



1 March 2010

Mark Lyne
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54 Cameron Street
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Dear Mark

**REVIEW OF THE ALAC DRAFT NATIONAL GUIDELINES RE ALCOHOL
MANAGEMENT AT LARGE SCALE EVENTS**

Thank you for the opportunity to comment on the ALAC Draft National Guidelines re Alcohol Management at Large Scale Events.

The Association is the national trade organisation representing New Zealand's leading brand owners, importers and exporters of premium spirits (e.g. Brandy, Whisky, Rum, Gin, Vodka) and spirit drinks.

The Association's members include: Anchor Ethanol Ltd, Bacardi Martini Asia Pacific Ltd, Beam Global (NZ) Ltd, Brown Forman Beverages Worldwide, Diageo (New Zealand) Ltd, Hancocks Ltd, Lion Nathan Wines and Spirits Ltd, Moët Hennessy NZ Ltd, Pernod Ricard New Zealand Ltd, The Rum Company (New Zealand) Ltd and Vintage Wines and Spirits Ltd.

The Association has a critical interest in all matters that directly impinge on the licensing, distribution, sale and consumption of distilled spirits, including Ready to Drink beverages.

Association Position

In reading through the draft guidelines we were disturbed to see discriminatory action being proposed for "RTDs" as set out at "Appendix 1", in respect of the types of alcohol beverages and their container type to be served at large event venues. The draft guideline unreasonably and falsely underwrites the impression that drinking beer and wine is more acceptable than RTDs. Moreover it is patronising to suggest that RTD drinkers cannot be trusted but beer and wine drinkers can.

In our view the discrimination against legal RTDs is totally unjustified and without any scientific or evidential basis. Moreover, it goes against the Alcohol Advisory Council's (ALAC) own policy that a drink is a drink.

Accordingly, we do not support the current draft standard.

We therefore request that the draft guidelines be reworded so that it does not differentiate between beverages by the way beverages are made or how they look.

Discussion

We understand that some people maybe spooked by the acronym “RTD” and we are also aware of the regrettable folklore that may surround this particular class of alcohol beverage. In turn, unfounded notions can potentially be wrongfully translated into policy, regulation and draft guidelines.

The following discussion sets out a brief description of RTDs and we identify several reasons for a guideline approach that does not discriminate against RTDs.

What is a RTD?

RTD is industry shorthand for “ready to drink” beverages, which are simply pre-measured alcohol beverages, packaged in small or single serve containers, typically 250ml to 350ml in size. They can contain alcohol from a base which can be distilled, malted or fermented and are often combined with an everyday mixer such as soda, tonic, cola, ginger, or fruit juice. In fact, ready to drink beverages encapsulates a wide range of products, ranging from pre-mixed conventional spirits and mixer (e.g. cola or ginger ale) all the way through to flavoured beer, flavoured wines and wine coolers.

A case for no discrimination against RTDs

Rationale 1: “It’s not the drinking. It’s how we’re drinking”

The Alcohol Advisory Council currently runs a national marketing campaign with the strap line: “*it’s not the drinking, it’s how we’re drinking*”.

The programme is designed to change the acceptance and celebration of drunkenness and intoxication and to reduce the amount of alcohol we drink at a time. Importantly, the programme and other ALAC policy positions do not differentiate between the different alcohol beverage types, as harmful drinking is not a single product issue. To avoid going against ALACs own policy, the draft guidelines should similarly not discriminate against RTDs. Moreover, there is no one-beverage type that is more “softer” or moderate than another; there is only the practice of moderation.

Rationale 2: “Alcohol is alcohol” - Standard drink = 10grams alcohol

Based on the legal requirements as specified under the Australia New Zealand Food Standards Code 2.7.1 “Labelling of Alcoholic Beverages and Food Containing Alcohol”, a standard drink is defined as containing 10 grams alcohol. In other words standard servings of RTDs have the same amount of alcohol, 10 grams, as that contained in a serve of wine or beer. Given the draft guidelines directly reference the number of serves per purchase at “2 standard drinks or lower” it obviates the need to name specific product types or be concerned with how they’re made or how they appear. Additionally, a standard drinks focus rather than a “named product approach” future proofs against new beverage developments and their monikers.

By way of general comparison RTDs do not have high alcohol content. RTDs typically contain around 5%abv, the same strength as a premium beer and are half the strength of a table wine, which ranges from 10% to 13%abv.

Rationale 3: Trade restrictive

The Association opposes the trade-restrictive and discriminatory elements of the current draft wording as it unfairly restricts business opportunities and infringes upon individual rights and freedom of choice of adult consumers. Consumers should simply be accorded the freedom of choice and personal autonomy to purchase legal alcohol beverages in a different but licensed “large event” venue. There is no harm in this.

We are sure that the guidelines do not want to artificially limit the retail playing field in a way that consequently serves selected commercial parties, to maintain a competitive advantage over their counterparts.

Rationale 4: Other jurisdictional approaches

We note that the leading regulatory and Governmental jurisdictions do not differentiate between different alcohol beverage types. In fact, they recognise the basic equality (“alcohol is alcohol”) and policy-wise treat all alcohol beverages exactly in the same manner as each other. Take for example the Advertising Standards Authority (e.g. codes for advertising liquor and liquor promotion), the NZ Police and Ministry of Transport (e.g. a breathalyser makes no distinction between beverages), Food Standards Australia New Zealand and ALAC itself.

Additionally, a recent and very significant reference made by the Law Commission¹ should not be overlooked. It said:

“So far, we have heard many representations that ready-to-drink spirits-based drinks should be banned or controlled. We are not persuaded (and we) are reluctant to make distinctions between various liquor products”.

The draft guidelines should treat all alcohol beverage types equally.

Rationale 5: Age verification

Significantly, there is no basis for concern around minors having any increased and or inappropriate access to (any) alcohol beverage type as there is no difference in legislative obligations on any licensee and their service staff when it comes to ensuring sales are not made to minors. Based on current age verification rules, it is difficult to see how minors would have access.

Conclusion and Recommendations

We believe the draft national guidelines should focus on the number of servings rather than particular products. Accordingly, we strongly recommend that the guidelines be reasonably amended to:

- a) Focus on the maximum number of serves per purchase – that is: “2 std drinks (in units) or lower”. This eliminates the need to specifically name individual products.
- b) Require all alcohol beverage containers to be of plastic construction.

¹ 'Alcohol In Our Lives' Issues paper, para 12.33, page 224

The Association looks forward to future consultation on the proposed Draft National Guidelines re Alcohol Management at Large Scale Events and is available to answer any queries you may have.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Thomas Chin', written in a cursive style.

Thomas Chin
Chief Executive