

Timeline of Inside Events

- 1938/48- liquor industry's voluntary radio ban/TV ban
- 1995- Zero Tolerance provision in Nat'l Highway System Bill- illegal for anyone under 21 to drive w/ any alcohol content in their blood (adopted by 37 states and DC)
- 11/7/96- liquor industry lifts its ban
- 12/96- Hundt challenges broadcasters to refuse liquor ads and indicates that govt. will take action if they refuse
- 2/97- MADD meets FTC. FTC Chair Pitofsky hinted that he had authority to hold a public hearing, but wanted a favorable signal from Congress before doing so
- 2/7/97- Hundt seeks DoJ support (Kent Markus 43008)
- 2/25/97- Senate public hearing cancelled
- 3/97- Reno gives support- she hints at looking at beer ads, too. The letter is sent out in 6/97.
- 3/26/97 Kent markus writes to Elena Kagan of Shalala's reluctance
- 4/1/97- Clinton suggests to FCC to inquire into whether additional ads are in the public interest, i.e. to what extent do they affect youth. Pres. says that if FCC investigation reveals the need for further action, then we'll take it. Reno agrees with this stance.
- 4/4/97- DISCUS (Distilled Spirits Council of the U.S.) requests that the Pres. invite all relevant parties to meet to develop a unified code for ads for all forms of alcohol.
- 5/15/97- FCC is petitioned by MADD, NCADD (Nat'l Council for Alcohol and Drug Dependency) et al. to require any station or network that airs alcohol commercials (liquor, beer, and wine) to air, for free, a "significant amount" of counterads within a reasonable time of the alcohol ads.
- American Academy of Pediatrics urges FCC to investigate the impact of alcohol ads on kids
- 6/2/97- Wall St. J. reports that Hundt will ask FCC to vote on 6/19 (there are 4 commissioners, and he needs two votes in addition to his own) on his proposal for a notice of inquiry into TV liquor ads.
- 26 states want the effect on youth studied. 11 states and Puerto Rico want the liquor ads banned.

Liquor Ad Issue Groundwork:

Q1: What is motivating DISCUS?

A: 1. a desire to seize some of the alcohol market share away from beer.
2. a desire to lessen beer's competitive advantage even if liquor ads are forbidden
3. a desire to get on TV so they will have a place in future arenas carved out by advancing technology (some liquor cos. already advertise on the Internet
4. note- since 1980, liquor sales dropped 30%, while wine and beer sales went up 5%.

Q2: What motivated the major networks to refuse the liquor ads?

A: 1. fear of Hundt who is also deciding whether to make broadcasters pay for the hundreds of new channels that will become available as TV goes digital. (chair of BET estimates these licenses to be worth \$40 billion).
2. fear of losing beer revenues (VERY profitable)
3. fear of public outcry

Q3: How politically powerful is the beer industry?

A: Very. The National Beer Wholesalers Association gave more than \$1 million to Federal candidates from 1995-1997, mostly to Republicans. (should we find out who?) Seagrams, though, is now the 2d largest corporate contributor to Congressional candidates and the two major parties. In first place is Philip Morris, owner of Miller Brewing.

Q4: What type of legislation has been suggested? What is the current status of their efforts?

A: Reps. Joe Kennedy 2d, (MA-D) and James Hansen (UT-R) have sponsored a bill to ban TV advertising for hard liquor. Mr. Kennedy wants to restrict hours of beer and wine ads in a separate bill.

On Wednesday June 18, 1997, Kennedy is having a press conference to present a letter of resolution to the FCC urging that it conduct an inquiry into the effect of liquor advertising on TV. Hansen has written letters to Hundt suggesting that the FCC codify the rules that the liquor industry followed voluntarily- i.e. make the voluntary ban involuntary. Hansen believes that it is wrong to advertise liquor on TV, but has not done anything recently. It sounds like they are going in circles. Letter writing to Hundt seems like a good way of doing nothing while seeming to do something. Hundt wants to investigate. He just can't get the one vote from the 2 opposing commissioners.

Q5: Will there soon be Senate hearings on the matter?

A: No. Lance Botina, Counsel to the Senate Commerce Committee, reports that the hearings scheduled for February were cancelled, because Senator McCain, the Committee head, wished to avoid the topic, due to a conflict of interest (his wife has a financial interest in a brewery). Sen. Ashcroft, head of the Consumer Affairs Subcommittee, believes that the FTC has proper jurisdiction over this issue and has been assured by FTC Chair Pitofsky that the FTC is investigating the effects of liquor advertising on children, among other things. The FTC inquiry is confidential, so we do not know the exact nature of the inquiry.

Q6: What is the state of current research on the link between alcohol ads and consumption?

A: There is nothing definitive at the moment, although many argue that if there was no causal link, the beer industry would not spend \$626 million on TV advertising each year. However, in the absence of a study, the Supreme Court is unlikely to approve a ban on broadcast liquor ads or on restrictions such as late night timeslots. See *Liquor Mart 44 v. Rhode Island*, 116 S.Ct. 1495 (1996) (holding state's ban on advertising of retail prices of alcoholic beverages to violate 1st Amendment).

Q7: Why was the Cigarette Act of 1971 constitutionally acceptable? (the act removed cigarette ads from radio and TV)

A: Smoking was a proven health hazard. Therefore, the act fell under the public safety exception to the 1st Amendment. The FCC instituted the ban on televised cigarette commercials under its "public interest" regulatory power.

Q8: The four FCC commissioners are Chair Hundt, Susan Ness, Rochelle Chong, and James Quello. Chong and Quello oppose an FCC investigation. Why?

A: They do not believe that the FCC has jurisdiction over the issue.

Q9: Is James Quello leaving the FCC?

A: Yes, his term expired last June, but he will stay until Congress adjourns in October. His replacement is probably going to be FCC Counsel William Kennard. I am curious to know whether Kennard will side with Hundt on this matter.

Q10: Can the FCC or FTC institute a ban on broadcast liquor ads?

A: Probably not. The Supreme Court would be likely to rule that such a ban by any agency violates the 1st Amendment. See *Liquor Mart 44*. The following is a short list of points

made by the Court in that case which are relevant to the present controversy.

1. It is more dangerous for a state to regulate speech than to regulate conduct. In other words, it is easier for a state to ban alcohol than to ban speech about it.

2. State legislatures do not have the broad discretion to ban truthful, nonmisleading commercial speech/information for paternalistic purposes when there are less speech-restrictive alternatives (line counterads?).

3. Commercial speech can be regulated only where the state can show that the regulation will advance the state interest to a material degree.

Q11: Does the FTC investigate the content of ads or only their timing? Do any other organizations help them in regulating advertising?

A: The FTC looks at the content, timing, and placement of ads in order to fulfill its two obligations under the FTC Act. The first obligation is to ensure that ads are truthful and not deceptive. The second obligation is to uphold the unfairness doctrine under which they can adjudicate against advertisements that are wrongfully directed at minors. The Advertising Council, a private body which watches over the ethics of the advertising industry, helps the FTC carry out these two obligations. The Council can do no more than give an ad agency a proverbial slap on the wrist, but the Council's disapproval of an ad is a Red Flag to the FTC.

Q12: What has the federal government officially stated in the past about alcohol equivalency and advertising?

A: The latest (1995) dietary guidelines published by HHS and USDA, state that a moderate amount of drinking may be beneficial and presents an alcohol equivalency box that shows that alcohol is alcohol. Mark Webber of the Substance Abuse and Mental Health Administration believes that laxness towards beer and wine ads represents an erroneous cultural judgment that beer is somehow less harmful than liquor. [Evidence showing a causal link between alcohol advertising and youth consumption is very weak.] In a 1993 report addressed to the Surgeon General entitled Youth & Alcohol, the U.S. Dept. of Education reported on students' poor concept of alcohol equivalency. Such ignorance leads to harmful beliefs that there is little alcohol in wine coolers (the drink of choice for teens), that wine coolers are like soda, and that beer in any quantity is not as harmful as liquor. The report also highlights the influence of alcohol ads on kids, 39% of whom found the ads appealing and influential. The majority

could associate beer mascots, symbols, or spokespeople with the correct brand. This, however, is not hard evidence.

Q13: Who has jurisdiction over this issue- the FCC or the FCC?

A: The FCC's Case- See *Banzhaf v. FCC*, 405 F.2d 1082 (1968) (upheld FCC's ruling which required broadcasters to carry anti-smoking counterads).

It was the FCC which required broadcasters to carry anti-smoking counterads in 1967. This was justified by a provision in the Communications Act of 1934 which authorizes the FCC to grant and renew broadcast licenses according to the dictates of the "public interest, convenience, and necessity." 47 U.S.C. s.307(a), (d) (1964). The act does not expressly grant the FCC authority over broadcast content, but since *NBC v. US* 319, U.S. 190 (1943), the FCC has looked at content in order to decide between applicants for a single license and to serve the community. The DC Cir. Ct. in *Banzhaf* declared that the public interest indisputably includes the public health. However, this case dealt with counterads. Therefore, the court was justified in pointing out that FCC was regulating broadcasters and not the ads themselves. This is, of course, a subtle distinction, subject to easy manipulation in the liquor ad controversy. The FCC, for example, could argue that it needs to study the ads in order to regulate broadcasters effectively.

The FTC's Case

The FTC regulates advertising. It polices "unfair methods of competition and unfair or deceptive acts or practices." FTCA s.5 (1914), 15 U.S.C. s.45(a) (1964). This standard applies to the regulation of advertising, not to the stations which carry the advertising.

Q14: Are alcohol counterads a helpful and constitutional solution?

A: Perhaps. The DC Cir. Ct. upheld the FCC ruling which required cigarette counterads in *Banzhaf* for three reasons.

1. the danger of cigarettes are inherent in the normal use of the product and is not merely associated with its abuse
2. smoking threatens a large segment of the population, not just a subgroup.
3. the danger of cigarette smoking is documented by compelling evidence which is beyond a mere preponderance and approaches proof beyond a reasonable doubt.

There are plausible arguments on either side of the debate as to whether these justifications apply to alcohol ads.

If it were found that the FCC could require alcohol counterads, it is unlikely that the counterads would be found to violate the 1st Amendment. The court in *Banzhaf* cited four reasons why cigarette counterads did not violate the 1st Amendment.

1. Counterads do not bar speech. They slightly chill it.
2. Sales promotion was not an interest that the 1st Amendment was devised to protect. Product advertising is a type of speech that is less rigorously protected than, say, newspaper editorials.
3. Counterads promote the 1st Amendment by contributing to the public's knowledge and better informing the public debate about smoking/alcohol consumption.
4. Counterads allow the government to attempt to equalize the balance between rich alcohol cos. and the poor non-profits which oppose their message.

Q14: What is the nature of the antitrust objection to broadcasters' getting together to regulate alcohol ads amongst themselves?

A: Ask Katrina Weinig.

Q15: What are some points to keep in mind?

A: 1. right now the liquor industry is targeting minority groups- BET, Hispanic viewers/listeners.

2. After the Cigarette Act of 1971 which banned cigarette ads from TV and radio, the tobacco companies rebounded successfully by doing merchandise giveaways and sponsoring sports events. The liquor companies would probably try a similar approach.

3. The public interest is probably best served by including beer and wine companies in any bans, restrictions, or counterad initiatives. This would afford the federal government an opportunity to impress upon the public, especially young people, the important health implications of alcohol equivalency.

MEMORANDUM TO ELENA KAGAN

FROM: HIMA VATTI

THROUGH: ELIZABETH DRYE
Associate Director, Domestic Policy Council

LEANNE SHIMABUKURO
Associate Director, Domestic Policy Council

DATE: JUNE 30, 1997

SUBJECT: BROADCAST ALCOHOL ADVERTISING

Purpose

In a letter to the President on April 4, 1997, Fred Meister, President and CEO of the Distilled Spirits Council of the United States ("DISCUS"), characterized the Administration's disapproval of liquor advertising as discriminatory in light of the \$626 million in beer advertisements broadcast each year. He urged the President to "publicly request and expect" all members of the beverage alcohol and broadcast industries to develop an advertising code that would hold all beverage alcohol companies to a common standard.

This memo places this request in context, discusses its merits, offers alternative actions, and evaluates each option. We look, in particular, at how each approach educates the public of the need to consume any form of beverage alcohol in moderation.

Background

On November 11, 1996, the liquor industry, represented by the Distilled Spirits Council of the United States ("DISCUS"), lifted the self-imposed ban on broadcast advertising of liquor products that had been in effect since Prohibition. DISCUS hopes this will bolster sales that have dropped 30% since 1980 and help them to compete on an equal footing with beer and wine companies which have consistently used the broadcast media to promote their beverages.

In a radio address to the nation on November 9, 1996, the President criticized the liquor industry's decision as "irresponsible." On April 1, 1997, the President sent a letter to FCC Chairman Hundt requesting that his agency explore the impact the liquor industry's decision to advertise might have on underage drinking. Chairman Hundt supports an inquiry, and believes the FCC can execute it under its authority to grant and renew broadcast licenses according to the dictates of the "public interest, convenience, and necessity." The public interest includes the public health.

To open the inquiry, Hundt needs the votes of two of the three other FCC commissioners. While Commissioner Susan Ness supports Hundt, Rochelle Chong and

James Quello believe jurisdiction over the inquiry properly belongs to the FTC which regulates advertising by policing unfair methods of competition and unfair or deceptive practices. FTC Chairman Pitofsky has recently suggested that his agency may be looking into the extent to which alcohol advertising is aimed at children. The Attorney General sent a letter to Hundt on June 13, 1997 urging an inquiry into the various issues surrounding liquor advertising, but DOJ has not formally found that FCC has jurisdiction over the inquiry. DOJ staff note, however, that the FCC can exercise its regulatory authority to impact an entire industry, whereas the FTC normally investigates and penalizes individual companies on a case-by-case basis.

Hundt himself has taken steps to slow the entry of liquor commercials onto the airwaves. In December 1996, he challenged broadcasters to reject liquor ads, and to date, the major networks have complied. Only Black Entertainment Television and a few small, mostly Hispanic cable stations have carried the new ads, spawning concern that the industry is targeting minority groups.

DISCUS asserts that liquor companies are as entitled to advertise on television as the beer giants, because "alcohol is alcohol" and affects humans the same way regardless of the beverage in which it is consumed. Therefore, policies which single out liquor companies for criticism or advertising restrictions ignore the reality of alcohol equivalency. As evidence of their good faith, DISCUS points to the low consumption of liquor by underage Americans, the content of liquor ads to date which do not intend to attract children as many beer ads arguably do, and the industry's willingness to help develop and heed alcohol advertising guidelines.

The Administration's Options:

Call on Alcohol Companies and Broadcasters to Develop Common Advertising Code

The first option is to accept the DISCUS proposal and convene a commission of alcohol companies and broadcasters to develop advertising guidelines applicable to all beverage alcohol companies within ninety days. The advantages to this approach include: treating all segments of the alcohol industry equally to show that any form of beverage alcohol can be hazardous depending on the amount consumed, a concept not understood by most underage Americans; allowing the President to use the bully pulpit to publicly tackle the problem of underage drinking and direct the alcohol industry and broadcasters to assist in his efforts; addressing beer ads, which many parental and anti-alcohol groups argue brazenly target youngsters.

There are a few concerns with accepting the DISCUS proposal. It would be the first time the Administration has raised concerns about beer and wine ads. The beer and wine industries have little incentive to embrace the proposal and could strongly oppose it to sidestep challenges to the dominance and content of their ads. Furthermore, it is difficult for financially interested parties to restrict their self-promoting strategies in a meaningful way. Finally, DISCUS did not ask the President to involve parental groups or consumers in the code creation process.

Alcohol Counteradvertisements Required by the FCC

Mothers Against Drunk Drivers ("MADD") recently pursued a different and bold approach to the issue. On May 15, 1997, MADD petitioned the FCC to require broadcasters that air alcohol commercials to air *gratis* a significant amount of counterads informing children and adults of the dangers of beverage alcohol. We could embrace this proposal. MADD favors it, in part, because the counterads would convey to the public that it is dangerous to abuse beer and wine as well as liquor. The proposal may very well help reduce the incidence of alcohol abuse, since it models itself after the successful 1967 cigarette counterad campaign which the FCC legally compelled broadcasters to carry in the late 1960's. A counterad program falls clearly under the FCC's authority to regulate broadcasters, and, therefore, does not engender a jurisdiction dispute with the FTC.

There are, however, three problems with this proposal. First, the FCC may not be able to legally *require* broadcasters to carry alcohol counterads. The DC Circuit Court in Banzhaf v. FCC upheld the FCC's authority to require cigarette counterads, because the danger of cigarettes is inherent in the normal use of the product. Alcohol is not hazardous when ingested in moderation. Second, a counterad program would restrict neither the number nor placement of alcohol commercials, and, therefore, may fail to achieve a meaningful public health result. Third, we expect the alcohol and broadcast industries to strongly oppose the proposal.

Other Options

Prevent Backsliding by Continuing to Support Hundt's Efforts to Restrict Liquor Ads on TV

The Administration could prevent the growth of the liquor industry's minimal presence on television by encouraging the FCC to pressure the major networks to continue to refuse liquor ads or to produce advertising guidelines that severely restrict their number and placement. Such action would prevent backsliding on national alcohol policy and would convey clearly to the public that liquor is wholly inappropriate and illegal for persons under 21. The liquor industry would not have the opportunity to encourage teens who currently consume little liquor to consider a new substance that they do not know how to consume moderately. Finally, preventing liquor companies from promoting their products on mass media may help sustain the downward trend in liquor consumption by Americans.

The President can assert already that he has acted aggressively on the issue of youth and alcohol by pushing for the Zero Tolerance provision in the National Highway System Bill of 1995 and directly addressing the present advertising controversy in a radio address. He could declare that to help inform any further action he may take, he intends to wait for progress on the FCC and FTC inquiries and on pending research at NIH addressing advertising's effects on children. While present inaction would not engender great benefits, it would cause little harm. FCC Chairman Hundt is likely keep pressure on the networks to reject liquor ads. While various Representatives have encouraged Hundt to investigate the effects of liquor ads on youth, Congress is not jumpstarting concrete action on the issue.

The Senate has not convened any hearings on the matter and does not plan to at present.

Although a wait-and-see approach minimizes backsliding, it does not improve the public's awareness of the danger of abusing any form of beverage alcohol and allows beer companies to continue to flood television screens with characters like the Budweiser Frogs and Spuds Mackenzie that appeal to children.

Encourage the FTC to Examine the Extent to Which Current Alcohol Ads Target Children

The Administration could ask the FTC to determine whether any specific, widely broadcast alcohol ads target children. Pitofsky has hinted to the Senate Consumer Affairs Committee that his agency is investigating the matter. By publicly urging the FTC to focus sharply on any alcohol ads that may be targeting underage drinkers, the President would express his support for both agencies' assuming a helpful role in the controversy. The President's request to the FTC would also appease parental and anti-alcohol groups which believe the President should voice concern over all alcohol ads. Studies show that teens widely recognize and appreciate beer ads that feature animal characters and youthful cavorting. The beer industry would have difficulty objecting to the FTC's undertaking an inquiry in furtherance of its duty to regulate advertising practices.



Elena Kagan

06/25/97 03:28:00 PM

Record Type: Record

To: Elizabeth Drye

cc:

Subject: Distilled Spirits call

Message Creation Date was at 25-JUN-1997 15:28:00

where are we on the options memo I asked you guys to prepare on this issue?

----- Forwarded by Elena Kagan/OPD/EOP on 06/25/97 03:28 PM

Cheryl M. Carter

06/24/97 01:52:41 PM

Record Type: Record

To: Elena Kagan/OPD/EOP, Bruce N. Reed/OPD/EOP, Rahm I. Emanuel/WHO/EOP

cc: Michelle Crisci/WHO/EOP, Peter O'Keefe/WHO/EOP

Subject: Distilled Spirits call

As I mentioned last week they've been holding off making calls to your offices. I've just received another call from Tim Dudgeon, head of Federal Gov't Relations, Distilled Spirits Council, requesting an update. They are almost to the point of unleashing a public campaign on their request for a WH meeting. We need an answer to their letter to POTUS. I'm sure they will start calling you by end of week if I don't tell them something.

In addition, according to Dudgeon, Sen. Daschle is getting ready to call Erskine on this.

We need to do something and I need to give them some kind of update today if at all possible.

Please help.

MEMORANDUM

I. BACKGROUND

- A. History of liquor ads. (See previous memo).
- B. What this Administration has done
 - 1. POTUS letter to FCC
 - 2. DOJ letter to FCC
- C. Jurisdictional issue-- FTC/FCC

II. OPTIONS

- A. Convene Roundtable with Alcohol Industry- develop common code
 - 1. Describe DISCUS-type proposal.
 - 2. Pros: Fairness amongst industry. All parties could be involved. President takes bully pulpit on children/alcohol issue; brings all parties together.
 - 3. Cons. Difficulty in bringing beer/wine industries to table. Difficulty in establishing meaningful common code.
- B. Counteradvertisements
 - 1. Describe MADD proposal; use elsewhere of this method
 - 2. Pros: Can discuss equivalency; get message out to kids about dangers of alcohol
 - 3. Cons: Opposition by alcohol industry and broadcasters.
- C. Do nothing more.
 - 1. President has acted on this issue twice (liquor event, radio address). He should wait to see if FCC will act on investigation before further action.
 - 2. Pros.
 - 3. Cons. Liquor industry dissatisfied.
- D. FTC options?
- E. Develop ads?

III. RECOMMENDATION

Q: What does Justice support? HHS?

Notes from Conversation with Ripley Forbes- July 2, 1997

1. What is the best data that you have on the influence of alcohol ads on kids?

Here's the story. If you apply the idea behind the FDA tobacco rule, you don't need hard data. You just need to look at whether the most popular brands of beer among kids are the most heavily advertised. You also look at whether beer cos. are advertising in publications and on channels that are more likely to reach kids than adults. That is how the FDA handled the tobacco advertising issue.

You could also presume that beer companies advertise on TV in order to reach kids. That was the rationale behind banning tobacco from TV in 1970. TV has a strong affect on kids. There is however, no definitive study, although you could fund a study to see what brands of beer kids are drinking. NIAAA has found that certain types of beer ads attract certain types of kids- partying ads attract men as opposed to women, for example.

2. Is it just as important to keep kids away from alcohol as from tobacco?

Alcohol is a bigger threat to kids in terms of death. Tobacco and even pot won't kill them. Tobacco kills many years in the future. Alcohol kills kids and other innocent bystanders. When it comes to kids, and in fact everyone, beer is the problem. Alcohol abusers mostly abuse beer. Liquor and wine ads are not the problem. Beer ads are. We need to crack down! Beer is what is going to kill kids.

3. To whom should the Administration aim its response?

The public health objective has to be focused on kids. That is the way to get the beer industry involved, because they have publicly stated that kids should not be drinking. They have done psa's to discourage kids from drinking, but those are ineffective. Certainly, they are not as powerful as the beer ads. They are simply feel good ads for the industry. The industry has to comply with the law and aim for getting across a no use message. They can't object to that, because they have publicly stated that to be their position on youth and alcohol. Moreover, alcohol companies are not inherently evil like tobacco companies. There is no need to insidiously target kids in order to addict them early and replace dying customers. Besides, nearly everyone drinks as adults.

4. What is the public health objective in terms of youth and alcohol.

Abstinence for kids. Moderation for adults. One of the big problems with the alcohol industry is that all companies preach drinking moderately and responsibly, but they never define moderation. This needs to be done, because, currently, everyone thinks that the amount they drink is moderate. Alcohol equivalency is not really a kids issue. Beer is their problem. Equivalency is the concept used by the liquor companies to protest unequal treatment- higher tazes, no ads. HHS seems to have been touting equivalency, because Shalala is tight with DISCUS. Little things would help, too, like requiring alcohol companies to include calories content on their labels. That might discourage girls from

drinking too much. They could also use famous spokespeople who appeal to kids. Alcohol companies should be asked to fund research about what types of anti-drinking messages work with kids. The whole designated driver idea worked with adults, and it became cool to be the designated driver. But being the one not to drink is not necessarily cool for kids.

***In general, the Admin. need not remain consistent with what is stated in the Dietary Guidelines, because HHS really regrets ever having mentioned alcohol in the booklet.

5. What about the DISCUS idea?

A lot of good can come out of convening a summit. Even something like placement restrictions would be a big step. A summit would also show that the Administration is very concerned about teen drinking, but is not going to regulate the alcohol industry. Various helpful resolutions could come out of a summit.- 1) cos. agree to no longer use symbols aimed at kids- partying babes, frogs, and dogs. Wine ads are a good example. They are aimed at adults and contain none of the imagery found in beer ads. 2) stop advertising on TV 3) agreement to improve their psa's 4) agreement to fund a counterad program. 5) agreement to update the alcohol warning label- add calories content, a new message, larger size. In general, it would just be good to get the alcohol industry talking about how to keep kids away from their products. The President should express the agenda he desires at any summit meeting.

6. Should the Administration treat liquor differently than beer or wine?

There is nothing wrong with saying that liquor ads should be kept off the air. The President was right in saying that this will only make parents' jobs harder. But, you have to crack down on everyone, because everything the President said about liquor applies triple to beer. Beer may be the milk of the middle class, but it is against the law to sell it to kids, and the beer industry has agreed with that. The liquor industry is not seeking to target kids. They want to get on TV in order to take away some customers from the wine industry. Kids, however, are affected by liquor ads, even though DISCUS does not intend for them to be affected. This makes things harder for parents. The President should focus his efforts on getting the beer industry more concerned than they are about kids' abuse of their product.

7. What about the MADD counterad proposal?

It depends on how you define counterad. PSA's don't really work. Cigarette counterads targeted the tobacco industry and portrayed it as evil which is not appropriate in this case. It has merit, but it would be better for the govt. to avoid regulatory action and see if such an idea came out of a summit meeting.

Liquor Ads

- Bill Corr. -

NIAAA, SAMHSA, - treatment/prevention
→ what causes kids to drink

Director of NIAAA - not a strong
relationship

- BATF, Justice, FTC, FCC. -
Harriet Rals

- Rip Forbes -

- what research we have
what's on-going. -

- NIAAA. liquor, beer, wine. -

BATF - two wine manufacturers have
asked to put on their label, ^{on bottle and advertising}

For more info - ~~there are~~ ^{on health} effects of
USDA/HHS beer and wine,
Call 1-800-

- Wine industry views it as a positive
balance concern on warning label. -

Corr - met w/ Mike Fromann; Treasury -
- lawyers are saying they can't say no.

Corr - could lead to liquor industry