

**DISTILLED
SPIRITS
COUNCIL
OF THE
UNITED
STATES**

NEWS RELEASE

DISCUS is the trade association representing producers and marketers of distilled spirits sold in the United States.

Website: <http://www.distilledspirits.org>

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Distilled Spirits Industry Issues Fifth Public Report On Advertising and Marketing Complaints

WASHINGTON, DC – The Distilled Spirits Council (DISCUS) today issued its fifth Semi-Annual Report detailing complaints about 16 alcohol advertisements, actions taken by the industry’s internal review board and the response by each advertiser. The Report covers Code Review Board actions for the period of July 1, 2006 through December 31, 2006. To view the Report, go to: <http://www.discus.org/responsibility/code.asp>

Of the 16 advertisements, nine were found in violation by the Code Review Board. Of those nine, only one company found in violation failed to take corrective action.

“While this recent Report continued to show 100 percent compliance by Distilled Spirits Council members with Code Review Board decisions, importantly, there also was overwhelming compliance by non-members,” said DISCUS President and CEO Peter Cressy, who noted that of the 7 non-DISCUS member ads found in violation, six were pulled. “These results show that the Code review process continues to have a positive and significant impact in the marketplace and that the industry’s self-regulation works,” he added.

The Report also consists of a section on recent DISCUS Code Review Board activities. The most significant was the organization and execution of a media buying summit to enhance industry-wide compliance with the 70% 21+ placement provision. The summit brought together major media research firms such as Arbitron, Nielsen, Mediamark Research Inc. (MRI) and comScore; and spirits industry leaders.

Background

The over 70-year-old DISCUS *Code of Responsible Practices for Beverage Alcohol Advertising and Marketing* provides for a Code Review Board, comprised of senior member company representatives, that is charged with reviewing complaints about advertising and marketing materials in the marketplace. Additionally, the Code has an advisory board made up of outside independent experts from academia, government and broadcasting.

The distilled spirits industry’s approach to self-regulation, pointed to as a model by the Federal Trade Commission, has been commended on numerous occasions by regulators, industry watchdogs and the media. The Semi-Annual Code Report was the recipient of PR News Corporate Social Responsibility award for best Business Ethics

Communications, and was a finalist for Best Corporate Social Responsibility Program for the American Business AwardsSM.

To view the DISCUS *Code of Responsible Practices for Beverage Alcohol Advertising and Marketing*, go to <http://www.discus.org/responsibility/code/read.asp>.