

# 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 First-Ever Public Report on Advertising/Marketing Complaints--Marks First Public Complaint Report Issued by Industry Trade Group**

WASHINGTON, DC – The Distilled Spirits Council (DISCUS) today issued the first-ever public report detailing complaints about specific alcohol advertisements, decisions of the industry's internal review board and actions taken by each advertiser.

“This demonstrates our industry's strong commitment to responsibility. Further, by releasing Code Review Board reports, we believe it will make clear that self-regulation works and will encourage full compliance with the Code and Code Review Board decisions,” said DISCUS President Peter H. Cressy.

“For more than 70 years, the distilled spirits industry has been committed to effective self-regulation through the industry's voluntary advertising code. The issuance of public reports will make the spirits industry's self-regulatory process more visible, transparent and understandable to the public,” he added.

Unique among the beverage alcohol industry, the DISCUS 70-year-old 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 includes an advisory board made up of outside experts from academia, government and broadcasting.

The report includes 15 complaints about the content or placement of specific distilled spirits print advertisements, marketing and website materials that ran in 2004. Each complaint summary in the report identifies the advertisement, advertiser, nature of the complaint, the Code Review Board decision and the subsequent action of the advertiser. The report also provides information on how to file a complaint.

“Code Review Board decisions have never before been made public and, as a consequence, the rigor of the Board's review process and adherence to the Board's decisions have not been widely recognized,” said Cressy pointing out that the overwhelming majority of advertisers pulled or changed their advertisements based on the findings of the Code Review Board. “This has implications beyond the beverage alcohol industry. In an era where corporate responsibility is high in people's minds, this

is an example of how an industry can effectively regulate itself and raise public confidence.”

The Federal Trade Commission, the lead Federal agency with advertising oversight, has commended the DISCUS Code on several occasions, including most recently in an FTC letter to industry critics, which pointed to the DISCUS Code as a model of self-regulation. Additionally, in its most recent Report to Congress (2003), the FTC stated that the distilled spirits industry’s self-regulatory measures are “rigorous” and effective.

The issuance of public reports is one of many enhancements made to the DISCUS Code in 2003. Other Code changes include: a 70% adult demographic for ad placements; post-audits of ad placements; the establishment of an outside Code advisory board; models/actors in advertisements must be at least 25 years old; and more explicit provisions prohibiting depictions of excessive drinking and use of sex as a selling point.

Future public complaint reports will be issued semi-annually. To view the report of complaint decisions, go to [www.distilledspirits.org](http://www.distilledspirits.org). To view the DISCUS Code of Responsible Practices for Beverage Alcohol Advertising and Marketing, go to [www.distilledspirits.org/industry/code/code.htm](http://www.distilledspirits.org/industry/code/code.htm)