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14th January, 2003

Paul Greening
Cabinet Office
Head of Consultation Policy Team
Strategy Unit
Room 1.30
Admiralty Arch
The Mall
London SW1A 2WH

Dear Mr Greening,

Coors Submission/National Alcohol Harm Reduction Strategy

The National Alcohol Harm Reduction Strategy is a crucial opportunity for all concerned to target key problem areas of drinking behavior.

As a company, Coors Brewers wholeheartedly supports the Government's stated strategy of targeting problem drinkers and drinking behaviors rather than penalising the majority who enjoy alcohol sensibly. Coors (formerly Bass Brewers) have been active members of the Portman Group since its formation and as such we are totally committed to making self-regulation work even more effectively. We are also members of the Amsterdam Group, an industry body that was formed to combat alcohol abuse at a European level.

The consultation paper asks for details of successful examples of promoting responsible attitudes to drinking (question 41 – Education and Communication). In addition to our strong involvement through the Bass name with the issue of responsible drinking, Coors also have considerable experience in the USA in the area of promoting responsible attitudes to alcohol which we would be delighted to share with the Government.

For example the national "21 Means 21 Campaign" is featured widely across the United States as a means of preventing under-age drinking. This campaign emphasizes the responsibility of retailers to ensure legal proof of identity to purchase alcohol and the illegality of buying alcohol for anyone under the age of 21. Over and above the legal drinking age, Coors support programmes designed to encourage youths to be

responsible and law-abiding about drinking once they reach 21. Our research shows that youth development and leadership programmes are an effective way of promoting a responsible attitude to drinking.

Other good examples of our work in the US include our campaign to reduce drink driving through a programme called Alcohol, Drunk Driving and Youth (ADDY). This concentrates on getting young drivers off to a good start in their first few years of motoring. ADDY has been cited as a model programme by the National Safety Council in the US. Should you require further information on our US campaigns we would be delighted to offer you additional details.

The penultimate section of the consultation paper asks a number of specific questions in relation to the shape of the market and market-based solutions. Coors Brewers would like to make the following points:

1. Do you have any thoughts on the likely evolution of the alcohol industry over the next decade?

“Per capita alcohol consumption in the UK has been constant for the past 25 years. Whilst alcohol consumption has been steady since the mid seventies, there have been changes in drinking patterns. Beer remains the most popular drink in the UK. Beer sales are nearly as big as sales of all other alcoholic drinks combined. However, beer sales have been declining for the past 20 years as people are visiting pubs less often and drinking more wine at home. Historically, British drinking mainly consisted of men consuming mainstream beers in sessions in pubs. The challenge for the brewing industry is encouraging people to celebrate beer as a sophisticated, natural product, a ‘healthy’ drink of moderation, suited equally to men and women.

2. What is the relationship between the creation of trends and fashions in alcohol consumption by the market and consumers responding to trends and fashions? Are there discernible patterns which the Government might use in responding to the effects of alcohol misuse? Is there useful evidence we might draw on?

“Overall changes to drinking behavior is mainly affected by changes in people’s lifestyles and tastes. People are becoming more “cash rich and time poor”, there is increased sexual equality, people travel abroad more often and there are a far greater range of leisure opportunities available than 20 years

ago. Many people are drinking “less but better”. People are increasingly drinking at home and more often drinking with food.

Marketing and product innovation tend to reflect these trends in society rather than dictate them. Company promotional activity tends to affect the product types and brands that people drink rather than the overall quantity of alcohol consumed. This is born out by the fact that per capita alcohol consumption is not changing.

3. How far do you see research and development creating innovative market-led solutions to the problems of alcohol misuse?

“There have been occasional suggestions that innovation can be used to protect heavy drinkers from the effect of excess alcohol consumption (e.g. supplementing drinks with vitamins). We do not believe that you should attempt to mitigate the effects of excess consumption but rather communicate sensible drinking messages effectively and educate on the effects of excessive consumption.

We do believe that innovations such as the rapid expansion of IT technology (e.g. via internet and telecom marketing) can be used to communicate sensible drinking messages more effectively to target key audience groups on the need to adopt responsible drinking habits.

Drinks companies can also use their communications channels to promote responsible drinking behaviors. A specific example of this was the work before Christmas by Coors Brewers with the Portman Group to distribute “I’ll be Des Packs” as part of a national campaign against drink driving at Christmas time. This was a campaign to encourage groups of people going out at Christmas time to visit friends and family to nominate somebody in the group as a designated non-drinking driver to get home safely.”

4. How best can Government work with the alcohol industry to reach consumers? What approaches have been shown to be effective in England, the devolved administrations and further a field?

“The most beneficial way for Government and brewing industry to work together is by developing simple and readily understood

messages for the consumer to target problem areas of drinking behavior. For example, the huge success in recent years reducing the number of drivers who drink and drive.

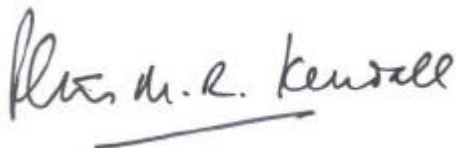
In other areas the messages on sensible drinking have sometimes been less clear cut leading to possible confusion amongst the public. We see great value in agreeing and focusing on a few priority issues. Once these have been agreed, the unequivocal messages (and where appropriate enforcement procedures) should be developed - aiming to produce messages that can be supported by all sides in the alcohol debate.

5. Are there other commercial interests which can influence drinking behavior?

“Commercially brewers like Coors have a vested interest in people drinking sensibly and responsibly. Problem drinkers upset other drinkers and make our brands look unattractive. The drinks industry has no vested interest in tolerating immoderate alcohol consumption.”

We hope you find our comments and observations helpful as part of your general consultation process. We would welcome any opportunity to explore how the industry and other stake holders can work together effectively to promote responsible alcohol use.

Yours sincerely,

A handwritten signature in black ink that reads "Peter M. R. Kendall". The signature is written in a cursive style and is underlined with a single horizontal line.

Peter M. R. Kendall
Chief Executive Officer