

# NEWS RELEASE

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

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

For Immediate Release  
August 18, 2006

CONTACT: Frank Coleman or Lisa Hawkins  
(202) 682-8840

## **Distilled Spirits Industry Issues Fourth Public Report On Advertising and Marketing Complaints**

WASHINGTON, DC – The Distilled Spirits Council today released its fourth semi-annual public report covering January 1, 2006 – June 30, 2006, outlining complaints about industry advertising and marketing, actions taken by the industry’s advertising compliance review board, and the response by each advertiser.

The report includes six complaints about the content or placement of advertising and marketing materials that ran in the first half of 2006. Of the six complaints, three were found in violation of the spirits industry’s 70-year-old Code of Responsible Practices for Beverage Alcohol Advertising and Marketing by the Code Review Board.

“Once again, there has been 100% compliance with the Code Review Board decisions by Council members and the Board continues to urge compliance by non-Council members,” said Council President Peter Cressy.

“Since the industry went to transparent public reports in March, 2005, the numbers of complaints and, most importantly, violations have generally declined. The distilled spirits industry’s self-regulation through the Code and the transparent public reports have been highly effective,” he added.

To view the entire fourth edition Code Report: [http://www.discus.org/pdf/Semi-Annual\\_ReportJanJun2006.pdf](http://www.discus.org/pdf/Semi-Annual_ReportJanJun2006.pdf).

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

The report also showcased the industry’s outreach efforts to government agencies and officials, with several state alcohol beverage commissions now linking to the Council’s website or directly to the Code.

“We continue to urge government agencies and other interested parties to link to the Code, both to provide detailed information about the industry’s advertising and marketing practices, and to refer inquiries or concerns to the Code Review Board for

rapid consideration,” Cressy added. “Our goal is to increase awareness of the Code and to increase compliance with its provisions.”

He noted the Code Report is an important element of the industry’s longstanding corporate responsibility efforts and that the transparent reporting system has been recognized as a model for other industries by both regulators and industry critics.

During the same period, 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 from the American Business Awards.

The spirits industry’s Code of Responsible Practices for Beverage Alcohol Advertising and Marketing has numerous provisions governing responsible placement and content, which are revised for changes to societal mores and technology. It 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.

Any individual or organization can file a complaint with the Code Review Board. After receiving a complaint the Board determines whether the advertisement violates any provisions of the Code and informs the advertiser. If a violation has occurred, it urges the company in question to revise or pull the offending advertisement. Throughout the decades, there has been 100% compliance by Distilled Spirits Council member companies with Board decisions.