



Distilled Spirits Industry Council of Australia Inc.

MEDIA RELEASE

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Reports of alcohol industry ‘whistleblower’ inaccurate

Recent media reports claim that an ‘industry insider’ admits that Ready to Drink (RTD) products are targeting teen drinkers. In fact, this claim originated from a trade journal in which a ‘media planning agency’ made a number of colourful comments. The article claims that RTDs are aimed at the ‘binge-drinker category ... young people on a budget who want to get drunk very quickly’.

These claims are not attributable to the alcohol industry, but are comments from an individual in the advertising industry.

The Executive Director of the Distilled Spirits Industry Council of Australia, Mr Gordon Broderick, strongly refutes the suggestion that the drinks industry is targeting underage drinkers with RTD products.

With respect to higher strength RTDs mentioned in the article, Mr Broderick notes that these make up a small proportion of the RTD market and that they are usually premium products aimed at the mature palate. Excise arrangements ensure that these products are taxed at a higher level than lower strength RTDs and this makes them less affordable for younger drinkers, who are typically on a limited budget.

“The industry takes its responsibility to minimise risky and underage drinking very seriously” said Mr Broderick. “A central focus of the Alcohol Beverages Advertising Code is to prevent advertisements that encourage underage drinking and excessive consumption or abuse of alcohol. This Code works effectively and will soon extend to products and packaging”, noted Mr Broderick. “The industry also contributes around \$10 million per annum to *DrinkWise Australia*, an independent body whose mission is to change Australia’s drinking culture to maximise the benefits and minimise the harms from alcohol consumption.”

A key point Mr Broderick highlighted is that there is “**no link whatsoever between RTDs and levels of underage drinking**” (see chart below). “In fact, according to several government studies, underage drinking levels have plateaued or have declined in recent years. In addition, the data shows that the preferred drink of males between 14-19 years who drink at risky levels is full strength beer, while the preferred beverage for females between 14-19 years who drink at risky levels is spirits.”

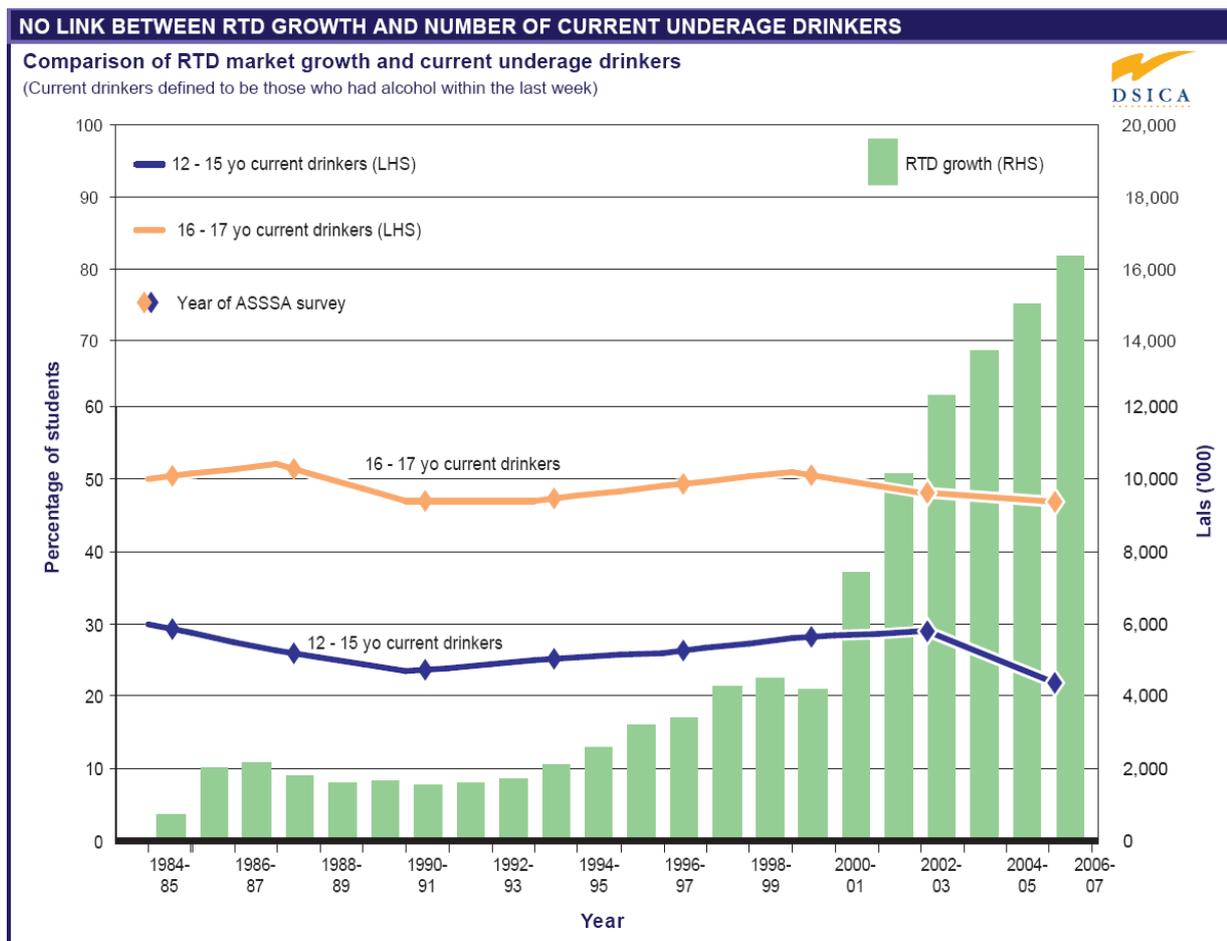
In terms of the alcohol market, “The official data shows that Australian’s are not drinking more, but that spirit and beer drinkers are switching their preference to RTD beverages”, Mr Broderick commented.

Given the focus on RTDs, it is appropriate to discount a number of myths surrounding these beverages:

- RTDs have a similar alcohol content as full strength beer, around 5% by volume;
- 75% of RTDs are dark spirit based and are preferred by males 24 years and older;
- a number of RTDs have an alcohol content of around 6-8 per cent. These so called 'super strength' RTDs have around half the alcohol content as wine;
- while data has revealed that underage drinkers show a preference for RTDs, consumption levels for underage drinkers have stabilised or are declining.

RTD beverages actually have a number of advantages over other alcohol beverage formats. "RTDs provide a measured nip of alcohol and avoid the problem of unmeasured pouring of spirits. RTDs are also in containers that reduce the chances of drinking spiking to the extent that this may be a problem", said Mr Broderick.

Mr Broderick concluded that "it appears that RTDs as a category are being used as a scapegoat by some to deflect attention from responsible parenting and individual responsibility".



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