

Alcohol strategy and the drinks industry

A partnership for prevention?

Rob Baggott

The government has identified the drinks industry as a key partner in preventing alcohol problems and reducing levels of harm. This report examines how policy has developed as a result.

The research considers the perspectives of various stakeholders, and sheds light on the government's approach to alcohol problems and the drinks industry. This plan was set out in its Alcohol Harm Reduction Strategy for England and the Public Health White Paper 'Choosing Health', both published in 2004. This approach, which emphasised corporate social responsibility within the industry, was heavily criticised in some quarters. Critics believed that the government had delegated an important area of public policy to a powerful commercial interest.

The report examines the nature of the drinks industry, its perspective on alcohol problems and the formation and implementation of key elements of the government's alcohol strategy. It also looks at the industry's previous involvement in education and research, its efforts to self-regulate and the role of industry within partnerships. The author suggests ways to improve regulation, self-regulation, industry activity in education, training and research, and partnership working. There are also recommendations for future research into alcohol policy.

The research took the form of a literature review and semi-structured interviews with representatives from the drinks industry, the professions, the voluntary sector, academics, government and the public sector. It is of interest to anyone researching, developing or implementing alcohol policy, and to those in the drinks industry, the NHS and the voluntary sector.



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Contents

Acknowledgements	vii
List of abbreviations	viii
Executive summary	ix
Introduction	1
1 The alcoholic drinks industry and social responsibility	2
Representing the industry	2
The industry's perspectives on alcohol problems	3
Criticism of the industry's efforts	6
Conclusions	7
2 The formation and implementation of the alcohol strategy	9
National social responsibility scheme	9
The independent national fund	10
Local schemes	11
Conclusions	13
3 Industry initiatives in education and research	14
Education	14
Research	15
Conclusions	17
4 Self-regulation	18
What is self-regulation?	18
Advertising standards	20
The Portman Group code	22
Trade association codes	23
Corporate codes	25
Evaluating the codes on advertising, marketing and promotion	26
Responsible retailing	27
Other self-regulatory initiatives	31
Self-regulation: an overview	31
Conclusions	34
5 Partnerships	36
The importance of partnership ... and its perils	36
National partnerships	37
Local partnerships	38
Conclusions	41

6	Conclusions	42
	Government's alcohol strategy	42
	The drinks industry	42
	Education and research	43
	Self-regulation	43
	Partnership	44
	References	46

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List of abbreviations

ACPO	Association of Chief Police Officers	DCMS	Department for Culture, Media and Sport
ACS	Association of Convenience Stores	ERAB	European Research Advisory Board
ADZs	Alcohol disorder zones	ICAP	International Center for Alcohol Policies
AERC	Alcohol Education and Research Council	IPPR	Institute for Public Policy Research
AFS	Alcohol Focus Scotland	LACORS	Local authorities co-ordinators of regulatory services
AMR	Association of Multiple Retailers	NGO	Non-governmental organisation
ASA	Advertising Standards Authority	OCPA	Office of the Commissioner for Public Appointments
BBPA	British Beer and Pub Association	OFCOM	Office of Communications
BCAP	Broadcast Committee of Advertising Practice	PASS	Proof of age standards scheme
BEDA	Bar Entertainment and Dance Association	SAOs	Social aspects organisations
BII	British Institute of Innkeeping	SMACAP	Scottish Ministerial Advisory Committee on Alcohol Policy
BIIAB	BII Awards Board	SWA	Scotch Whisky Association
BRC	British Retail Consortium	TASC	Tackling Alcohol-related Street Crime
CAP	Committee of Advertising Practice	WSA	Wine and Spirits Association
CDRPs	Crime and Disorder Reduction Partnerships		
CSR	Corporate social responsibility		

Executive summary

- The Government's alcohol strategy identified the drinks industry as a key partner in tackling alcohol problems. Specific proposals included local and national social responsibility schemes with financial contributions from the industry. This aroused concern among those dealing with the consequences of alcohol misuse who doubted the willingness and ability of the industry to develop effective self-regulatory systems or to engage in genuine partnership working.
- The Government's initial proposals changed considerably following discussions with the industry. At national level, a new industry-wide social responsibility standards document was produced. Although this set out key principles, standards and good practice, it did not supersede existing codes and was not accompanied by new mechanisms for monitoring, implementation and accreditation. The standards document also failed to address some of the acknowledged weaknesses of self-regulation in this field, such as fragmentation, duplication, gaps and inconsistencies between existing codes covering different sectors and aspects of the industry. Furthermore, it did not set out ways of strengthening enforcement, extending independent input into self-regulation or improving public accountability.
- The industry strongly opposed proposals to create new independent funds at local and national level for tackling alcohol problems. At national level, a compromise was reached, which led to the reform of an existing industry trust (the Drinkaware Trust) to give it greater independence. At local level, Government sought new statutory powers for the police and local authorities to compel the alcohol retailers to contribute to local initiatives, in the form of alcohol disorder zones (ADZs), which were strongly opposed by the industry.
- The industry acknowledges that the production and sale of alcoholic drinks carries with it important social responsibilities. Efforts to strengthen social responsibility followed adverse media coverage about binge drinking. Wider commitments to corporate social responsibility (CSR) across the business sector also provided an impetus. The large multinational drinks producers have played a key role in promoting CSR within the drinks industry. These businesses have been motivated by the need to protect both brand and corporate reputations. Retailers have also been motivated by a concern for reputation. However, there are differences in perspective between and within different sectors of the industry, which rarely become public.
- The industry's response to alcohol problems has so far depended heavily on the willingness and ability of the larger companies to lead a diverse and dynamic industry. In future much will depend on, not only their continued commitment, but on the extension of social responsibility across the industry as a whole.
- Competitive pressures within the industry are strong and can operate against social responsibility.

- The industry is opposed to policies that seek to control overall levels of alcohol consumption. Its critics are concerned that it can discredit and resist effective public health interventions that it perceives as a threat to profitability. They are worried about the industry's economic and political power, and its influence over policy. They are particularly critical of the Portman Group, which in their view lacks independence. Critics urge that both the educational and regulatory functions of the Portman Group be transferred to a body independent of the industry. It is envisaged that most of the Portman Group's educational functions will be transferred to the new Drinkaware Trust.
- Those outside the industry acknowledge that it has a role to play in reducing alcohol problems. However, many are sceptical about the industry's social responsibility initiatives. Critics argue that it could do much more, especially in changing marketing practices, improving product development and shaping the drinking environment.
- The drinks industry has supported educational projects in the alcohol field. Critics believe that, although education can form a useful part of a broader strategy, it is relatively ineffective on its own. Some respondents were very critical of the industry's role in education and argued that it could do more to promote responsible drinking.
- The industry has supported alcohol research. Critics are concerned about the possible manipulation of research agendas and project findings by the industry. They pointed out that research, particularly when funded by the industry, must be governed in a way that explicitly protects the independence of researchers. It would appear that clearer criteria for research governance in the alcohol field are needed.
- Despite attempts to introduce national industry-wide standards, the industry is governed by a bewildering array of self-regulatory systems, which vary considerably in detail. Most are viewed by critics as relatively weak, particularly in terms of enforcement.
- Both industry and non-industry respondents stated that more could be done to promote a more effective system of co-regulation with the alcohol industry. In particular, self-regulation could be bolstered by clarifying the legality of socially responsible practices.
- Respondents from both within and outside the industry argued that training has a crucial role to play in supporting both statutory and self-regulation. Training should be evidence-based and informed by research on the impact of programmes on socially responsible practice, self-regulation and law enforcement.
- In the traditionally adversarial world of alcohol politics, partnership with industry can create tensions. On a positive note, the industry can bring resources as well as expertise (from the producers' knowledge of marketing and drinking patterns to the local 'street knowledge' of Pubwatch schemes). To refuse to have any input from the industry would cut off a potential source of resources and expertise. To exclude it from partnerships as a matter of principle would be short-sighted.

- The industry's commercial objectives can conflict with the public interest and this limits what it is able to do in the context of partnerships. The best way forward is to establish a coherent framework, which clarifies the scope and purpose of partnerships and which protects weaker participants and the public interest. This might include a national alcohol forum involving all stakeholders, including the industry.
 - The industry must be engaged where it makes a genuine contribution to the reduction of alcohol problems. One such area is local retailing schemes, such as Pubwatch and other locally based alcohol partnership arrangements and projects. There is already evidence from 'flagship' projects to suggest that partnership with the industry can bring benefits. However, there needs to be a comprehensive review of the impact of such schemes and widespread dissemination of the lessons they hold, which could be reflected in future guidance and monitoring of partnership arrangements.
 - There needs to be a full and open debate about the role of the drinks industry in the governance of alcohol, including partnerships.
- Many topics merit further research including:
 - an independent evaluation of the national standards, the new Drinkaware Trust and alcohol disorder zones, following implementation
 - an investigation of how the different parts of the industry relate to each other on social responsibility issues
 - a study of the influence of the industry within the policy process
 - an examination of the facilitators and barriers to socially responsible practice within the drinks industry
 - a comprehensive study of the impact of alcohol education campaigns
 - an investigation of different models of research governance in the alcohol field
 - an assessment of the impact of self-regulation in specific fields, including advertising, marketing and promotion, the drinking environment, under-age drinking and training
 - an evaluation of training schemes and how they contribute to self-regulation, socially responsible practice and the observation of legal provisions
 - a comprehensive review of the impact of partnership working at local level.

Introduction

The Government's Alcohol Harm Reduction Strategy for England (Cabinet Office, 2004), and the subsequent White Paper on Public Health (Cm. 6374, 2004), identified the drinks industry as a key partner in tackling alcohol problems. The industry was called upon to strengthen its own standards and practices while contributing financially to projects in the alcohol field. Specific proposals included the establishment of new 'social responsibility' schemes for the industry at national and local level.

The prominence given to the industry aroused concern, particularly among those dealing with the consequences of alcohol misuse (see Drummond, 2004; Alcohol Concern, 2005; Room, 2005). Doubts were expressed about the industry's willingness and ability to develop effective self-regulatory systems and to engage in genuine partnership working. Critics believed that the industry would not countenance measures that threatened its commercial objectives and that the Government had, in effect, delegated an important area of public policy to a powerful commercial lobby.

This report examines this crucial aspect of the Government's alcohol strategy and its early implementation. Chapter 1 examines the nature

of the industry, its key institutions and perspectives on alcohol-related harm. Chapter 2 explores the formation and implementation of the elements of the Government's alcohol strategy that relate to the industry. Chapter 3 examines the industry's involvement in initiatives in the field of education and research. Chapter 4 focuses on self-regulation within the industry, while Chapter 5 considers the activities of the industry within various partnership arrangements.

The research took the form of a literature search on industry initiatives in the alcohol field, self-regulation and partnership working. In addition, 25 semi-structured interviews were undertaken during 2005 with participants from the drinks industry, the voluntary sector, professional organisations, academia, Government and the public sector. (To maintain confidentiality, interviewees' contributions are referenced in the text as follows: I1–14 for industry respondents and N1–11 for non-industry respondents – including government personnel.) The researcher was also invited to participate in and observe two stakeholder meetings held by the Portman Group.

1 The alcoholic drinks industry and social responsibility

This chapter examines the nature of the alcoholic drinks industry in the UK, its main representative organisations and institutions on alcohol policy issues, and its perspectives on alcohol-related harm.

In 2004, the estimated value of the UK alcoholic drinks market was over £40 billion, around 6 per cent of consumer spending (see Key Note, 2005). However, this economically important industry has undergone many changes in recent years. Production is concentrated in large multinational corporations with interests across the main types of alcoholic beverage: beer, spirits and wine. These corporations, which include Diageo, Scottish and Newcastle, and Pernod Ricard, increasingly focus on heavily promoted and advertised global brands. The rise of global corporations and their brands has strengthened both the market power and the political leverage of these large producer companies. However, several other developments have provided a counterweight to this. Smaller, 'niche-market' producers have emerged, focusing on specific sectors of the market (such as 'designer drinks'). There have also been important structural changes in the retail sector, such as the transfer of most brewery-owned pubs to new independent retail operators known as 'pubcos'. Other important trends have been the increase in supermarket sales of alcohol and the growing numbers of entertainment establishments associated with the new night-time economy.

Representing the industry

The industry is represented by several trade associations. These include the British Beer and

Pub Association (BBPA), which represents over half of all pubs and all the large brewers. It is regarded as an effective trade association and, in the words of one informant (N11), 'is a strong negotiator on the industry's behalf'. In recent years, the BBPA's profile has grown in relation to social responsibility issues, particularly with the development of the code on point of sale promotions (discussed in Chapter 4). Other associations involved in social responsibility issues include the Scotch Whisky Association (SWA), the Wine and Spirits Association (WSA), the Association of Convenience Stores (ACS), the British Retail Consortium (BRC), the Association of Multiple Retailers (AMR), the Bar Entertainment and Dance Association (BEDA), the British Institute of Innkeeping (BII) and the Advertising Association.

The Portman Group

The key industry organisation on alcohol misuse issues is the Portman Group, formed in 1989 by the leading drinks producers to bring together various 'social responsibility' initiatives. Although retailers may join the Portman Group as associate members, and indeed provide a small part of its funding, producers continue to dominate both its funding and governance. The Portman Group has a number of roles. It operates a self-regulatory scheme for alcohol producers on the marketing, packaging and promotion of alcoholic drinks (see Chapter 4). It also currently funds various educational initiatives to promote responsible drinking and to reduce alcohol-related harm (see Chapter 3), though most of this activity will be superseded by the

Government's plans for an independent national fund (see Chapter 2).

The industry respondents interviewed for this study argued that the Portman Group has a considerable amount of independence. In the words of one, it could be 'tough on its paymasters' (17). Internal criticisms were minor, mainly about governance arrangements, notably from retailers who thought the organisation was too closely tied to large producer interests. Some industry informants stated that the Portman Group could do more to include non-industry stakeholders. Indeed, a stakeholder group was established during the period covered by this research (including academics, civil servants, alcohol charities, health professionals and youth organisations).

Non-industry respondents were far more critical. They saw the Portman Group as a powerful public relations body and lobbyist for the industry. Critics argued that there was conflict between its roles of 'industry watchdog', 'alcohol misuse prevention body' and 'representative of the industry'. They maintained that the Portman Group lacked independence and would inevitably reflect the interests of its funders by, for example, ignoring or discrediting evidence that did not fit with the industry's perspective on the causes of alcohol misuse. There was also criticism of its educational and information campaigns for placing too much emphasis on the responsibility of individual consumers and for not sufficiently highlighting the long-term risks of heavy drinking (see Chapter 3). Added to this was wider concern about the influence of the Portman Group over alcohol research, which followed the decision to appoint its then chief executive to the Alcohol Education and

Research Council (AERC) – discussed further in Chapter 3.

Indeed, the Portman Group was portrayed by these respondents in a similar light to other 'social aspects organisations' (SAOs) funded by the industry. SAOs exist within various countries and also operate at the European and international level (for example, the Amsterdam Group and the International Center for Alcohol Policies – ICAP). Elsewhere, critics of the industry have concluded that the main aim of SAOs is to manage issues that are potentially detrimental to the alcohol business (Babor, 2000; Eurocare, 2003).

The Portman Group strenuously denies that it is a lobbyist for the industry. Its former chief executive has stated that:

... the Portman Group is not a trade association or a lobby group. It does not represent the industry. It has no commercial purpose. Its role is to promote responsible drinking by the consumer and responsible marketing by producers.
(Coussins, 2004)

Even so, non-industry respondents argued that a lack of transparency undermined the credibility of the Portman Group and of the alcohol industry as a whole. The majority of non-industry people who were interviewed favoured transferring the Portman Group's educational functions and regulatory roles to a body with visible independence from the industry.

The industry's perspectives on alcohol problems

The industry acknowledges that a range of individual and social problems are associated

with alcohol. However, it views these as a consequence of misuse by a minority of the population. Furthermore, the industry focuses on causal factors pertaining to the individual or particular 'high-risk' population groups, rather than on social or environmental influences on the population as a whole. It follows that the interventions endorsed by the industry are those that target individuals and population subgroups, including education, biomedical and psychosocial research, support and treatment for those with alcohol problems. The industry rejects policies that target whole populations, particularly those that seek to control overall alcohol-consumption levels, despite evidence of their potential effectiveness in reducing alcohol problems (Babor *et al.*, 2003; Academy of Medical Sciences, 2004; Room *et al.*, 2005). But the industry does accept that its practices can impact on factors such as the drinking environment and culture. Indeed, it maintains it has always acknowledged that its products are capable of being misused and claims to have pursued a socially responsible approach for many years. More recently, heightened awareness of corporate social responsibility (CSR) across the wider business sector has forced the industry to be more explicit in setting out its position.

Corporate image and reputation

The key principle of CSR is that modern corporations will thrive, not by being narrow and self-interested, but by being good corporate citizens. Advocates of CSR argue that projects benefiting the public along with voluntary efforts to reduce external costs imposed by corporations on society can have a positive effect on the enterprise, by creating a better

environment for business, new markets and improved relationships with consumers and employees (see Grayson and Hodges, 2004).

Although critics of CSR are correct in identifying its limits within the corporate entities that predominate today (see Bakan, 2005), there are situations where the profit motive may be compatible with greater social responsibility. In the drinks industry, the large multinationals seem particularly concerned that the brands in which they have heavily invested may attract adverse publicity linked to alcohol problems. When asked about the motivation for social responsibility, one respondent from a large producer replied 'we don't want our brands brought down' (I11), while another said it was 'driven primarily by pride and professionalism in our products. The company wants to take care of its brands' (I13) (see also Grant and O'Connor, 2005). The large producers are also anxious that the activities of other producers (and also some retailers) may damage the reputation of the industry as a whole. Indeed, as one industry respondent put it, 'there is now a free-trade mentality with many small operators, the old authority structures have gone' (I11).

A concern for reputation is not confined to the large producers. An interviewee from a pubco stated that its policy on social responsibility emerged from 'a concern for reputation' and 'the prospect of having the corporate name dragged into bad publicity about alcohol' (I14), while a spokesperson from a retail trade association observed that:

The drinks industry is anxious about its image. It is not just worried about the consequences of this in terms of government intervention. It is also

concerned about the public, shareholder and investor confidence in the industry. The public image of the industry is very important.

(I8)

Recent social responsibility initiatives have been triggered by bad publicity surrounding alcohol problems – and in particular binge drinking. Industry respondents argued that the media exaggerated these problems. Indeed, one respondent (I14) stated that some landlords had banned from their premises copies of the *Daily Mail* and *Mail on Sunday* because of their hostility towards the industry. Yet it was the extensive and negative media coverage on alcohol that forced the Government to take a much tougher line with the industry. Notably, the Government's alcohol strategy (see Chapter 2) had threatened further intervention if the industry did not respond accordingly. Interviewees seemed convinced that this was a genuine threat that created a powerful incentive for the industry to act.

Competitive pressures also played an important part in shaping the industry's views. The large operators stated in interview that they wanted to protect their brands, not only from adverse publicity, but also from opportunistic new entrants. The industry interviewees – all from larger companies and established trade associations – were scathing about the 'cowboys' who could ruin the industry's reputation. These included 'rogue landlords' and 'get-rich-quick' producers and retailers who had no long-term commitment to the industry but wanted to make a 'fast buck'.

In other circumstances, however, it may suit large corporations to turn a blind eye to the operations of 'rogue' companies if their

products and practices offer potential future gains for all, as suggested by one non-industry interviewee:

What seems to have happened is that the 'bad boys' have 'slashed and burned', carving out new markets and developing new products, with new approaches to marketing and promotion. Larger companies have watched them and condemn their practices when they attract criticism from media or Government. But they also have the option of developing similar products if they feel it is commercially viable.

(N2)

Fragmentation and leadership

There are clearly limits to social responsibility. One limiting factor, noted by both industry and non-industry observers, is the dynamic and diverse nature of the industry (see also Social Market Foundation, 2006, pp. 30–3). Although the industry is adept at producing a common front, it does disagree in private. Each drinks sector has its own traditions and representative institutions. There is a tendency to blame and criticise other sectors for the problem. Hence, producers tend to complain about poor retail practices, pub landlords blame off-licences for under-age sales and cheap alcohol, and off-licence proprietors see binge drinking as chiefly a problem for pubs and bars. However, some industry respondents in this study believed that the rivalry and tensions between the different parts of the trade were exaggerated, and that each sector now had much in common in tackling alcohol problems.

The involvement of large producer companies in social responsibility initiatives has helped to offset the effects of fragmentation.

Most interviewees (from both within and outside the industry) acknowledged that the large multinational companies were at the forefront of efforts to improve standards. From an industry perspective, the Portman Group was seen as an integrating force, though its domination by producers undermined its legitimacy as the voice of the industry as a whole. Another integrating factor is that various companies, trade associations and other industry bodies are linked by overlapping memberships, and key industry figures sit on several important committees. Furthermore, the major companies, trade associations and the Portman Group are in regular contact with each other on issues of common interest.

Although there is leadership in the industry, interviewees from within and outside it stressed the importance of a continued commitment by the large producers and trade bodies to tackling alcohol problems. Furthermore, they said it was imperative that social responsibility extends throughout the whole industry.

Although there are internal debates, open disagreements are extremely rare. It is relatively unusual for one company or sector of the industry to 'break cover', for example by taking additional steps that might pressure others to do more. However, this does occasionally happen, as the following two examples illustrate. When Diageo hosted a conference on alcohol misuse, organised by the Institute for Public Policy Research (IPPR), at which the Prime Minister Tony Blair made a speech about the urgent need to tackle binge drinking, some within the industry were reportedly furious (Finch, 2004, p. 31). When, on another occasion, the Scotch Whisky Association (SWA) introduced financial penalties for breaches of its

advertising and marketing code of practice (see Chapter 4), others within the alcohol industry were critical, believing that this set a dangerous precedent for other codes.

Criticism of the industry's efforts

Critics of the industry acknowledged that it was concerned about its public image. They also realised that in some circumstances it was profitable for the industry to be socially responsible. For example, by increasing the amount of food served in licensed premises, the industry could increase profits and contribute to a reduction in alcohol problems, such as disorder. Moreover, in certain circumstances, producer and retailers could increase profits by raising prices, which could reduce excessive consumption. However, the contemporary drinks market was seen as pulling in the opposite direction. Reduced margins and increasing numbers of outlets tended to drive prices down, increasing both consumption and alcohol problems. Given these pressures, critics doubted the industry's commitment to social responsibility. According to one, for example:

CSR ... enables the companies to dispel suspicions, appear caring and satisfy shareholders that it is dealing with the long-term potential threats to its business such as anti-industry campaigns and increased government regulation.
(N9)

The broad sentiment from critics was that CSR was 'tokenism'. Some felt that the industry was adopting a minimal approach, others saw it as an attempt to pass the blame. As one respondent observed: 'the trade tends to blame everyone else for the problem. Yet it has helped

create the conditions for today's problem' (N5). Another noted that the industry had lobbied successfully for longer licensing hours in England and Wales, and against safeguards that might have reduced the potential for disorder – such as statutory controls on the number of outlets in areas that were already 'saturated' (N10) and the designation of public health as a licensing objective.

Critics felt that the drinks industry could do much more to improve the drinking culture through product development and marketing, in particular through the development of low- and non-alcoholic drinks. One commented that 'the drinks industry has done much to create the drinking culture we have through its marketing activities' (N9). Another identified the impact of senior management on the cultural environment of its employees, in particular the impact of demanding sales targets, noting that 'some companies are very ruthless in setting sales targets for their retail managers. This creates incentives to engage in irresponsible promotions such as Happy Hours' (N1). With regard to this latter point, an exposé in *The Observer* in October 2005 uncovered:

... a ruthless campaign of economic incentives and psychological tricks to get customers to drink as much as possible when licensing laws are relaxed.

(Hinsliff and Asthana, 2005, pp. 1–2)

The non-industry respondents were critical of the industry's perspective on alcohol problems. One said she was surprised 'how little senior people in the industry understand about alcohol problems' (N3). Others saw this as deliberate ignorance; in the words of one, the 'industry won't accept the evidence' (N9). The

body of public health evidence was seen as a particular threat to the industry because it provided strong arguments for control policies.

Above all, critics were concerned about the industry's economic and political power. They felt the Government's Alcohol Harm Reduction Strategy had been strongly influenced by the industry. This was summed up neatly by one respondent:

The industry proved to be very influential during the review of alcohol strategy. Initially, before the politicians really got involved, much was left to the civil servants and an expert group. Problems began when the politicians got involved. Industry lobbied them behind the scenes about their concerns regarding the strategy. The strategy then began to move away from the evidence base and more aligned with the industry's perspectives.

(N11)

Conclusions

- The industry acknowledges that the production and sale of alcoholic drinks carries with it important social responsibilities. Efforts to strengthen social responsibility followed adverse media coverage about binge drinking. Wider commitments to corporate social responsibility (CSR) across the business sector were also important. The large multinational drinks producers have played a key role in promoting CSR within the drinks industry. These businesses have been motivated by the need to protect both brand and corporate reputations. Retailers were also motivated by a concern for reputation.

However, there are differences in perspective between and within different sectors of the industry, which rarely become public.

- The industry's response to alcohol problems has so far depended heavily on the willingness and ability of the larger companies to lead a diverse and dynamic industry. In future much will depend, not only on their continued commitment, but also on the extension of social responsibility across the industry as a whole.
- Competitive pressures within the industry are strong and can operate against social responsibility.
- The industry is opposed to policies that seek to control overall levels of alcohol consumption. Its critics are concerned that it can discredit and resist effective public health interventions that it perceives as a threat to profitability. They are worried about the industry's economic and political power, and its influence over policy. They are particularly critical of the Portman Group, which in their view lacks independence. Critics urge that the educational and regulatory functions of the Portman Group be transferred to a body independent of the industry.
- Those outside the industry acknowledge that it has a role to play in reducing alcohol problems. However, many are sceptical about the industry's social responsibility initiatives. Critics argue that it could do much more, especially in changing marketing practices, improving product development and shaping the drinking environment.
- Further research should include an examination of the facilitators and barriers to socially responsible practice within the contemporary drinks industry. There is also scope for an investigation of the relationships between the different sectors of the industry on social responsibility issues, in particular between the on- and off-trade, and between the traditional producer enterprises and 'new entrants'. In addition, a study of the influence of the drinks industry within the policy process, including its relationships with Government, Parliament and the media, would be timely.

2 The formation and implementation of the alcohol strategy

This chapter examines the Government's proposals to establish national and local social responsibility schemes for the drinks industry, and its subsequent decision to introduce alcohol disorder zones at local level.

National social responsibility scheme

One of the key proposals in the Government's Alcohol Harm Reduction Strategy was a tripartite national social responsibility scheme for drinks producers covering: the promotion of good practice in product development, branding, advertising and packaging; donations to an independent fund for alcohol projects; and promotion of good practice down the supply chain. However, following discussions with the industry, important changes were made. The independent fund proposal upset the industry and was temporarily put to one side. The remaining elements were fed into the production of a single document, *Social Responsibility Standards for the Production and Sale of Alcoholic Drinks in the UK*, published in November 2005 (hereafter known as the 'national standards'). This represented an attempt to persuade the whole industry to explicitly endorse key principles, standards and good practice.

However, the industry was adamant that the national standards would not replace existing codes, which governed specific aspects and sectors of the industry (such as advertising standards, point of sale promotions in pubs and bars, marketing and packaging, nightclub venues, the Scotch Whisky industry and so on – see Chapter 4). Arguments about how to resolve

differences between the various codes led to delays in the production of the national standards document. Further delays resulted from the dissatisfaction by Government with the draft document. The Home Office called for stronger and more explicit statements, particularly on issues such as under-age drinking and drunkenness. According to industry sources, delay was also caused by differences in perspective and poor co-ordination between the main government departments involved in alcohol policy (in particular the Home Office, Department of Health and the Department for Culture, Media and Sport).

The Government heralded the national standards document as a worthwhile exercise in setting 'aspirational' standards and achieving collaboration between all the major industry associations (and their member companies). The document included new industry-wide commitments to sensible drinking messages, display of alcohol content, training, and controlled exit and dispersal from licensed premises, while reiterating existing standards on advertising, marketing and promotion, under-age sales and serving to intoxicated persons. Although the industry representatives who were interviewed were pleased with the national standards document, they were worried that the Government would overstate its importance. For example, one industry insider, while welcoming the national standards, warned that the document was 'incredibly complicated, unenforceable and gimmicky' (I2). Another pointed out that 'we are slightly unclear about what the Government will be measuring the industry against' (I12).

Those from outside the industry agreed that the development of industry-wide standards provided both a statement of intent and a framework for the development of good practice. But they expressed doubts about monitoring, implementation and enforcement, noting that the document did not set clear targets or benchmarks against which the industry's efforts could be judged. They were also disappointed that the national standards did not promote the rationalisation or reform of existing sector-specific codes and therefore did not address the problems of fragmentation, duplication, gaps and inconsistencies that arose (see Chapter 4). Concerns were also expressed about the absence of an independent scrutiny and weak public accountability of the scheme. In addition, the national standards document lacked key elements mentioned in the original alcohol strategy, including means of spreading best practice, advising businesses that sought accreditation under the scheme, promoting the scheme and managing accreditation. There was no mention of an independent board to run the scheme, as in the original proposal.

At the time of writing, discussions continue about how to implement the national standards and monitor the performance of the industry against them. Some parts of the industry already have an internal review of performance, such as the Portman Group's audit of its 'commitment to action agreement', discussed in Chapter 4. It is possible that this 'self-audit' approach could be rolled out across the industry, tailored to the specific needs of each sector.

Meanwhile, the Government's proposed evaluation of the national standards scheme, mentioned in the original alcohol strategy

document, has yet to be clarified and it remains uncertain whether this will now take the form of an external review by an independent body or 'self-evaluation' by the industry itself. The timing of any evaluation is also unclear, although the alcohol strategy originally proposed a review early in the next Parliament (i.e. the current Parliament, elected in 2005).

The independent national fund

The alcohol strategy proposed a new national fund, with donations from industry, to finance projects to tackle alcohol-related harm. It was envisaged that this fund would be administered by an independent board with representatives from Government, industry, the voluntary sector, the health service and the community. This worried the industry, not least the industry-funded Portman Group (see Chapter 1). Some respondents argued that the establishment of a national fund would, in effect, nationalise the Portman Group. Others said that it would undermine or duplicate its efforts (and possibly other bodies, such as the Alcohol Education and Research Council – AERC – discussed in Chapter 3). Industry insiders argued that an independent fund was unnecessary because – in their eyes – the Portman Group was already sufficiently independent. The industry viewed the Government's response as a rather underhand way of increasing its contribution to social responsibility projects. According to one respondent, the industry 'was implacably opposed' to the proposal and had told the Government that, if it wanted a national fund, it would have to legislate.

Those outside the industry endorsed an

independent national fund to replace the Portman Group. They argued that the industry should not participate in the allocation of funds to projects. However, some agreed that the industry should be included in advisory structures along with other stakeholders. This would enable it to contribute to debates about priorities, but not dictate them. The key problem identified by non-industry respondents was how to separate the raising of funds from their allocation. Suggestions included a 'blind levy' on drinks companies, or an additional tax on alcohol, channelled through an independent body.

The Government decided against a new non-departmental body to administer the independent fund. (To have done so would have been at odds with its policy of reducing the number of 'arm's-length' public bodies.) Instead, it backed a proposal from the industry to separate the Portman Group's regulatory and educational roles. It was proposed that the latter would be transferred to a new trust based on the Portman Group's charitable arm, the Drinkaware Trust (see Chapter 3). Following months of deliberation between Government, the industry and other stakeholders (including alcohol agencies and health professionals), a memorandum of understanding was agreed in June 2006. This established a new trust (which for the time being will retain the 'Drinkaware' name). The trust will be run by 13 trustees (five from industry, five non-industry alcohol stakeholders, two lay people with no professional interest in alcohol and an independent chair). These will be appointed by a panel consisting of government, industry and non-industry representatives. The trust will be funded by industry, initially from Portman

Group member companies but with a commitment to encourage the wider industry to invest in the fund. According to industry insiders, suggestions for a turnover-based levy on all drinks producers and retailers were vetoed, largely because of opposition from the retail trade, particularly the large supermarkets. The Drinkaware Trust will be formally separated from the Portman Group and will have a new chief executive, though it may employ current Drinkaware Trust staff, subject to a review of staffing needs. The trust was given three key objectives: to increase awareness of safe and responsible drinking, and the impact of alcohol misuse on society and individuals; to improve attitudes towards safe and responsible drinking and the unacceptability of binge drinking; and to effect positive changes in behaviour related to alcohol consumption. The trust's performance against these objectives will be independently audited within three years of its creation. A number of principles underpinning the trust's work were also set out in the memorandum of agreement, including that the trust should act in the interests of the public and undertake programmes that are evidence-based.

Local schemes

The Government's Alcohol Harm Reduction Strategy proposed a code of good practice for retailers, along with local funds to combat alcohol misuse. It was intended that local codes would be shaped by a national framework drawn up by the industry and Government, which would include commitments to: tackle under-age drinking and set out proof of age requirements; impose guidelines on

irresponsible promotions; encourage the display of sensible drinking messages; and outline minimum staff training requirements.

In the event, separate codes were devised by on- and off-licence retail sectors. Retail issues were also incorporated in the national standards document mentioned earlier. The national standards document does not, however, give any indication about how these elements will be implemented at local level. This is in contrast to the proposals in the alcohol strategy, which suggested that a form of accreditation would be introduced and that adherence to local codes would be taken into account when official complaints were made against particular premises. Accreditation, it appears, has been discarded as a means of recognising good practice (see Social Market Foundation, 2006). The alcohol strategy also stated that take-up of the code at local level would be assessed as part of the proposed review of the social responsibility scheme. So far there has been no indication of when, or how, this will be done.

The alcohol strategy also proposed financial contributions from the industry towards managing crime and disorder, subject to a consultation process. The idea was that the industry would pay into a local fund, collected and managed by local authorities. Crime and Disorder Reduction Partnerships (CDRPs) and local communities would then decide how the funds would be used to tackle alcohol problems. This might include additional community support officers or late-night transport services. This aspect of the policy shifted considerably during 2005 in the face of opposition by retailers to new local funds (Social Market Foundation, 2006, p. 10) and the Government's proposals for alcohol disorder zones.

Alcohol disorder zones

Further concern about binge drinking and alcohol-related crime and disorder led the Government to issue a new consultation paper (DCMS *et al.*, 2005) containing plans for alcohol disorder zones (ADZs), alongside more powers for police to tackle under-age drinking and disorderly premises. Legislation was brought forward during 2005 in the form of the Violent Crime Reduction Bill, which at the time of writing is completing its final parliamentary stages.

ADZs were proposed as a means by which local authorities and the police could promote action on alcohol problems, such as nuisance or disorder. Licensed premises in problem areas will have eight weeks to implement an action plan prepared by the local authority and chief of police. Failure to comply will lead to the designation of an ADZ, which will force licensed premises to contribute financially to the cost of managing and reducing the area's alcohol-related problems.

The drinks industry respondents in this study were scathing about ADZs, one describing the idea as 'wacky and crass' (I4) and another as 'upside down, back to front and wrong-headed' (I8). They believed that ADZs heralded a more adversarial and confrontational approach by the Government, and argued that the policy was unfair to well-managed premises. Critics maintained that ADZs failed to take into account that the causes of alcohol misuse might lie outside the designated zone – for example, excessive drinking could take place at home or in other establishments prior to any disorder. They also argued such zones could stigmatise the designated areas and might actually make disorder worse by attracting

hooligan elements. Furthermore, the zones could have adverse effects on businesses in the area by discouraging well-behaved customers. It was argued that ADZs could remove the incentive for businesses to undertake voluntary, partnership and self-regulatory activities to reduce alcohol problems. Finally, critics maintained that there was no clear relationship between resources raised and spending on alcohol-related initiatives because the funds were not ring-fenced.

Some non-industry respondents shared these concerns, notably with regard to possible stigma associated with ADZs, the failure to ring-fence funds and unfairness to well-managed outlets. In addition, there were fears that the proposals might be unworkable or could be vulnerable to legal challenge both in relation to practice (on the grounds for designation, for example) and on principle (enforced contributions from premises not promoting disorder). The lack of detail about how the scheme would actually work in practice was heavily criticised. The broad sentiment expressed by these respondents was that the ADZ proposals were 'a stopgap' (N5) or a 'piecemeal intervention' (N3), which would do little to prevent alcohol problems.

From the Government's perspective, this policy reflected a manifesto commitment on alcohol-related disorder and violence (Labour Party, 2005), which arose both from sustained media pressure on the binge drinking issue and from the reluctance of the industry to contribute to the local funds identified in the Alcohol Harm Reduction Strategy. Ministers also claimed that ADZs would be used only as a last resort, where voluntary co-operation with the industry was not forthcoming.

Conclusions

- The Government's initial proposals changed considerably following discussions with the industry. At national level, a new industry-wide social responsibility standards document was produced. Although this set out key principles, standards and good practice, it did not supersede existing codes. It was not accompanied by new mechanisms for monitoring, implementation and accreditation. The standards document also failed to address some of the acknowledged weaknesses of self-regulation in this field, such as fragmentation, duplication, gaps and inconsistencies between existing codes covering different sectors and aspects of the industry. Furthermore, it did not set out ways of strengthening enforcement, extending independent input into self-regulation or improving public accountability.
- The industry strongly opposed proposals to create new independent funds at local and national level for tackling alcohol problems. At national level, a compromise was reached, which led to the reform of an existing industry trust (the Drinkaware Trust) to give it greater independence. At local level, Government sought new statutory powers for the police and local authorities to compel the alcohol retailers to contribute to local initiatives, in the form of ADZs, which were strongly opposed by the industry.
- Further research must include an independent evaluation of the impact of the national standards, the new Drinkaware Trust and, when implemented, ADZs.

3 Industry initiatives in education and research

There are many possible ways of preventing alcohol problems. For reasons explored in the previous chapter, the drink industry favours those that focus on individuals or groups of people, rather than population-wide approaches. It also prefers interventions that seek to educate or inform people about alcohol problems rather than restrictions on the industry or its customers. Education (including the provision of public information) and certain research activities tend to score highly on both criteria and are therefore strongly favoured by the industry. This chapter examines the involvement of industry in sponsoring activities in education and research, and considers the views of those critical of the industry's role in these areas.

Education

During the late 1970s, heightened concern about alcohol problems in general, and drink-driving and under-age drinking in particular, led the industry to extend its efforts to educate and inform the public. Although individual companies and trade associations had previously undertaken public information campaigns – on drink-driving, for example – the industry began to engage in a more collective effort. A number of high-profile industry projects were subsequently launched, including the 'Wheelwatch' and 'Agewatch' campaigns, aimed at drink-driving and under-age drinking respectively.

In the 1990s, many of the industry's educational initiatives were taken up and extended by the Portman Group, which

undertook a range of activities including the 'I'll be Des' campaign, aimed at deterring drinking and driving, and the provision of educational materials for use in schools and colleges. Meanwhile, individual companies continued to sponsor educational activities and in some cases ran their own information campaigns. More recently, companies have included education messages in their own sponsorship and advertising (see below).

Although drink-driving and under-age drinking remain important areas of activity, the industry has moved beyond these to address issues of drunkenness and binge drinking. Examples include the Portman Group's 'Don't do drunk' campaign (launched in 2001) and, more recently, the Diageo TV advertisements ('Many me' and 'Mirror', screened from February 2006). Other initiatives to disseminate information on responsible drinking include activities under the aegis of the Drinkaware Trust (the Portman Group's charitable arm, which is currently in the process of being restructured as a semi-independent body – see Chapter 2). These include: the Drinkaware.co.uk website, which carries information on responsible drinking; various educational materials for parents and schools; and other resources including 'unit calculators', which enable people to estimate the number of units of alcohol consumed from a range of standard drinks.

Notwithstanding these various developments, there remains much scepticism about the industry's motives and activities. One non-industry interviewee in this study argued that the Portman Group's activities were 'one-

off initiatives that lacked overall coherence' (N3). Other respondents expressed fears about the industry controlling funds for education campaigns, particularly with regard to school-based education. Indeed, among those in the public health arena, there is an underlying scepticism about the impact of educational interventions on alcohol problems. Education is seen as part of the armoury of policy instruments that can, in conjunction with others, reduce harm, but is regarded as relatively ineffective on its own (see Babor *et al.*, 2003).

The alcohol strategy includes a commitment to work with industry to include sensible drinking messages on products alongside information about unit content. The Portman Group has encouraged member companies to support the principle of unit labelling and to use consumer brand advertising or sponsored events to promote responsibility messages. Unit labelling on alcohol products and packaging is now widespread. In addition, drinks companies and retailers are placing messages on their products, including the official 'sensible drinking' guidelines of a maximum three to four units per day for men and two to three units for women, as well as 'warning messages' such as 'enjoy your alcohol responsibly', 'drink in moderation', 'excessive drinking can cause harm' or 'don't drink and drive'. Sensible drinking messages are also appearing on advertising and promotion materials (for example, TV, press and cinema advertisements) and at sponsored events. For example, drinks company sponsorship of the Ashes in 2006 and the British Grand Prix was accompanied by responsible drinking and anti-drink-driving messages. Sensible drinking messages are also found at point of sale; Waitrose, for example,

displays sensible drinking limits on its shelves. More generally, products and marketing materials increasingly carry references to the Drinkaware.co.uk website.

Some non-industry respondents were sceptical about unit labelling and sensible drinking messages on products and in marketing. Even an industry source admitted that 'health warnings don't really do any good' (I7). There is little evidence to suggest that such messages alone have an impact on drinking behaviour (see Andrews, 1995; Grube and Nygaard, 2001; Agostinelli and Grube, 2002). Also, the reliance on self-regulation means that the messages will probably remain fairly weak. Stronger warnings will probably require direct intervention, as the industry is opposed to placing 'official warnings' on their products and in their marketing.

Research

The drinks industry has a long history of funding research into alcohol problems. By the late 1980s, it estimated that it spent around £0.5m per annum on research. Also, it supported the establishment of the Alcohol Education and Research Council (AERC) in 1981, which still exists today. This organisation allocates grants for research and for the development of capacity (of people and organisations) to address alcohol issues. Its budget is derived from capital raised from an obsolete drinks industry compensation fund (see Baggott, 1990).

In the 20 or so years after its creation, the AERC avoided controversy. Despite wider concerns about industry involvement in research (see below), the fact that the AERC

administered funds derived from the industry, and had a ruling council that contained industry nominees, attracted little attention. However, the appointment of Jean Coussins, then the Portman Group's chief executive, to the board of AERC produced a strong reaction from senior figures in the alcohol research community (see Edwards *et al.*, 2004), who argued that this gave the industry undue influence over research priorities and decisions. In their view, the Portman Group had:

... consistently propagated interpretations of the research evidence that promote the commercial interests of the drinks industry while seeking to discredit research findings that would lead to effective policy measures supporting the interests of public health.

(Edwards *et al.*, 2004; see also Mayor, 2004)

Coussins (2004) vigorously denied that the Portman Group was a lobbyist for the industry and argued that it was perfectly legitimate for her to take up the appointment.

In the face of this controversy, DCMS (the Department for Culture, Media and Sport, which currently has overall responsibility for AERC) commissioned a review, which found no impropriety in Coussins' appointment (DCMS, 2006). However, the review did recommend possible options for future engagement with industry, which included a continuation of the practice of nominated members, subject to judgements about suitability, and the establishment of formal methods of consulting with the industry. The review also recommended that the ruling council be smaller and appointed by the relevant sponsoring department (which should in future be the Department of Health rather than DCMS) in

accordance with the OCPA (Office of the Commissioner for Public Appointments) rules. Furthermore, it recommended that the AERC consider external validation for the management of future conflicts of interest.

Meanwhile, the industry continues to fund research through other channels. For example, the BBPA has earmarked £6 million for medical and scientific research. Drinks companies and trade bodies also allocate money to research bodies, such as the European Research Advisory Board (ERAB), which distributes funds for biomedical and psychosocial research into beer or alcohol. This body is administered by a board, which includes drink industry personnel. Grant applications are independently externally peer reviewed, and overseen by an advisory board of doctors and academics.

Interviewees from the industry were proud of their involvement with various research initiatives. Their enthusiasm was not matched by non-industry observers, several of whom expressed concern that industry funding could facilitate the manipulation of research agendas and project findings. According to one, for example, 'the drinks industry is always seeking to use and manipulate. Academics must be on their guard' (N7). The same respondent revealed that a senior executive from a drinks company had once tried to persuade him to publicly endorse the industry's perspective on alcohol problems, offering in return a large donation to a charity of his choice. In this context, it should be remembered that, over a decade ago, a number of academics were allegedly offered £2,000 each by the industry to criticise a report that had called for a stronger 'public health' approach to alcohol problems (Doyle, 1994, p. 1).

These may be extreme cases, but they do highlight the need for clearer rules of engagement. In an effort to clarify the industry's relationship with researchers, various principles of co-operation on alcohol research among industry, Government and the scientific and academic communities have been set out. These are part of the 'Dublin Principles' established at a meeting of scientists, researchers and industry representatives under the auspices of the National College of Ireland (1997) and the industry-funded International Center for Alcohol Policies (ICAP – see Chapter 2). These principles include: a commitment to independent scientific research; high ethical standards in the conduct and reporting of research, irrespective of the source of funding; avoidance of arrangements that compromise the integrity and freedom of inquiry of researchers; disclosure by researchers of conflict of interests and sources of funding; and free dissemination of results (subject to reasonable ethical restrictions and commercial confidentiality).

These principles seem reasonable, though they need to be more widely owned. They are also very general and as such are open to wide interpretation. A step forward from these principles would be to establish clear criteria for research governance in alcohol, to protect researchers from any allegations of undue influence over research agendas and findings, especially where funding is derived from industry sources.

Conclusions

- The drinks industry has supported educational projects in the alcohol field. Critics believe that, although education can form a useful part of a broader strategy, it is relatively ineffective on its own. Some respondents were very critical of the industry's role in education and argued that it could do more to promote responsible drinking.
- The industry has also supported alcohol research. Critics are concerned about the possible manipulation of research agendas and project findings by the industry. They pointed out that research, particularly when funded by the industry, must be governed in a way that explicitly protects the independence of researchers. It would appear that clearer criteria for research governance in the alcohol field are needed.
- Further research should include studies of the impact of alcohol education campaigns, including those that are part of a broader programme of action on alcohol problems. This evidence must be used to inform future campaigns. Also, an investigation of different models of research governance in the alcohol field is needed to provide a basis for clearer criteria for future research, including that funded by the industry, government and non-governmental organisations.

4 Self-regulation

The Government and the drinks industry have placed great emphasis on self-regulation as a means of promoting social responsibility and preventing alcohol-related harm. This chapter explores the various codes of practice and self-regulatory activities within the alcohol industry and assesses their advantages and limitations.

What is self-regulation?

Self-regulation has been defined as:

... the means by which members of a profession, trade, or commercial activity are bound by a mutually agreed set of rules that govern their relationship with the citizen, client or customer. Such rules may be accepted voluntarily or may be compulsory. They will normally include a procedure for resolving complaints and for the application of sanctions against those who infringe the rules.

(Better Regulation Task Force, 1999)

Self-regulation is best seen as a family of regulatory instruments (National Consumer Council, 2000). It can take the form of independent action by individual organisations – such as companies – to set internal standards of conduct. Alternatively, it may be driven by an independent collective body, such as a trade association. Self-regulation can also be embodied in formal codes of practice negotiated between Government and the representatives of a particular sector.

The UK has a long tradition of self-regulation associated with its informal ‘club’ style of governance (Baggott, 1989; Moran, 2003). However, many self-regulatory activities are now quite formal and subject to greater state

involvement. Indeed, many contemporary self-regulatory systems are best described as ‘co-regulation’ (Grabosky and Braithwaite, 1986). Government is closely involved in monitoring self-regulation and may possess reserve statutory powers, either to prevent certain activities or compel action, including redress. Moreover, according to Levi-Faur and Gilad (2004, p. 19), self-regulation acts as a tool of public control, by internalising social norms and responding to public pressures and demands. Efforts to improve responsiveness and accountability include regular public reports on the conduct of self-regulatory systems and the involvement of independent experts or lay people on self-regulatory bodies.

Given the variety of self-regulatory systems, it is difficult to comment on their overall effectiveness. Nonetheless, one can identify ‘theoretical’ advantages and drawbacks of self-regulation compared with direct state regulation. The main advantages are as follows.

- 1 Self-regulation harnesses the ‘inside’ knowledge and expertise of those who are being regulated.
- 2 It is based on consensus and is likely to lead to higher compliance.
- 3 The spirit as well as the letter of regulation is more likely to be upheld.
- 4 It is less costly to Government and may be less costly to those being regulated.
- 5 It is more flexible and therefore more able to respond quickly to new and changing circumstances.

These are balanced by disadvantages.

- 1 Self-regulation tends to be complacent and rules may be unenforced or under-enforced.
- 2 It lacks legitimacy and attracts suspicion that self-regulatory bodies are concerned primarily with protecting their members' interests.
- 3 Few real sanctions can be applied, as self-regulatory bodies have limited powers to ensure compliance.
- 4 Self-regulatory bodies cannot control the activities of non-members (unless there is an externally enforced system of compulsory membership or licensing).
- 5 Self-regulatory bodies often have conflicts of interest. For example, the exclusion of a member may lead to loss of revenue. Self-regulatory bodies that also have a representative role (such as trade associations, for example) experience internal tensions that undermine their regulatory role.
- 6 Self-regulation is not as publicly accountable as state regulation.
- 7 Self-regulation can be costly, placing a considerable burden on the industry (or profession) and also on Government, particularly where there is a 'co-regulation' element.

In the past, debates about self-regulation have been polarised, with critics seeing it as a soft option. More recently, it has been acknowledged that self-regulation can be effective, providing that key principles are upheld. According to the National Consumer Council (2005), for example, self-regulatory

systems should have the following features:

- 1 clear objectives
- 2 ingredients of regulation (rules/ monitoring /enforcement/ redress)
- 3 wide consultation about design and operation
- 4 a dedicated structure (separate from the industry) to engender public confidence
- 5 independent representation (majority of members of regulatory body should be independent including, ideally, the chair)
- 6 monitoring of compliance
- 7 public accountability (through an annual report, for example)
- 8 good publicity about the scheme
- 9 adequate resources
- 10 a well-publicised complaints procedure
- 11 effective sanctions
- 12 performance indicators
- 13 regular reviews of the self-regulatory system.

Turning specifically to the drinks industry, self-regulation covers many areas of social responsibility, such as the advertising, marketing and promotion of alcohol products, and standards of retailing in the licensed trade. Some self-regulatory practices are formalised in codes and are enforced by collective organisations, while others remain informal. Figure 1 shows the variety of self-regulatory systems that operate in this field.

Figure 1 Self-regulation in the alcoholic drinks industry



*Subject to OFCOM approval.

Advertising standards

Alcohol advertising is covered by national codes for broadcast and non-broadcast media, respectively. For non-broadcast media (press, magazines, direct mail, posters and cinema), the code is drawn up by the Advertising Standards Authority's (ASA's) Committee of Advertising Practice (CAP), whose members are drawn from the advertising industry. Following recent changes to media regulation, ASA now also has responsibility for the broadcast advertising codes (drawn up by a Broadcast Committee of Advertising Practice – BCAP) on behalf of the government regulator, OFCOM, which approves the codes for TV and radio, and has powers to intervene if it believes the regulatory

system is not working effectively. ASA's work is funded by independent boards of finance, which levy the advertising industry. The ASA Council – which has a two-thirds majority of lay members (including Jean Coussins, the former chief executive of the Portman Group) – adjudicates complaints about breaches of the code through separate panels for broadcasting and non-broadcast media. ASA also offers advice and guidance on interpretation of the codes and monitors the media for possible breaches.

Those who breach the non-broadcast code face several possible sanctions. ASA judgements are made public and this may reflect badly on the advertiser. In addition, ASA may advise that advertising space or other services are withheld

from non-compliant advertisers. It is also possible that non-compliant advertisers could lose trade association privileges or be expelled from membership. Advertisers that persistently break the rules may have their marketing communications vetted. Moreover, those that have complaints upheld on their poster advertisements may be required to submit future copy for pre-clearance, a scheme implemented with the co-operation of the Outdoor Advertising Association. Point of sale advertising is not covered by ASA's rules unless associated with a specific sales promotion. Although internet advertising is within its remit, website content is excluded. Cinema advertising is covered by ASA's non-broadcast code and subject to pre-clearance by the Cinema Advertising Association and the British Board of Film Classification. For broadcasters, compliance with ASA is a licence requirement and failure to comply risks intervention from OFCOM. All broadcast advertisements are subject to pre-clearance (by radio and TV clearing centres, separate from ASA).

The rules on alcohol advertising in broadcast and non-broadcast media have been strengthened over the years. The current rules on television advertising require that 'advertisements for alcoholic drinks must not be likely to appeal strongly to people under 18, in particular by reflecting or being associated with youth culture'. In addition, new rules were introduced on associations of alcoholic drinks with sexual activity, daring, toughness, aggression or anti-social behaviour, and with handling and serving of drinks. The non-broadcast rules were revised along similar lines, though with different wording. For example, ASA's non-broadcast code rules now state that:

... marketing communications should not be associated with people under 18 or reflect their culture. They should not feature or portray real or fictitious characters who are likely to appeal particularly to people under 18 in a way that might encourage them to drink.

And that:

... marketing communications should not be directed at people under 18 through the selection of media, style of presentation, content or context in which they appear.

And specifies that:

... no medium should be used to advertise alcoholic drinks if more than 25 per cent of its audience is under 18 years of age.

Alcoholic drink is a heavily advertised product. In 2004, over £180 million was spent on main media advertising, excluding sponsorship and internet marketing (Key Note, 2005). In the same year, complaints about alcohol advertising represented around 1 per cent of total complaints resolved by ASA. It has upheld complaints against several drinks companies in recent years, including some members of the Portman Group.

Industry respondents were satisfied with the new advertising rules and the expanded role of ASA into broadcast advertising. For example, one commented that the industry 'was broadly happy with the new codes' (18). Another stated that 'the new advertising rules are robust and must be given time to work' (17). On the other hand, non-industry respondents were more critical of the self-regulatory approach to alcohol promotion in general, rather than of ASA in particular, and their concerns are discussed in more detail later.

The Portman Group code

The Portman Group (2003) has its own code of practice on naming, packaging and promotion of alcoholic drinks. This was initially introduced in 1996 to stave off a ban on alcopops. The current version of this code covers sponsorship, sampling, websites, advertorials (an advertisement designed to simulate editorial content), branded merchandise and press releases, and includes the naming and packaging of products within its remit. It covers point-of-sale activities and materials generated by UK producers and distributors, but excludes wholesaler- and retailer-led promotions (except when these promote own-brand products). Previous editions of the Portman code covered merchandising of alcoholic drinks. Retailer promotions are now covered by the BBPA code (for pubs and bars) and a new code of practice for off-licensed premises (both of which are discussed below).

The Portman code covers similar 'associations' as the ASA codes. For example, it states that naming, packaging and promotional material should not be associated with bravado; with violent, aggressive or anti-social behaviour; with drugs; with social or sexual success; or with illegal, immoderate or irresponsible consumption. In addition, such material must not 'have a particular appeal to under 18s'. In a similar way to ASA, the Portman Group provides an advisory service to companies developing new products and campaigns before they reach the market, which receives around 150–200 queries a year. Enforcement of the Portman code relies on complaints, which are investigated by an independent panel. This comprises individuals with no connection to the Portman Group or its

member companies and is chaired by a former Commissioner of the Metropolitan Police.

Complaints to the Portman Group, which peaked at 38 in 1997, have been in the range of ten to 20 per annum in recent years. In 2004, the panel upheld ten complaints (out of 11). Products and promotions found in breach of the code are followed up by the Portman Group, which may request modification or withdrawal. It claims a high level of compliance, with a third of products being withdrawn and over 40 per cent modified as a result of adverse judgements. However, in a fifth of cases where complaints were upheld, compliance was either not achieved or unknown. The Portman Group can issue alerts requesting retailers not to reorder stocks until a decision has been complied with, though existing stock may continue to be sold. One industry informant commented that proposals to force retailers to take stocks off the shelves and compensate them accordingly had been rejected (15).

The Portman Group stated that failure by retailers to comply with such alerts could lead to relevant licensing authorities and/or trading standards bodies being informed. Although its code has been recommended by the Secretary of State for Culture, Media and Sport for inclusion in local statements of licensing policy, it is unclear how and to what extent breaches of the code are actually followed up by these authorities (to ensure compliance with the code for example). At present, licensing authorities have no powers to promote compliance with the Portman code or its retail alerts. Indeed, the extent of licensee compliance with alerts is unknown. Similarly, nothing is known about the extent to which non-compliant licensees are referred to the authorities or the consequences of such referrals.

As noted earlier, previous versions of the Portman code covered merchandising. The code still covers producer-led retail promotions and the promotion of own-label products by retailers. The Portman Group has issued additional guidance on avoiding immoderate consumption in such promotions. Among other things, this guidance suggests spreading promotions over longer periods to avoid short-term excessive consumption (for example, by issuing proof of purchase coupons, which can then be redeemed at the end of the period of the offer).

Interviewees from the industry were highly supportive of the Portman Group code and its advisory service. They argued that the code discouraged bad practice and was particularly effective in dealing with promotional materials that associated alcohol with sexual themes. Organisations representing the retail sector said they believed that the retail alerts were effective, especially with larger businesses, but that smaller operators were more difficult to reach. While acknowledging the importance of alerts, most retail associations did not see themselves as having a role in enforcing them, though some said that they notified breaches to the Portman Group. Industry respondents firmly rebutted the idea that the Portman Group was soft on the industry and pointed out that complaints had been upheld against companies that actually funded it.

Non-industry respondents took a more critical view. Although the Portman code addressed important areas of alcohol marketing and promotion not covered by ASA, the respondents believed that the Portman Group lacked the independence to undertake such an important regulatory role. Others said the

regime lacked effective sanctions. Indeed, one respondent from local government said that councils could do little to prevent a retailer from stocking a 'banned' product unless its association with a particular problem could be proved. Some non-industry respondents acknowledged that producers seeking notoriety as a means of gaining access to youth markets could get considerable short-term publicity by breaching the code. This was denied by industry respondents, including the Portman Group itself. Even so, the precise impact of adverse judgements was not clear and merits further investigation.

Trade association codes

Trade associations have their own codes. For example, the Scotch Whisky Association has a code on responsible marketing, which covers internet promotions and sponsorship, as well as advertising. Uniquely within the industry, it provides for financial penalties for breaching the code ('up to £10,000') and expulsion in the case of a company failing to take remedial action. Members are expected to appoint a senior director in the company to regulate compliance. Furthermore, although the SWA code is complaints-led, with cases initially considered by a complaints committee of the Association, there is an independent panel, to which member companies and the public can appeal, which is chaired by the director of Scotland's national alcohol charity, Alcohol Focus Scotland.

The BBPA, meanwhile, has a code on drinks promotions at the point of sale. Initially, this took the form of a *Good Practice Guide* for pub owners and licensees, warning of adverse

consequences associated with some sales promotions (BBPA, 2001). This was later revised as *Point of Sale Promotions: Standards for the Management of Responsible Drinks Promotions, including Happy Hours* (BBPA, 2005). The latter was more explicit in setting out principles and standards with regard to preventing alcohol misuse and anti-social behaviour. It also identified irresponsible promotions, including drinking games, free drinks, entry fees with unlimited amounts of drinks and rewards schemes that are only redeemable over short periods. The new scheme was publicised as a ban on 'happy hours' and other socially irresponsible promotions. Because the BBPA represents the major brewers and over half the pubs in the UK, it argued that compliance would be high. In interview, industry respondents endorsed the new code and stated that it was the best that could be achieved in the current circumstances.

Non-industry respondents broadly welcomed the BBPA code, but several expressed doubts about enforcement, particularly given the substantial minority of pubs that were not members of the BBPA. Others identified strong commercial pressures and managerial imperatives within the industry, which created incentives for licensees to engage in irresponsible promotions, notwithstanding the code. Some argued that the code was not as comprehensive as claimed and that it did not actually ban happy hours, or indeed any other practices, but attempted to improve the management of point of sale promotions.

The BBPA has stated that it will act on any complaint about breaches of its code and will pursue matters with the company concerned, which is then responsible for dealing with the

licensee. Ultimately, the latter could be in breach of their contract as an employee or tenant. However, this is uncertain legal territory – much depends on the extent to which the licensee is adjudged to be putting the premises' licence in jeopardy. Moreover, the licensee would have a strong defence if they could prove that their activities were in response to a competitive commercial environment or a management directive to increase sales.

As noted by some non-industry respondents, many licensees are outside the jurisdiction of the BBPA and its member companies. Industry insiders acknowledged that this could make the code difficult to enforce, though they, along with some non-industry respondents, believed that, if licensing authorities used the code as a benchmark for good practice when approving or revoking licences, its impact could be strengthened. They pointed out that the code was mentioned as 'good practice' in guidance to the Licensing Act (DCMS, 2004), though this is regarded as a fairly weak legal foundation.

Industry respondents were reluctant to play an enforcement role in this area. Even those that supported minimum pricing rules as a means of preventing irresponsible promotions noted that competition law could restrict the ability of regulators and the industry to take action. For example, a voluntary collective ban on happy hours or an agreement on minimum prices is open to challenge as an anti-competitive practice. However individual companies can set minimum prices, providing that they do not collude with others in so doing.

The legal position on discounted prices is more complex where local licensing bodies are involved. In England, these authorities may encourage voluntary codes, such as the BBPA

code. They may also attach conditions regarding irresponsible promotions to a premises licence, where there is clear evidence that this will promote consistency with the licensing objectives. The imposition of such conditions could, however, be challenged in the courts (see Kolvin, 2005, p. 509). Licensing authorities have also been warned against adopting policies on minimum prices and drinks promotions because of fears of legal challenge (DCMS, 2004). Even so, pricing conditions are permitted within both European and domestic law, providing that they are unilaterally imposed by public authorities and compulsory (Kolvin, 2005, p. 511).

Nonetheless, they may provoke legal challenges under competition law, deterring licensing authorities from pursuing such a policy. It is in this rather confusing context that the Home Affairs Committee (2005, p. 108) called for stronger guidance from Government on irresponsible promotions and clarification by the Office of Fair Trading on the legality of local minimum pricing policies. This is an important issue in other jurisdictions. Recently, in Victoria, Australia, an inquiry into alcohol policy recommended that national competition laws be reviewed to ensure that they did not impede alcohol strategies (Victoria Parliament Drugs and Crime Prevention Committee, 2006).

In Scotland, short-term discounted price promotions and other irresponsible promotions will be prohibited by statute when schedule 4 of the Licensing Scotland Act 2005 comes into force, while the Irish Republic already has legal provisions preventing licensees from reducing prices for any limited period during the day. As a footnote to this, one should be aware that previous efforts to set minimum prices have been challenged, not by consumers or 'rogue

landlords', but by some of the leading pubcos. Although the industry is genuinely concerned about adverse publicity associated with happy hours and other discounted drinks promotions, it nonetheless wishes to retain the commercial freedom to set prices and promote its products.

The off-licence retailers also have codes of practice that mention alcohol promotions. These form part of wider policies on social responsibility, and include issues such as under-age sales and staff training, which are discussed further below (see Association of Convenience Stores *et al.*, 2004).

Corporate codes

Most of the larger producer companies have internal codes of practice on the promotion and marketing of alcohol. For example, Diageo's marketing code sets out key principles including 'compliance with laws and regulations', 'not targeting under-age drinkers' and the 'depiction of responsible drinking', as well as provisions on abstinence, offensive advertising, alcohol content, medicinal or therapeutic value, drinking and driving, social and sexual success, anti-social activities and promotional activities in the retail sector. Staff are also issued with guidelines to accompany the code. The code and the guidelines apply to all stages of the marketing process, including product innovation. At various stages in the product development and marketing process there is an opportunity to identify concerns through a traffic-light system. Hence a red light will halt the project until the issue is resolved and may result in it being referred back to the previous stage in the process. An orange rating will lead to a review of the particular aspect

causing concern, which must be addressed by the next stage. Ultimately, at least two people including the project leader will sign off the project, stating that it is code-compliant. The code also applies to agencies undertaking work on behalf of the company and covers internet promotions as well. In addition, staff in relevant areas including marketing, innovation, market research and promotion receive induction training and are offered refresher courses at least every 18 months.

Other major producer companies have reviewed their codes in recent years and have moved in the same direction. Industry respondents spoke of considerable peer pressure to improve codes in line with industry best practice. The Portman Group has advised companies on how to improve their marketing codes. Retail companies also have their own codes, which extend beyond marketing and promotions to the drinking environment. For example, Mitchells & Butlers, a pubco, has an alcohol and social responsibility policy that covers the sale of alcohol, the operation of licensed premises, pricing and responsible promotions. These retail sector codes are discussed further in the context of efforts to promote responsible retailing.

It is difficult to evaluate the effectiveness of company codes. Industry critics state that they are 'mainly window dressing' (N9) and allege that companies regularly flout their own codes. They note that even the larger companies with a reputation for social responsibility have been found in breach of the ASA and Portman Group codes. Nonetheless, interviewees from the large producer companies claim that their internal codes do work and that, in the words of one, 'the plug has been pulled' (I11) on products and

marketing campaigns that are likely to breach these codes. Some companies have commissioned external audits of their codes and/or their marketing activities. But, from an outsider's point of view, there is really no way of evaluating the impact of these codes without unprecedented access to internal product development processes and marketing activities.

Evaluating the codes on advertising, marketing and promotion

Although the industry has made efforts to strengthen its codes and to bring them together (most recently in the national standards document – see Chapter 2), obvious shortcomings remain. The national standards do not supersede other codes. There are inconsistencies between codes (for example, the different wording used to describe product appeal to under 18s, noted earlier). The jurisdiction of different codes is confusing – for example, point of sale advertising and promotions could be covered by any one of three different codes (Portman, ASA non-broadcast and BBPA). The independence of self-regulatory systems is limited, though there is lay involvement in the complaints procedures of ASA, the Scotch Whisky Association and the Portman Group. Mechanisms of enforcement rely heavily on complaints, rather than on proactive monitoring or policing (though some have an element of self-policing, notably the ASA codes). Few codes are independently monitored, audited or evaluated. Most lack visibly effective sanctions against transgressors. There is also an uncertain relationship between self-regulation and statutory regulation, which

means that the scope for subjecting persistent offenders to even tougher penalties is not fully exploited. An attempt has been made to 'co-regulate', as in broadcast advertising where the state regulator OFCOM and the self-regulatory body ASA share responsibilities, but this fairly new arrangement awaits proper evaluation.

Although most non-industry respondents believed that there was a place for self-regulation, they argued that reform was needed to promote consistency between codes and to introduce stronger sanctions. More extensive involvement by lay people and non-industry experts in the processes of self-regulation was also suggested. A minority wanted a partial or outright statutory ban on alcohol advertising and promotion, which would reduce or remove the scope for self-regulation.

A full and systematic evaluation of the actual effectiveness of the self-regulatory system across the whole range of alcohol marketing and promotion would be timely. It should be noted that there is considerable scepticism about current systems of self-regulation in this field. Evidence from other countries – including New Zealand, Australia, the Netherlands, and the USA – suggests that self-regulatory systems have fallen short of expectations (Federal Trade Commission, 1999; Jones, 2000; STAP, 2003; Hill, 2004). Jackson *et al.* (2000) argue that the industry has been unable to resist commercial imperatives – such as the need to appeal to the youth market – and has espoused marketing practices (such as designer drinks) that have serious adverse implications for public health. To expect the industry to self-regulate in such circumstances is, these authors argue, hopelessly unrealistic. They conclude that the regulatory process is reactive, ad hoc and weak

and can be more effective only by controlling the whole marketing mix. This would involve comprehensive powers to regulate promotion (including point of sale promotions) vested in statutory, independent bodies, which would replace current systems of self-regulation. Further recommendations are that international-level regulation is needed to reflect the industry's global operations; that regulation must be informed by reliable market intelligence; and that the public health community needs to achieve a better understanding of young people's lifestyles with regard to alcohol. Similar arguments are made by Caswell and Maxwell (2005), who call for a new statutory framework to monitor and control the full marketing mix.

Recent research has provided a basis for stricter regulation. For example, an Australian study identified the role of the internet in marketing products to under-age drinkers and that this required more policing (Carroll and Donovan, 2002). A host of studies from several countries have identified the appeal of alcohol advertisements to adolescents, even when they are not deliberately targeted at them (Dring and Hope, 2001; Cragg Ross Dawson, 2004; Hastings *et al.*, 2005; Jernigan *et al.*, 2005; Mosher and Johnson, 2005), while others suggest that alcohol marketing has actually impacted on young people's drinking habits (Ellickson *et al.*, 2005; Hastings *et al.*, 2005; Snyder *et al.*, 2006).

Responsible retailing

A further set of important self-regulatory activities come under the rubric of responsible retailing. This includes the activities of trade bodies as well as company initiatives. It is not

possible to explore all of these in depth, but some key areas are discussed below.

Under-age drinking

The drinks industry has pursued various initiatives to discourage under-age drinking, including efforts to remind licensees of their legal responsibilities. Trade associations, such as the BBPA, the WSA, the ACS, the BRC, and the Portman Group, have been active in this area for many years. In addition, pubco, off-licence chain and supermarket company policies emphasise the importance of adhering to this and other aspects of the law. These policies are supported by staff training – to promote understanding, awareness and key skills (see below) – and by disciplinary procedures.

The industry has backed ‘proof of age schemes’ to assist with enforcement of the law. In the past, proof of age has been relatively easy to fake. However, there is now an accredited scheme (the proof of age standards scheme – PASS), which the retail trade believes to be more secure. The Portman Group Proof of Age Card, an initiative begun in the early 1990s, has received accreditation under this scheme (along with several others). Other initiatives in this field include ‘Challenge 21’, backed by the major retailers and retail trade associations. This requires staff to ask people seeking to purchase or consume alcohol from licensed premises, who appear to be under 21, for proof of their age (such as the Portman Proof of Age Card, Citizen Card or passport/driving licence).

Critics argue that the industry is still not doing enough to combat under-age purchase and consumption of alcohol. Test purchasing, which focuses on premises most likely to offend, continues to find high levels of serving to

under-age customers. In the summer 2004 alcohol misuse enforcement campaign in England and Wales, 45 per cent of on-licensed premises and 31 per cent of off-licensed premises targeted by the authorities were found to have sold alcohol unlawfully to people under 18. In the subsequent winter 2004/05 campaign, 32 per cent of both on and off licences subjected to test purchasing were caught selling to under-age drinkers. A further enforcement campaign in 2005 found that 29 per cent of on-licences and 19 per cent of off-licensed premises broke the law on under-age sales (Home Office, 2006).

Industry sources argued that improved systems of identity (which may follow from the introduction of national identity cards) and better staff training were needed. The industry remains to be persuaded that stronger laws and penalties for serving under-age drinkers are required, but agrees that the law should be properly enforced and that persistent offenders be punished accordingly. Recent changes in licensing legislation have emphasised the importance of requesting evidence of a customer’s age as a defence against serving under 18s. In England, the DCMS (2004) emphasised the role of ‘PASS-accredited’ schemes in its guidance on the 2003 Licensing Act. In Scotland, the required ‘evidence’ is actually specified in the Act as a passport, a European Union photocard driving licence or such other documents as may be prescribed by the Government. Meanwhile, in the Republic of Ireland, it is a requirement that people aged between 18 and 21 carry a valid proof of age document when in a bar. The Irish Government has proposed that this requirement be extended to people under 25.

The drinking environment

Although focusing primarily on the individual aspects of alcohol misuse, the drinks industry acknowledges that the drinking environment is an important factor in alcohol misuse. The industry can contribute to the quality and safety of the drinking environment, and thereby reduce the chances of excessive drinking and disorder. Voluntary efforts are encouraged by trade bodies but depend largely on implementation by individual companies and licensees. Increasingly company-wide policies have been adopted. Pubcos have policies or codes that cover aspects of the drinking environment. Mitchells & Butlers' 'alcohol and social responsibility policy', referred to earlier, mentions 'common-sense' factors such as good management and design of premises, and lists unacceptable promotions (for example, drinking games, initial payments to obtain cheap alcohol, time-limited promotions lasting less than three hours, 'two for one' type deals). Another pubco, Wetherspoon, previously noted by some commentators for its 'low cost approach to selling booze' (see Warner, 2006), introduced a new policy aimed at preventing binge drinking and alcohol-related disorder. This included: an end to 'two for one' offers and spirit offers (where doubles were sold for less than the price of two singles); ceasing 'all you can drink for £x' offers; availability of fair-priced soft and non-alcoholic drinks; the serving of reasonably priced food later in the evening; installation of CCTV; improved toilet facilities; a 48-hour week for managers and staff with two days off per week; a high level of managers per pub; and staff training (evidence submitted to Home Affairs Committee, 2005).

Another relevant issue concerns the

prevention of glass injuries in licensed premises. Following publicity about the severity of glass injuries associated with alcohol-related violence, the industry has moved towards the use of toughened glass. However, this has been offset to an extent by the increased popularity of drinking from glass bottles. Moreover, it should be noted that the evidence on the protective effect of toughened glass is equivocal. One study found that injuries to staff actually increased following the introduction of toughened glass (Warburton and Shepherd, 2000).

Training and professional standards

Industry and non-industry respondents agreed that better standards of training could improve social responsibility and help to prevent alcohol-related problems. Training can enhance implementation of both voluntary codes of practice and statutory provisions. There is also a significant evidence base to support interventions to extend and improve staff training. According to one review:

... intensive, high quality face to face server training, when accompanied by strong and active management support, is effective in reducing intoxication rates in customers.

(Mulvihill *et al.*, 2005, p. 3; see also Stockwell *et al.*, 1993; Shults *et al.*, 2001; Toomey *et al.*, 2001)

Training schemes are even more effective when supported by enforcement from regulatory authorities. Training on social responsibility issues occurs at all levels and sectors of the industry. The training of staff involved in product development, marketing and promotion by drinks producers has already been mentioned. The remainder of this section focuses on retail standards.

As one industry respondent observed, ‘most responsible operators have their own staff training programmes’ (I6). Both induction and refresher courses cover aspects of social responsibility. For example, a spokesperson from one pubco explained how potential licensees are screened for suitability and are subject to a key skills audit. An induction course, based on a plausible scenario, uses an interactive case study approach. Further training, in the form of workshops, is available for existing licensees. Pubcos also offer training opportunities for supervisors and staff.

Trade associations (in both on- and off-licence sectors) and the Portman Group support training with materials such as videos and leaflets setting out legal responsibilities and how to deal with difficult situations. Trade bodies also provide further advice and support. For example, the Association of Convenience Stores offers practical advice to small shopkeepers to help them develop strategies for resisting under-age sales and skills in dealing with intimidation from gangs of youths.

A key body in this field is the British Institute of Innkeeping (BII), founded in 1981 to improve professional standards in the licensed trade. It currently has over 17,000 members. Those found to be in breach of its code of practice face exclusion from membership. Meanwhile, the BII Awards Board (BIIAB) is an accredited vocational qualifications body for the licensed retail sector. BIIAB qualifications cater for the training needs of licensees, supervisors, bar staff and others in the licensed trade, as well as licensing regulators. Courses are delivered at local centres across the country. Other providers are also engaged in training and qualifications for the licensed trade. North of the border,

training is also provided by the alcohol agency Alcohol Focus Scotland (AFS) through its ‘Servewise’ programme. This has three main components: law, alcohol and people skills. Separate courses are provided for licensees, managers and staff, and for on- and off-licensed premises. AFS trains the trainers who then deliver the course across 60 centres. It sets the curriculum, standards and examinations. The curriculum has been developed and reviewed with input from the drinks industry.

Training is an emerging area of co-regulation. Under the 2003 licensing legislation, new applicants for personal licences in England and Wales must have a mandatory qualification. These are accredited by DCMS and the qualification and curriculum authorities and include the BII’s National Certificate for Personal Licence Holders. However, there is exemption for existing licensees with experiential knowledge who have been granted so-called ‘grandfather rights’ under the new law. In Scotland there are no such rights. The Scottish licensing legislation of 2005 requires all licensees to hold a qualification from an accredited body. It also specifically requires supervisors and bar staff, as well as licensing authority members and officers, to undertake approved training programmes. More detailed prescriptions on training (including ‘refresher’ training) are currently being formulated and will be subject to secondary legislation.

Most observers (from both the industry and outside) agree that improvements are taking place in training. Even so, there is a view, not confined to non-industry respondents, that further improvements could be made, for example to strengthen the social responsibility elements of training, ensure all licensees and

their staff are properly trained, and require that 'refresher' training is undertaken.

Other self-regulatory initiatives

In July 2003, the Portman Group established a social responsibility scheme for producers known as 'Commitment to Action'. This agreement, which has since been updated (Portman Group, 2005a), sets out the actions that member companies are prepared to undertake beyond their existing legal and self-regulatory obligations. It covers several domains of activity including promotion, unit labelling and social responsibility messages. The Portman Group regularly monitors the compliance of each company in each domain. The October 2005 audit showed that, where relevant, all companies complied with commitments on unit labelling (with minor exceptions on non-UK brands), responsibility messages at sponsored events, straplines on brand advertising referring to the Portman Group, annual code awareness training for product development and marketing staff and external agencies, and use of the Portman Group's pre-clearance advice service before launching a new product or promotion. All but one member complied with a commitment to review social responsibility clauses in supply contracts. Compliance with other commitments was mixed (with regard to social responsibility messages on consumer advertising and packaging, and website links to Drinkaware.co.uk). Compliance in another domain – distribution of Portman Group campaign materials – did not apply, as no such requests had been made during this period (Portman Group, 2005b).

Self-regulation: an overview

The industry clearly favours self-regulation. Industry respondents believe that it imposes less of a burden than direct regulation. They also claim that self-regulation is more effective than direct regulation in responding flexibly and quickly to problems. Non-industry respondents were more sceptical. Some blamed the Government for seeking to evade its responsibilities and place them on the shoulders of industry. However, most of them agreed that a degree of self-regulation was needed.

Although, as this chapter has shown, there is plenty of self-regulatory activity, there are weaknesses in the current system, which can be summarised as follows.

The codes lack consistency and overall coherence. As one non-industry respondent noted 'a whole-industry approach is needed' (N11). The formulation of a new industry-wide code on social responsibility (see Chapter 2) is viewed as a step in the right direction but, as noted, does not replace existing codes, nor does it address the variations between codes in terms of their language and scope. Previous moves to rationalise the codes did not succeed. The inclusion of all point of sale promotions within the Portman code (a scheme known as 'Portman plus') was considered, but never commanded sufficient support from within the industry.

More could be done to establish effective co-regulation, with tougher statutory backing. According to one non-industry respondent 'there has to be a closer relationship between systems of state regulation and self-regulation' (N8). Another stated that 'self-regulation should not be seen in isolation, but in the context of the State's regulatory powers ... it is a question of

balance between state and self-regulation' (N7). Some within the industry shared these concerns and urged a clearer framework of statutory regulation. One stated that 'co-regulation requires a clear and effective relationship between statutory and self-regulation' (I12) while another acknowledged that:

... self-regulation does need a broader framework. It needs official approval and must be consistent with statutory and self-regulation. Indeed co-regulation is the best way forward, where statutory and self-regulation work in partnership.
(I11)

Co-regulation is already undertaken in the field of broadcast advertising. There are elements of co-regulation in other areas (including the legal requirements regarding training for licensees and the appearance of industry codes in licensing guidance). But statutory provisions could be strengthened in order to give these self-regulatory systems more teeth. As one non-industry respondent argued 'codes need to be tied into existing licensing legislation' (N5). The Scottish approach, where issues such as training and drinks promotions are covered by stronger statutory provisions, could be a way forward.

Which leads on to a further point about enforcement. As one non-industry respondent noted 'there is no real punishment for contravening codes' (N4). Another observed that the absence of sanctions meant that the codes lacked weight especially in a competitive business environment. 'Codes lack impact when people are struggling for business. They fall by the wayside' (N5). The non-industry respondents believed that current codes

provided little incentive to comply and that stronger sanctions should be implemented. Indeed, critics remained convinced that self-regulation as currently practised represented a soft option. One observed that 'pure self-regulation is a fool's game and a smokescreen' (N11) while another stated that 'voluntary regulation should be a step on the road to proper regulation' (N3).

The industry denied that self-regulation was weak. According to one respondent:

... people see self-regulation as industry regulating themselves in a what hurts least way, which enables them to get away with a lot ... in reality compliance is very high in the field of self-regulation.
(I8)

Another claimed that:

... drinks companies can be and are critical of rogue elements. They censure behaviour of companies that don't uphold the spirit of regulation. Peer pressure is strong and even larger companies have been internally criticised.
(I10)

Most industry sources argued that the best weapon is 'name and shame', and that financial sanctions (as in the Scotch Whisky code, for example) were unnecessary.

However, 'name and shame' is a relatively weak weapon, particularly in the absence of further sanctions. Expulsion or suspension from membership might carry weight. But trade associations and membership organisations found this problematic. Expelling or suspending members could reduce membership and income, and their ability to speak for the industry or sector. Indeed, a non-industry

respondent observed that ‘trade associations find it very difficult to kick out members who don’t meet standards’ (N6). While a trade association spokesperson agreed that ‘we can’t be in the business of throwing out our members; that will make us weaker’ (I2).

A related issue was the regulation of non-members who lay outside the remit of trade bodies. Several industry respondents observed that organisations that are not members are the most problematic. Sanctions against non-members (by trade association and by producers) raised matters of competition law. For example, attempts to refuse to supply a ‘rogue trader’ (for promoting drinks in a socially irresponsible way, for example) might lead to legal challenges. As one industry informant admitted, even where supply contracts specified that supplies could be withdrawn in certain circumstances, this tended to form a basis for negotiation rather than the actual cessation of supplies (I12).

Although some codes do have proactive monitoring, most self-regulatory activities are ‘complaints-led’. Complaints rely on vigilance by the public, non-governmental organisations and the industry itself. The problem is that, even when a breach is identified, it takes time to stop it, by which time considerable damage may have been done. As one non-industry respondent commented:

... a problem with relying on complaints is that most of these people who are likely to complain are unaware of the very forms of advertising and promotion that are least socially responsible.
(N4)

However, in broadcast and some non-broadcast advertising, there is pre-clearance,

which should minimise the possibility of future breaches. Some regulators also offer advice (such as the Portman Group and ASA) to help advertisers and marketers avoid breaching the codes. This is good practice, but does not prevent all socially irresponsible promotional activities. Most codes have an element of self-policing. In the main this depends on other companies informing the self-regulatory authorities (which does happen). Other means of promoting compliance (through the appointment of dedicated compliance officers by self-regulatory bodies and the publication of statistics on compliance, for example) are less common.

Some codes do have an independent element. Notably, the ASA bodies do have a significant lay input, both on their governing bodies and on complaints panels. The Portman Group has an independent complaints panel, while the Scotch Whisky Association has an independent complaint appeals panel. But there is no apparent lay involvement in other codes, such as the BBPA promotions code. The involvement of lay people does not guarantee independence. But it does create a sense of openness and accountability, and helps to instil public confidence in self-regulatory systems, especially where matters of public health and welfare are concerned. Another issue is the funding of self-regulatory systems. ASA bodies are funded by a levy via an independent funding mechanism. Others are financed directly by the industry, which leaves them open to accusations of bias.

Finally, public reporting is regarded as a positive attribute of any self-regulatory system. In the alcohol field, public reports are available on the Portman code and the advertising codes.

Complaints judgements are published (and available on the web). Some individual companies also produce reports on their corporate social responsibility policies or codes of practice. However, across the industry as a whole, there is no systematic approach to reporting on self-regulatory processes and the reports that are available vary considerably in their public profile and accessibility. Very few self-regulatory systems are independently audited.

Non-industry commentators are sceptical about self-regulation (see also Babor *et al.*, 2003). They advocate stronger sanctions and more co-regulation. They want self-regulatory systems to cover all parts of the industry and to have a stronger independent input. Some within the industry also realise that self-regulation must be strengthened. More specifically, they acknowledge that self-regulatory systems must be more inclusive, more comprehensive and supported by appropriate training. However, there is more disagreement between the industry and others on other key issues, such as independent input into self-regulatory systems, external evaluation and stronger enforcement and sanctions (see also ICAP, 2004; EPC, 2006).

Conclusions

- A bewildering array of self-regulatory systems govern the drinks industry. These systems vary considerably in their scope, inclusiveness, independence, degree of lay involvement, extent of proactive monitoring, sanctions and public accountability. However, most systems are seen as weak by critics, particularly in terms of enforcement. There is also confusion about how these

codes relate to each other, notwithstanding recent efforts to produce a single set of national standards for the industry.

- Both industry and non-industry respondents stated that more could be done to provide an appropriate balance and greater consistency between statutory and voluntary self-regulation systems. There was support for strengthening self-regulation by clarifying the legal requirements for good practice (in standards of training, for example). Self-regulation could also be bolstered by clarifying the legality of socially responsible practices (particularly with regard to discounted price promotions and competition law).
- An assessment of the overall impact of self-regulatory systems is needed, particularly with regard to advertising, marketing and promotion of alcoholic drinks, but also in other areas such as under-age drinking, training and the drinking environment. The impact of the different approaches to regulating point of sale promotions in England and Wales compared with Scotland (and the Irish Republic) is worthy of analysis. It would also be interesting to compare the outcomes of different regulatory systems for marketing and promotion that have an element of self-regulation, such as those operating in the UK, Australia, the USA and New Zealand.
- Both industry and non-industry respondents saw training as having a crucial role, both in relation to statutory and voluntary regulation. Given the potential for improvements in this area, more research is

needed into the impact of training programmes within the industry and how they support socially responsible practice, self-regulation and law enforcement. It is important that future training programmes are informed by this research.

- As one of the potential barriers to effective self-regulation is the competitive nature of the drinks business environment, there must be further analysis of the relationship between market conditions and competition,

management strategies and processes, and regulatory compliance with both self-regulation and statutory regimes. Furthermore, the impact of contractual arrangements to promote social responsibility within the industry requires evaluation. There should also be a closer examination of the practices of the so-called 'rogues and cowboys' in the industry, how they operate and how they can be more effectively regulated.

5 Partnerships

This chapter examines the advantages and disadvantages of partnership with the drinks industry. It also examines the participation of the drinks industry as a partner in local and national initiatives to prevent alcohol problems.

The importance of partnership ... and its perils

Partnership has been recognised as an important component of corporate social responsibility (Grant and O'Connor, 2005). Potential partners include Government, other private sector organisations, professional groups, non-government organisations and the research community. Partnership has the potential to avoid duplication, harness resources and expertise, build trust and promote consensus. Orley and Logan (2005) argue that the alternative to partnership is an exclusionary model that creates an adversarial relationship between the industry and others. Although partnership working can lead to greater co-operation, there are disadvantages, particularly where partners have unequal status, resources and power. In such circumstances, partnerships may be dominated by corporate interests, which can use their position to block policies and interventions that threaten their commercial interests (Babor, 2000; McCreanor *et al.*, 2000).

There are several principles that should govern any partnership. It is important that the aims of partnerships are clearly specified. They must be as inclusive as possible and operate with clear rules of engagement that protect the interests of the weaker and poorly resourced participants. The dilemmas raised by partnership must be explicitly acknowledged: in particular, participants may have to sacrifice

self-interest for the collective aims of the partnership. Partnerships should not be viewed as a magic solution to entrenched problems of public policy. They are particularly difficult to establish in areas that have a long history of entrenched adversarial politics, such as alcohol (Berridge, 2005). When partnerships are established in such circumstances they often fail, leaving an aftertaste of bitterness that impedes future efforts to promote dialogue and collaboration. This happened during the 1980s, when the UK Government established an alcohol forum involving three industry associations, the Health Education Council and Alcohol Concern. The forum collapsed when the independent chair of the group insisted on a large increase in industry funding for research into alcohol problems (see Baggott, 1990, p. 47).

Twenty years on, partnership is once again being encouraged by Government. Are the prospects any rosier? Industry respondents were positive about working with non-industry organisations including government and public sector bodies, the police and health professions, and the voluntary sector. Most interviewees from industry said they welcomed opportunities to openly debate and discuss issues with these other stakeholders, calling for a 'round table' (I6, I8) or 'big tent' (I5) approach. Some mentioned that this represented a change in attitudes within the industry, where there had previously been fear and reluctance to engage, particularly with alcohol agencies.

Although industry personnel emphasised the importance of inclusiveness, they remained critical of organisations and individuals who they believed were intransigently opposed to the industry, though, as one respondent from a large drinks producer conceded, 'there are

zealots on both sides' (I11). Some industry respondents were also cautious about working in partnership with Government. One commented that, though his trade association was keen to work with Government, 'it must be a partnership of equals' (I10). Finally, some industry respondents noted that some aspects of partnership could be construed as collusion and might be considered anti-competitive. This was raised particularly in the context of minimum price agreements between the trade and public authorities (see Chapter 4).

There was a mixed response from non-industry respondents. Some saw clear advantages in working with the industry. As one respondent observed: 'it would be boneheaded not to work with the industry' (N7). But there was anxiety about the scope of such partnerships and the rules of engagement. Underlying this was a fear that the industry would dominate partnership arrangements and manipulate them to its advantage. One respondent was worried about the undue influence of the industry on voluntary organisations in particular: 'they can get drawn in and get out of their depth' (N2). Another observed that 'views change when people get close to the industry' (N9). In the words of another, 'there was inevitable caution' when dealing with the industry and 'always the potential for being manipulated'. This was endorsed by others, including one respondent who commented that 'by working with NGOs, industry gets credibility; the problem is they use it' (N10).

Non-industry respondents saw their independence as crucial. One way to safeguard this would be to have no dealings whatsoever with industry, an approach backed by a minority. But the majority were pragmatic. It

was suggested that the scope of partnerships should be restricted. One interviewee accepted that partnership could be useful with regard to staff training and marketing issues, but that its involvement was inappropriate in areas such as research and school-based education (N10). Another suggestion was to create a strong framework to protect the independence of non-industry participants. This could take the form of comprehensive formal partnership arrangements in which Government would 'hold the ring' and protect 'weaker' organisations (notably charities and voluntary bodies). This was contrasted with current informal, ad hoc and less inclusive 'bilateral' arrangements, where it was believed the industry's interests predominated. A non-industry interviewee put this very clearly:

It would be far easier to work with the industry if there was a clearer strategic framework and the industry's position within this was more appropriate and more clearly defined. This would enable discussions to take place in a clearer, more transparent and open atmosphere than at present. In other words there is a need for clearer rules of engagement with the industry. This would produce a win-win situation in that all parties would know what is expected of them.
(N3)

National partnerships

Many interviewees endorsed the idea of a national forum to bring together stakeholders in this field, as illustrated by the following comments from, respectively, an industry respondent, a non-industry stakeholder and a civil servant:

... perhaps a national-level body is needed to bring all views together, identify good practice and reach greater consensus on alcohol issues.
(I6)

A national forum on alcohol, including all stakeholders in the field including the industry, would be really useful in taking the alcohol strategy forward.
(N6)

There is a need for a national stakeholders' forum at a strategic, national level to advise Government in this field. This would be a large body – it should include all stakeholders such as the police, medical and NGOs – in addition to the industry.
(N1)

These ideas are consistent with proposals to create a national alcohol advisory forum to lead on or oversee campaigns aimed at reducing alcohol misuse (see Alcohol Concern, 2005). This might include representatives of alcohol agencies, the royal medical colleges, researchers, law and order professions, local government and the drinks industry. A similar body already exists in Scotland – the Scottish Ministerial Advisory Committee on Alcohol Policy (SMACAP). Its membership is drawn from Government, police, prison service, health professions and the NHS, licensing authorities, alcohol agencies, the industry and other stakeholders.

England also has previous experience of advisory forums in this field. An official advisory committee on alcohol – the Kessel committee – existed in the 1970s, though it did not contain any industry representatives (see Baggott, 1990). More recently, advisory groups were established on the national alcohol strategy and on licensing reform. Several

interviewees suggested that these advisory mechanisms be revived, while others alluded to recent moves to create a new inclusive forum for the discussion of alcohol policy.

Others were more cautious about establishing a new alcohol policy forum. There were fears among the non-industry respondents that such a body would be captured by industry. Several urged that its structure and governance must be carefully thought out. Others warned that the body should not be a talking shop but must be empowered to do things. It was also pointed out that, given the large number of potential stakeholders, the forum would find it difficult to be both inclusive and manageable.

Local partnerships

Interviewees identified local partnerships as making an important contribution to reducing alcohol problems. Pubwatch schemes were mentioned favourably by industry and non-industry respondents, particularly by the police and local authorities. These are local schemes run by licensees, which aim to reduce crime and disorder through communication and mutual support. Each local Pubwatch is autonomous and depends largely on the voluntary efforts of local licensees, though they do receive financial support from pubcos, some of which strongly encourage their licensees to join.

A national voluntary organisation, National Pubwatch, promotes the take-up of local schemes and provides support and advice. Police and local authorities also offer advice on how licensees can prevent alcohol-related crime and disorder. Close liaison between local licensees and the authorities is increasingly the norm, with the latter becoming much more

proactive in recent years. Notably, the DCMS (2004) guidance on the implementation of the 2003 Licensing Act states that licensing authorities should familiarise themselves with Pubwatch schemes in their area. In its report on anti-social behaviour, the Home Affairs Committee (2005) also identified Pubwatch schemes as a means of promoting co-operative working arrangements between the trade and the police.

The strength of Pubwatch schemes is their voluntary nature and their focus on local problems and issues. But there are concerns about their lack of sustainability in the longer term (often because of shortage of funding and turnover of licensees), an absence of inclusivity (particularly with regard to the off-licence trade), poor integration with other local initiatives, and a failure to monitor, evaluate and improve schemes.

Nonetheless, the Pubwatch schemes are becoming more closely integrated with other local strategies and more subject to evaluation. Increasingly, with the creation of Crime and Disorder Reduction Partnerships (CDRPs) and Safer Communities Partnerships at local level, the on-licensed trade has been incorporated on local bodies. According to BBPA, over 200 industry personnel now sit on CDRPs (interview data). Meanwhile, BII and BEDA have also encouraged their members to join local partnerships.

Other forums exist at local level. In various parts of England and Wales, one can find non-statutory liaison groups on licensing matters, which involve a range of stakeholders. In Scotland, licensing forums – which include representatives of licensees, police, local residents, and health, education and social

services – are statutory and will review the operation of licensing law and advise licensing boards.

Meanwhile, the Alcohol Education and Research Council (AERC) part-funded three community alcohol harm reduction initiatives, which became known as the UK community alcohol prevention programme (UKCAPP – see Mistral *et al.*, 2006). These projects, based in Cardiff, Birmingham and Glasgow use multi-agency partnerships to influence local alcohol policies, in an effort to shape the drinking environment and reduce alcohol problems (for example by improving law enforcement or the training of bar staff).

There are many other examples where local agencies have joined together to combat alcohol problems, particularly those related to crime and disorder. The 'TASC' (Tackling Alcohol-related Street Crime) project, funded by the Home Office, attempted to address alcohol problems in Cardiff through a multi-agency approach. One of the positive outcomes was a closer and more co-operative working relationship with the local licensed trade (Maguire and Nettleton, 2003, p. 17). Another project that received much attention is Manchester City Centre Safe (Brown and Greenacre, 2005). This partnership initiative was aimed at the growing night-time economy and involved the police working closely with the licensed trade, business and local government. The scheme aimed to reduce serious assaults, promote safe drinking and reduce perceptions of drunkenness and disorder. Strategies included structured 'multi-agency' visits to licensed premises, safety-glass requirements, server training, a clampdown on irresponsible promotions, identifying the top ten worst establishments and awards for socially

responsible practice ('best bar' awards), use of an alcohol by-law to prevent street drinking, targeting 'hot spots', support and information networks for licensees, advice on how to cope with disorder and improvements in late-night transport. The introduction of the project was followed by a reported reduction in serious assaults. These schemes – and other 'flagship' projects such as 'Nightsafe' (a scheme focused on improved standards of retailing, pioneered by West Lancashire Police and now being implemented in other towns and cities including Gloucester, Ipswich, Oxford and Cheltenham and counties such as Norfolk and Bedfordshire) – have been endorsed by the drinks industry, police and local authorities. Where projects have been evaluated, they appear to have curbed alcohol-related crime and disorder. However, as several interviewees observed, it is crucial that the lessons from the schemes are carefully analysed and widely disseminated.

Partnership can also take the form of ad hoc co-operation between companies and/or industry bodies and others, such as a government department, professional group or voluntary organisation. Many examples were found by this study and it is possible to mention only a few for purposes of illustration. The Portman Group, for example, has worked jointly with the Department for Transport on drink-driving issues. BII has engaged with the police, the Home Office, local authorities and LACORS (the local authorities co-ordinators of regulatory services) on its training programmes. The British Retail Consortium has worked with the Association of Chief Police Officers (ACPO) and the Local Government Association on licensing and public order issues. Individual companies have also been active in establishing

working partnerships. For example, Scottish and Newcastle graduate trainees have undertaken projects with the charity Turning Point. Meanwhile, Diageo has collaborated with the National Union of Students on a national campaign to promote responsible drinking. This involves campaign materials in student union bars (including beer mats, unit stickers for glasses and bar staff T-shirts). Finally, Coors worked closely with the Scottish Executive and Alcohol Focus Scotland to ensure that their own 'sensible drinking' campaign – which involved sporting figures from soccer clubs sponsored by the Carling brand – complemented existing campaigns in this field.

It is difficult to form a judgement about such diverse activities. Industry respondents were very enthusiastic about these and other specific projects. Many non-industry participants also applauded these initiatives. Others from outside the industry, while not criticising specific projects, expressed general concerns that the industry's approach could be construed as a 'public relations' exercise. Fears were also expressed that ad hoc partnerships could be used to exert undue influence over the voluntary sector. However, it was recognised that such fears are easier to dispel where partnership initiatives are based on clear agreements between participants, where they are subject to proper independent evaluation, and where the lessons from successful and unsuccessful partnerships are widely shared.

At the international level, the industry has attempted to draw up framework principles on partnership. The Dublin Principles, mentioned earlier in the context of research, also cover co-operation among industry, Government, the community and public health advocates

(National College of Ireland, 1997). These, like the research principles, are fairly general. In 2000, these were taken forward in the 'Geneva Partnership', also an ICAP initiative, which set out an agenda for partnership working by highlighting common ground and outlining the responsibilities of various stakeholders. There have also been attempts to identify the degree of consensus on various policy issues among the different stakeholders (see EPC, 2006). But what is really needed is a full and public debate about the proper role of the industry as a partner, and clarification of the rules of engagement with the industry, including any safeguards that might be needed to protect the public interest.

Conclusions

- In the traditionally adversarial world of alcohol politics, partnership with industry can create tensions. On a positive note, the industry can bring resources as well as expertise (from the producers' knowledge of marketing and drinking patterns to the local 'street knowledge' of Pubwatch schemes). To refuse to have any input from the industry would cut off a potential source of resources and expertise. To exclude it from partnerships as a matter of principle would be short-sighted.
- The industry's commercial objectives can conflict with the public interest. This places limits to what it is able to do in the context of partnerships. The best way forward is to establish a coherent framework, which clarifies the scope and purpose of partnerships and which protects weaker participants and the public interest. This might include a national alcohol forum involving all stakeholders, including the industry.
- The industry must be engaged where it makes a genuine contribution to the reduction of alcohol problems. One such area is local retailing schemes, such as Pubwatch and other locally based alcohol partnership arrangements and projects mentioned above. There is already evidence from 'flagship' projects to suggest that partnership with the industry can bring benefits. However, there needs to be a comprehensive review of the impact of such schemes and widespread dissemination of the lessons they hold, which could be reflected in future guidance and monitoring of partnership arrangements.
- There needs to be a full and open debate about the role of the drinks industry in the governance of alcohol, including partnerships.

6 Conclusions

Government's alcohol strategy

Although the drinks industry remains central to the government's alcohol strategy, the details of this policy have changed considerably. In some respects, the Government's policy appears to have hardened against the industry (for example, alcohol disorder zones). Elsewhere it has sought compromise with the industry (for example, on the national standards and the national alcohol fund).

It is important that policies be properly evaluated. Further research must therefore include an independent evaluation of the impact of:

- the national standards
- the new Drinkaware Trust
- when implemented, alcohol disorder zones.

The drinks industry

The drinks industry has not ignored alcohol problems. But it has taken a particular view of them, focusing strongly on individual responsibility, and emphasising the role of education and research. It has accepted that existing commitments to social responsibility must be strengthened across the industry. It remains wedded to education and research as the principal instruments of prevention, while acknowledging that self-regulation and participation in partnership arrangements with Government and other stakeholders may help to prevent alcohol problems. However, it is opposed to policies aimed at regulating overall levels of alcohol consumption in society.

The industry is not a monolith. It presents a

united front in public, despite private disagreements between different sectors and between traditional corporations and 'new entrants'. Competitive pressures within the industry are strong and can operate against social responsibility. There is also a danger that social responsibility can be wrongly construed as anti-competitive behaviour. The industry's response to alcohol problems depends heavily on the willingness and ability of the larger companies, particularly the providers, to lead a diverse and dynamic sector.

Critics view much of the drink industry's efforts as tokenism. Even so, most acknowledge that the industry has a role to play in reducing alcohol problems and could do more, especially in changing marketing practices, improving product development and shaping the drinking environment. Critics remain concerned about the economic and political power of the industry and its influence over policy, and are highly critical of the Portman Group, believing that its regulatory and educational functions should be transferred to an independent body. The creation of the Drinkaware Trust will remove most of the Portman Group's educational functions.

Although this study has shed some light on the industry and its activities, further research is needed, including:

- an examination of the facilitators and barriers to socially responsible practice within the contemporary drinks industry
- an investigation of the relationships between the different sectors of the industry on social responsibility issues, in particular between the on- and off-trade, and between the traditional producer

enterprises and the ‘new entrants’, including niche producers and pubcos

- a study of the influence of the drinks industry within the policy process, including its relationships with Government, Parliament and the media.

Education and research

The drinks industry has supported education and research as a means of preventing alcohol-related harm. Education initiatives have expanded beyond the problems of drink-driving and under-age drinking to issues such as drunkenness, binge drinking and responsible drinking. The provision of education has also extended beyond public campaigns and the provision of school-based materials to web-based sources and information on products and in marketing. Critics of the industry believe that education can work as part of a broader strategy, but is relatively ineffective on its own. Some respondents were critical about the drink industry’s role in education and believed that it could do more to promote responsible drinking.

The alcohol industry’s support for alcohol research takes a variety of forms including direct funding and indirect funding through research boards on which the industry is represented. Critics are concerned about the possible manipulation of research agendas and project findings by the industry. They saw it as important that research, particularly when industry-funded, is governed in a way that explicitly protects the independence of researchers.

Further research is needed in the following areas.

- The impact of alcohol education campaigns, including those that are part of a broader programme of action on alcohol problems, must be comprehensively studied. This evidence must be used to inform future campaigns.
- An investigation of different models of research governance in the alcohol field is needed with a view to producing clearer criteria for future research activities, including those funded by the industry, government and non-governmental organisations.

Self-regulation

Many observers, including those outside the industry, accept that self-regulation has some role to play in preventing alcohol misuse. An element of self-regulation can support statutory regulation and respond flexibly with problems as they arise. However, despite some good practice, several shortcomings have been identified. There are weaknesses in enforcement and implementation, limited independent input and public accountability, and a lack of comprehensive coverage, leaving important areas under-regulated. Moreover, some operators – often the least responsible – lie outside self-regulatory schemes, undermining their effectiveness. The schemes rely heavily on ‘name and shame’ or bad publicity. There is a bewildering array of self-regulatory systems. Moreover, there is confusion about how the various codes relate to each other, notwithstanding recent efforts to create a single set of standards for the industry. There are emerging areas of co-regulation but these

require a stronger framework in England, where the self-regulatory elements are weakly underpinned by statutory law and official guidance. There are possible lessons to be learned from Scotland where new statutory provisions will give stronger support to self-regulatory activities (on training, for example). Statutory regulation could also bolster self-regulation by clarifying the position on competition law with regard to socially responsible practice in areas such as point of sale promotions and other efforts to improve standards down the supply chain.

Further research in this area should include the following.

- An assessment of the overall impact of self-regulation, particularly with regard to advertising, marketing and promotion, the drinking environment, under-age drinking and training. The effect of the different approaches to regulating point of sale promotions in England and Wales compared with Scotland (and the Irish Republic) is worthy of analysis. It would also be interesting to compare the outcomes of different regulatory systems for marketing and promotion that have an element of self-regulation, such as those operating in the UK, Australia, the USA and New Zealand.
- Given the potential for training schemes to underpin self-regulation and statutory regulation, more research is needed into the impact of different training schemes and how they support self-regulation and law enforcement.
- As one of the potential barriers to effective self-regulation is the competitive nature of the drinks business environment, there must be further analysis of the relationship between market conditions and competition, management strategies and processes, and regulatory compliance with both self-regulation and statutory regimes. Furthermore, the impact of contractual arrangements to promote social responsibility within the industry requires evaluation. There should also be a closer examination of the practices of the so-called 'rogues and cowboys' in the industry, how they operate and how they could be more effectively regulated.

Partnership

There is clearly scope for partnership working in this field. But partnerships must be inclusive and accountable, and must operate within a clear framework. At national and local level, a much more robust framework for partnerships is needed. Government has a lead role to play in setting this framework, and in protecting weaker organisations and the wider public interest. This might include a national alcohol forum involving all stakeholders, including the industry. The drinks industry has a legitimate role to play in partnerships given its knowledge, resources and expertise. It can also help to secure industry-wide co-operation with various interventions and initiatives. To exclude it as a matter of principle would be short-sighted. However, there are dangers of allowing the industry to lead or dominate partnerships. The profit motive is strong and not necessarily in the public interest.

There needs to be a full, open and public debate on the role of the alcoholic drinks industry in the governance of alcohol, including partnerships. This must cover issues such as the industry's role in education and information campaigns, research and other activities.

Further research in this area should include the following.

- Flagship partnership projects receive much attention and many have been shown to be effective, at least in the short term. What is needed is a comprehensive review of partnership working to confirm what works and where more action is needed. This could then be reflected in the dissemination of the lessons of partnership, and in future guidance and monitoring of partnership arrangements.

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Alcohol strategy and the drinks industry

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