

McClatchy Washington Bureau

 [Print This Article](#)

Posted on Tue, May. 01, 2012

Feds review online marketing of beer, liquor and wine

By Michael Doyle | McClatchy Newspapers

last updated: May 01, 2012 04:40:06 PM

WASHINGTON --]

Twitter didn't exist the last time the Federal Trade Commission seriously checked out alcohol advertising, back in the last decade.

Now, some 175 million tweets fly daily across the micro-messaging site, including an increasing number from wine, beer and liquor companies seeking market buzz. It's part of a new media frontier, which federal regulators are about to explore.

In an ambitious venture, the Federal Trade Commission is requiring 14 major alcoholic beverage producers to release information about their Internet and digital marketing efforts. The parent companies for storied wineries including Kendall-Jackson, Robert Mondavi and Beaulieu Vineyard, as well as the likes of Anheuser-Busch and Bacardi, are all being tapped for precious data likely to shape future advertising rules.

"The industry is innovating quickly," Johns Hopkins University public health specialist David Jernigan said in an interview Tuesday, while "the pace of regulation and monitoring" has lagged.

Director of the Center on Alcohol Marketing and Youth at the university's Bloomberg School of Public Health, Jernigan said the new study "can shine a bright light" on industry marketing that's rapidly evolving to exploit new technologies. Once completed, probably next year, the study will guide Federal Trade Commission recommendations on how the alcohol industry should regulate itself both on- and offline.

"We as an industry have always been up front about our practices," Larry Kass, director of corporate communications for the Kentucky-based Heaven Hill Distilleries, said Tuesday.

The last study of this kind, completed in 2008, compiled alcohol marketing data for 2005. That year, 42 percent of the surveyed companies' \$3.3 billion in marketing expenditures went for traditional media such as television, radio, print and outdoor billboards. Only 1.9 percent covered Internet efforts.

It was a different time, though. In 2005, Twitter was still months away from being launched. YouTube had just debuted, and Facebook was barely a year old. Since then, some companies have really belied up to the social media bar.

"They're everywhere. They're blanketing online," said Sarah Mart, research director for the San Rafael, Calif.-based group Alcohol Justice, an advocacy group that criticizes what it calls the alcohol industry's "negative practices."

The makers of Southern Comfort, for one, several years ago diverted most of their marketing efforts to social media and away from traditional advertising. Bacardi, Jernigan's research found, has at least seven Facebook pages that together claim some 1.7 million fans. Kendall-Jackson offers online video interviews with winemaker Jess Jackson. Captain Morgan Rum promotes a video game app for iPhones.

"Fearless adventurers battle friends and rivals in the true spirit of the legendary Captain Henry Morgan," the game's introduction states, adding that one should "raise your glass, always in moderation."

Other companies are still finding their virtual way.

Mike's Hard Lemonade Co., for instance, is one of the firms being surveyed by the trade commission. But though it has had a Twitter account for 13 months, the @mhl Twitter address has trickled out only 139 tweets for a scant 77 followers as of Tuesday. Other companies, meanwhile, can sound so excruciatingly straight-arrow that boosting sales seems secondary to seeming responsible.

"Earth Week Tip," the makers of Miller's and Coors beers tweeted last month. "Bring your own bags to the grocery store."

The trade commission's marketing survey went to some of the largest companies that represent myriad individual labels, such as Diageo PLC and the New York-based Constellation Brands. California-based E&J Gallo Winery, the world's largest family-owned winery, is not being surveyed.

The trade commission is limited in what it can do with the information it collects. Outside of regulating "unfair or misleading" ads, Jernigan noted, the commission largely lets the industry set advertising guidelines. The industry's standard, for instance, is that at least 70 percent of the audience for advertising consist of adults 21 and older. This is stricter than it used to be, but not as strict as some would like.

"Companies," the Federal Trade Commission urged in its 2008 report, "should avoid online content that is likely to appeal to minors."

Industry standards likewise call for alcohol purveyors' Internet sites to include age-screening pages. Jernigan said he would like alcohol companies to start actively verifying ages, a practice currently followed on tobacco companies' Websites. Mart, of Alcohol Justice, said any survey would be inadequate so long as the alcohol industry regulates its own advertising; the trade commission, though, is unlikely to go further.

email: mdoyle@mclatchydc.com; Twitter: [@MichaelDoyle10](https://twitter.com/MichaelDoyle10)