BIZCOMMUNITY

Cabinet mulls crackdown on booze adverts

By Asha Speckman

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This week, the cabinet could approve policy recommendations that would lead to the disappearance of marketing of alcoholic beverages from primetime slots on TV.

The proposal, contained in the draft liquor policy paper, seeks to give Trade and Industry Minister Rob Davies more power to set restrictions and parameters for the advertising and marketing of liquor on TV, such as a recommendation to shrink the time when ads may be flighted to between 10pm and 6am, after prime time.

Cabinet spokesman Donald Liphoko confirmed that the document would be discussed this week.

Liquor industry players such as SABMiller, Diageo and Distell stand to lose presence on some of South Africa's most watched shows, such as *Generations* on SABC.

Kurt Moore, CEO of the South African Liquor Brand Owners Association, said the association heard about the recommendation to cut the window for liquor ads "via the grapevine" after the Department of Trade and Industry failed to notify the liquor industry following a public consultation process last year.

Image via Pixabay

Moore said that while the government was not obligated to undertake further consultation after it had heard the industry's initial comments, "the real issue is, if the revised proposal is so fundamentally different from what was initially proposed, surely we should be afforded an opportunity to give some input on that".

Currently, broadcasters may air liquor ads from 5pm.

Liquor industry heavyweights SABMiller and Distell referred queries to Moore. Diageo did not respond.

For now it is unclear whether the recommendation will lead to revenue loss for the liquor industry.

Moore said the latest independent study, by Cochrane Collaboration in 2014, found no scientific evidence to back up a claim that marketing causes increased consumption of alcohol.

Advertising was used to win market share among different brands, he said. "The impact will therefore be to stifle competition among various brands and competitors as well as potentially disadvantage new entrants into the market," he said.

But broadcast stations could lose revenue.

Moore said research showed that shifting the time that liquor ads could be played to later would have the most serious impact on the SABC.

The public broadcaster's most appealing programmes are its soapies, aired between 6pm and 8pm. After this some viewers switch to pay-TV channels. "So, if you moved it to 8pm, never mind 10pm [liquor producers] would not get any alcohol advertising and by our estimates [the public broadcaster] would lose [a significant value] of advertising from the industry," he said.

He said the liquor industry had proposed a restriction on alcohol ads until 7pm.

No SABC spokesman could be reached and e.tv declined to comment.

The draft policy has shifted over time from initial calls by Health Minister Aaron Motsoaledi for an outright ban on alcohol advertising. Following an outcry, the Department of Trade and Industry tabled a milder version of the policy.

Motsoaledi's department was tasked with conducting an impact assessment. This was submitted to parliament but never made public.

A 2013 study by Econometrix found that an initial proposal by the health ministry to ban liquor advertising would have cost TV broadcasters R1.3bn and radio R150m according to industry adspend in 2012.

The latest version of the policy also proposes raising the minimum drinking age from 18 to 21 and that liquor companies may no longer use sport stars and models to make their products more appealing to youngsters.

It also makes provision for liquor manufacturers and suppliers to be held liable for damage resulting from sales to illegal traders if there is no proof that they tried to prevent the supply. Retailers would be liable if they sell to drunk patrons and the result is damage to property near the retail outlet.

Source: Business Times