken the organization and divide key constituents, board members and staff. In these circumstances, an organization should establish a deliberate plan of action designed to build internal strength, address the funding issues strategically, and enhance long-term prevention goals. The appendix provides more detailed steps of such an action plan.71

Our long-term goal, however, is to move beyond the issue of industry funding to address the industry’s appropriate role in prevention. We want to shift from a reactive position, responding to industry overtures in the education and public awareness arenas, to a proactive stance, demanding that its marketing practices and their impact on community alcohol environments be an integral part of the discussion. To do this, an organization needs to incorporate environmental strategies into its mission and programs. This, in turn, provides the context for developing specific requests for industry action that will reduce environmental risk factors and change unhealthy social norms.

Experience shows that the industry will respond only when public health and safety groups organize a political base and build their political and media advocacy skills. Because the two sides have fundamentally different interests, the dialogue is, in fact, a negotiation, and the outcome rests in large measure on the relative political power each brings to the table. In most cases, agreements should lead to clear, enforceable guidelines, typically through ordinances, regulations, or statutes. Marketing reforms are usually best started and built at the local level, negotiating with retailers. Local policy makers are more accessible and responsive to constituents, and local retailers are likely to be sensitive to community concerns. Reform at state and federal levels is more difficult, since alcohol producers bring enormous political power to these arenas. Policy makers are more dependent on industry donations, and constituents have a harder time making their voices heard.72

Philip Morris Improves its Corporate Image

In 1999, Philip Morris Company, the giant tobacco company and the owner of Miller Beer, embarked on an ambitious program to improve its corporate image. Its campaign includes the “Doors of Hope Grant” program, which funds domestic violence shelters nationwide. In 1999, Philip Morris partnered with the National Network to End Domestic Violence Fund and gave $2 million in grants to 180 applicants located in all 50 states. The core of the campaign, however, was the image advertising. The company spends $100 million per year on advertisements highlighting its good works in domestic violence and other social issues and publicizing its relationships with nonprofit organizations. For every dollar spent on the grants, $50 are spent to publicize the company’s charitable works.

The campaign does not address the company’s beer advertising practices, which frequently connect beer consumption, scantily clad women, and sexual promise. Nor does it provide any information on the close connection between alcohol and sexual violence. It does, however, address the company’s corporate image problems and enhances its political connections with politicians and decision makers in districts where grants have been awarded.

The Gathering of Nations Finds Alternative Funding

The Gathering of Nations is the largest single celebration of Native American culture in North America, attracting more than 40,000 people. Until 1990, Coors Brewing Company gave the event $5,000 in cash and $20,000 in radio and television advertising. In exchange, Coors banners had to be visible at four locations, an announcer plugged Coors beer over the public address system every two hours, dancers had to wear a flag with the Coors logo, and a Coors representative had to be included in an awards ceremony. The event committee decided to end the beer sponsorship after receiving a protest from a mother who had taken her child out of a dance competition because of the Coors banner the daughter was required to wear. The committee decided the sponsorship was antithetical to the purpose of the event, sent the wrong message to participants, and put the Native American community at risk. The organizers contacted 60 corporations and selected Borden’s Inc., a dairy company, as their new sponsor.


University of Iowa Takes a Pass on Miller Sports Sponsorship

In 1999, the University of Iowa turned down a $45,000 contract offer from Miller Brewing Co. to sponsor the Hawkeye football and basketball coaches’ post-game shows. University officials decided against pursuing the contract, they said, because the sponsorship would send the wrong message at a time when the university is working to reduce excessive drinking among students. Instead, the university is emphasizing late-night social events that are alcohol-free as well as an alcohol-free tailgate area at football games. The university has also partnered with Iowa City community leaders to tackle high-risk drinking, as part of A Matter of Degree: The National Effort to Reduce High-Risk Drinking Among College Students, a collaboration of the American Medical Association and The Robert Wood Johnson Foundation.

Clearly, the alcohol industry plays a critical role in the alcohol policy field. The questions are: What is that role? And who defines it? We must ensure that the influence of the industry’s marketing practices on community alcohol environments be part of any dialogue about the industry’s corporate responsibilities. Industry offers to fund and support individual-based awareness and education programs should not distract us from this fundamental issue.
Appendix
Action Plan Steps for Nonprofit Organizations Considering Alcohol Industry Funding

1. Develop written policies on funding sources. This step is best done in a process that does not respond to a specific industry grant or offer. Rather, the process should first focus on articulating the organization’s philosophy and mission and developing a long-term funding strategy that is consistent with and enhances the mission. Then establish criteria for accepting donations and sponsorships in the context of this larger fundraising plan. The long-term goal of refusing alcohol industry funding can be articulated during this process, to minimize threats to program activities.

2. Identify alternative funding sources and establish a plan for approaching them. Finding alternative funding sources can appear to be a daunting task, particularly when alcohol industry funding is already being offered, but numerous organizations have succeeded in this step. The key is to establish a deliberate process with reasonable goals. Be creative in identifying potential donors or funders. Many private-sector companies that are not in the alcohol business may be very receptive to funding programs with high visibility and good reputations in the community.

3. If continued industry support is critical in the short term, develop guidelines for accepting industry funds. Particular circumstances may dictate continued acceptance of funding while a long-term plan is put into place. In these situations, organizations can take steps to enhance the philanthropic aspect of the funding while limiting its public relations value. For example:

- Stipulate that the nonprofit organization’s name not be used in industry public relations material, particularly communications with policy makers;
- Prohibit any advertising or tie-in sales at program community events;
- Request help from the industry funder in finding supplemental donors that are not associated with alcohol sales;
- Require complete authority over the content and administration of the program;
- Propose that the funder make voluntary marketing reforms as part of the program;
- Include environmental policy reform issues in the program’s content.

These suggestions, even if rejected, provide a practical opportunity to expose the industry’s public relations and political agendas, which can help define the issues and focus the debate for the organization’s board, constituency and staff.
References


15 Greenfield, T., & Rogers, J., *supra* n. 9.

16 Greenfield, T., & Rogers, J., *supra* n. 9.

17 *National Household Survey on Drug Abuse, supra* n. 11.

18 Cressy, P. Letter to the Editor, *Newsweek*, May 1, 2000, p. 18. Paul Cressy is the President and CEO, Distilled Spirits Council of the United States.

19 Greenfield, T., *supra* n. 10.


21 Perkins, W., Meilman, P., et al., *supra* n. 20; Wechsler, H., & Kuo, M., *supra* n. 20.


23 Id.


31 FTC Report, *supra* n. 29.

32 Erenberg, D., & Hacker, G., *supra* n. 25.


37 Erenberg, D., & Hacker, G., *supra* n. 25.


40 Erenberg, D., & Hacker, G., supra n. 25.

41 Laixuthai, A. & Chaloupka, F. Youth alcohol use and public policy. Contemporary Policy Issues, October, 69-81, 1993:


58 For discussion, see Mosher, J., supra n. 21.


63 See, e.g., the Beer Institute’s web page: www.beerinst.org/prevention/MES-SAGE.HTM; Houghton, E., supra n. 2.


65 AMA, supra n. 59.


67 For further discussion, see Rundall, P. The perils of partnership – an NGO perspective. Addiction 95: 1501-1505.


69 Murray, S., & Gruley, B., supra n. 1.

70 Figures extrapolated from industry-wide estimates found in Federal Trade Commission, supra n. 26.


72 For further discussion, see Mosher, J., supra n. 21.
Reducing Underage Drinking Through Coalitions

Connecticut Coalition to Stop Underage Drinking
860 523-8042

Georgia Alcohol Policy Partnership
770 239-7442

Indiana Coalition to Reduce Underage Drinking
317 873-3900

Louisiana Alliance to Prevent Underage Drinking
225 216-0910

Minnesota Join Together Coalition to Reduce Underage Alcohol Use
763 662-7303

Missouri’s Youth/Adult Alliance
573 635-6669

North Carolina Initiative to Reduce Underage Drinking
919 990-9559

Oregon Coalition to Reduce Underage Drinking
503 244-5211

Pennsylvanians Against Underage Drinking
717 705-8068

Puerto Rico Coalition to Reduce Underage Drinking
787 641-1154

Texas Standing Tall – Statewide Coalition to Prevent Underage Drinking
512 442-7501

National Capital Coalition to Prevent Underage Drinking (Washington, DC)
202 265-8922

Louisiana State University
LSU Campus-Community Coalition for Change
225 388-5650

University of Nebraska at Lincoln
NU Directions
402 472-7440

University of Vermont
Coalition to Create a Quality Learning Environment
802 656-3407

University of Wisconsin at Madison
PACE
608 262-9007

Office of Alcohol and Other Drug Abuse
American Medical Association
312 464-4618
www.ama-assn.org/go/alcohol

A Matter of Degree
The National Effort to Reduce High-Risk Drinking Among College Students

The University of Colorado – Boulder
303 492-3149

The University of Delaware Building Responsibility Coalition
302 831-3115

Florida State University Partnership for Alcohol Responsibility
850 644-6489

Georgia Institute of Technology GT SMART
404 385-2290

University of Iowa Stepping Up Project
319 335-1349

Lehigh University
610 758-5181