Attorneys General of 21 States Lash Out at Bud.tv Age Checks

Anheuser-Busch's Status as 'Media Owner' Cited as a Concern

By: Jeremy Mullman  Published: February 19, 2007

CHICAGO (AdAge.com) -- Dealing a blow to the $40 million experiment hailed as ushering in a new era for marketer-generated media, the attorneys general of 21 states are attacking Bud's groundbreaking online TV network, charging that it's too easily accessed by people below legal drinking age.

Sharply worded letter

The irony is that the stance taken in a sharply worded letter to the brewer directly contradicts that of many critics -- including one at this publication -- who have described A-B's heavy-handed attempts to block underage users as diminishing Bud.tv's
The launch of Bud.tv is an attempt by a major alcoholic beverage marketer to become a major online media company. The branded-entertainment portal features TV-like content including original shows with Hollywood stars. But state attorneys general have now expressed concerns about a beer company that 'controls both the medium and the message' of such entertainment ventures.

The missive could be read as a warning to any marketer delivering its own content. While it glosses over the fact that you can't actually buy beer on the A-B site, it stresses in several places that the states' concerns are heightened precisely because the marketer "controls the medium and the message." It also refers to such ventures as moving into "unknown and unmeasured" territory.

'A higher responsibility'

"We feel strongly that since you are creating the programming and controlling the internet-based network, not just advertising on it, you have a higher responsibility to ensure that youth are not exposed to the marketing on your site," the letter to A-B reads. "We fail to see how your use of age verification on the Bud.tv site is a genuine attempt to keep youth from accessing the site's content."

Bud.tv launched earlier this month with a mix of trailers for a diverse list of reality, comedy and even drama programs. Access to the site is restricted to users who can provide the name, birth date and zip code of a legal drinker (ideally, themselves), which goes further than the honor systems most alcohol sites use.

The letter said A-B can do more to keep out youth, noting that its vendor has ways the brewer isn't using of confirming whether Bud.tv registrants are who they say they are. Those include follow-up phone calls or direct mailings and software that checks to make sure the information on a single ID can't be used for multiple users' registrations.

The attorneys general found further fault with Bud.tv functions that allow users to download programs to their iPods and sent via e-mail to their friends. "If the programming on your site
can be downloaded and shared freely ... what's the purpose of engaging any age verification at all?"

'Extraordinary steps'
In a lengthy statement, A-B VP-Consumer Affairs Francine Katz described A-B's actions to keep underage users from watching Bud.tv as "extraordinary steps," and urged parents to monitor their children's internet usage.

Referring to a review of the site in last week's Ad Age, "Bud.tv's Walled Beer Garden," Ms. Katz said: "Ironically, Ad Age and other media sources have criticized our independent age-verification process as discouraging adult viewers from visiting Bud.tv. Despite the fact that this software has turned away tens of thousands of visitors, we have continued to use it to show that we're serious about wanting to prevent illegal underage drinking."

A-B is reportedly spending $40 million on Bud.tv this year, and one of its top executives was recently quoted saying the site is aiming for an audience of 2 million to 3 million 21- to 34-year-olds a month by the end of its first year. It's a combination of investment and expectation that figures to make the inherent tension between avoiding marketing to youth and fostering the sort of easy sharing that can lead to effective viral marketing all the more pronounced.

Beer Institute marketing code
The Beer Institute's marketing code requires that its members only market to audiences consisting of at least 70% legal drinkers. That's a hard enough line to walk in established media, where the choice of a magazine-cover subject can change whether an issue meets the standard or not. It's even more difficult in the volatile and less-measured world of online video.

A-B has had at least two viral videos viewed more than 1 million times on YouTube: its animated "Crowntown" sketches for Budweiser Select and a fake "Beer Ape" ad for Rolling Rock. In each case, the brewer produced numbers that showed it met the Beer Institute's 70% standard.

It hasn't released any numbers about Bud.tv yet, which is apparently making the state law-enforcement officials nervous. "This is a serious concern for us," the letter said. "With
Bud.tv, Anheuser-Busch is venturing into unknown and, more importantly, unmeasured territory." The letter was signed by the attorneys general from Alaska, Arizona, Connecticut, Delaware, Illinois, Iowa, Kansas, Louisiana, Maine, Maryland, Nevada, New Mexico, New York, North Carolina, Ohio, Oregon, South Carolina, Tennessee, Vermont, West Virginia and Wyoming. The top legal officers of the District of Columbia and Puerto Rico also signed.

**Ability to sue**

Though the letter gives no indication of what they will do if their concerns are not met, the attorneys general have the ability to sue and have done so in the past. It was a suit brought by the states' attorneys that resulted in the landmark Master Settlement Agreement with Big Tobacco.

"This letter sets a solid standard," said David Jernigan, executive director of Georgetown University's Center for Alcohol Marketing and Youth. "It's terrific A-B went as far as they did, but the letter makes it clear that the technology they're using lets them go even further."

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Robin Garr
Louisville, KY
# 2 - Feb 20, 2007  8:21 AM

This is absurd. No law forbids anyone of any age to imbibe *information* about alcohol. It's time to stop compromising with the Puritans in our society and start telling them to get over it and shut up.

Mihael Scippa
Tiburon, CA
# 1 - Feb 19, 2007  2:05 PM

The Bud.TV age verification process is useless. The intent of A-B is quite clear - keep pushing product to underage drinkers with a "get the beer, get the girl" message that has worked so well before. And only an idiot would believe A-B's numbers on the ages of the millions who viewed the two viral videos...those metrics have not yet been invented! The Attorneys General need to take the next step and sue to end this exploitative experiment. The health and well-being of yound people is worth more than the bottom line of A-B. Michael Scippa Advocacy Director Marin Intitute San Rafael, CA 415/257-2490

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