Summary
Heineken UK is absolutely committed to working together with the Scottish Government, the public health community and industry colleagues to tackle the abuse of alcohol in our society and to promote the responsible consumption of our products.

Heineken UK is the country’s largest brewer and the world’s largest cider maker, producing brands including Heineken, Fosters, John Smiths, Strongbow, Kronenbourg and Bulmers.

We are headquartered in Edinburgh, employing 1,000 people in Scotland and 4,000 people UK-wide. We also have a leased pub company, Scottish & Newcastle Pub Company, operating over 2,000 pubs in partnership with individual business people across the UK, 300 of which are in Scotland.

The brewing and pub sector as a whole contribute significantly to the economic and cultural wellbeing of our society. The pub industry in Scotland employs 41,000 people and the licensed trade and wider hospitality industries in Scotland contribute some £2 billion to the UK Exchequer.

We welcome the opportunity to submit evidence to the Committee to assist the Scottish Parliament in developing policies that target problem drinkers, without penalising the majority that drink responsibly.

However, we have strong concerns that the blanket measures proposed in the Bill, such as minimum pricing, will fail to address those with harmful drinking patterns.

The Scottish Government acknowledges the complexity of the issue, and the need for a range of interventions. Despite this, the Alcohol Bill appears to focus heavily on measures aimed at restricting access and availability with the aim of reducing total consumption.

We remain to be convinced that pursuing a strategy of reducing total alcohol consumption across the whole population will bring the desired reductions in liver disease, hospital admissions and alcohol related crime and disorder. Total alcohol consumption per head of population has been falling since 2004, yet we have not seen the fall in statistics as predicted by the University of Sheffield Report. Health and crime statistics continue to rise.

Minimum price per unit of alcohol
There is no doubt that the growing cost of alcohol misuse in the UK must be addressed. However, there is strong evidence that the growing abuse of alcohol is a social issue and the cause is more complex than just the reduction in real pricing of alcohol in recent years.
Heineken UK opposes minimum pricing as we do not believe it will tackle harmful drinking patterns, we believe it will penalise the majority who are responsible consumers, nor do we believe it is the role of Government to set prices for consumers.

**Minimum pricing will not tackle harmful drinking patterns**

We do not believe there is sufficient evidence that harmful drinkers will not simply reduce spending on other vital areas such as nutrition for themselves and their dependants, resulting in even higher health damage. Our involvement with organisations such as Addaction and Turning Point indicates that those who misuse alcohol have underlying issues and without addressing these, the likelihood of them changing their alcohol consumption patterns is low.

There is growing concern that if alcohol prices increase without the necessary investment in targeted intervention, the harmful drinker will seek out alcohol from illicit or illegal sources.

We also have strong concerns that price rises that create a disparity between Scotland and England will fuel the illicit trade in alcohol.

**Minimum Pricing will impact moderate drinkers**

A number of studies have been published, reviewing alcohol pricing and promotions. However the base evidence for most comes from the same source – the Sheffield Study commissioned by the UK Department of Health in 2008. The management summary indicates that minimum pricing will have a very small financial impact on moderate drinkers. However the detail within the report indicates this is modelled on a moderate drinker, which they define as consuming 3 pints or 3 glasses of wine per week; well below government recommended safe consumption guidelines and not supported in the detail of the report.

Those that will be most impacted, are the majority of moderate consumers, many of whom are on low incomes, who are unable to continue to enjoy alcohol as it is too expensive. Those on higher incomes will not need to change their drinking patterns in response to price increases.

There is growing support from the public that the moderate consumer should not be impacted because a minority abuse alcohol.

**Role of promotions in encouraging people to purchase more alcohol than they intended**

Heineken UK has already publicly stated in submissions to the Competition Commission that we believe deep discounting to drive footfall does not sit side by side with the promotion of responsible consumption.

We would prefer to see a level playing field across all sectors of the alcohol retail industry. Alcohol, when respected, can be a social benefit and we believe that the continual over-promoting, seen especially in the off-trade,
should be stopped. We agree with any measures which prevent deep
discounting, e.g. banning of below cost selling and use of large quantities of
free alcohol to motivate purchase. However, linear pricing as proposed in Part
1(2) of the Bill incentivises the delisting of smaller quantities.

The focus should not be on promotional materials per se, but on irresponsible
promotions. Retailers have seen growth in high value products, with
innovation of new products from all over the country offering consumer
choice. This increase in diversity should be welcomed, in particular the recent
growth of independent local breweries, but producers’ ability to drive quality
and innovation will be seriously compromised if they are not able to promote
products.

Again, we would welcome the opportunity to participate in discussions with
Government and retailers to find practical solutions to address the issue of
irresponsible promotion.

**Social Responsibility Fee**

The Social Responsibility Fee does not differentiate between those premises
whose practices are responsible and those who aren’t. If the Government
wants to promote the ‘polluter pays’ principle, then it is vital they target the
real ‘polluters’.

Heineken UK believes retailers should not be punished for selling a legal
product responsibly. We would rather see those that break the law tackled
with the full force of the existing regulations.

The on-trade business is facing unprecedented trading conditions. With
decreasing sales and steeply rising operational costs, 53 pubs across the UK
are closing every week. The vast majority of pubs, clubs and bars in Scotland
responded positively to the ban on smoking in public places, many investing
large sums to further improve the quality of their venues. Establishments are
paying more for their licences, and some have also agreed to pay an
additional levy through Business Improvement Districts. Another fee would
simply force even more pubs and clubs out of business, further depleting
consumer choice and damaging the social infrastructure of communities.

Again, rather than introducing a Social Responsibility Fee, existing legislation
should be enforced rigorously on those who serve people who are intoxicated
or causing disorder, or those who are intoxicated in a public place.

Similar schemes in England, such as Alcohol Disorder Zones, have so far
proven unpopular with local authorities. Local authorities are instead choosing
to work collaboratively with industry on initiatives such as Best Bar None and
Pubwatch.

Many venues already voluntarily contribute to and participate in these
schemes that address anti-social behaviour and encourage responsible
consumption. Heineken UK would prefer to see wider adoption of similar
initiatives.
Raising minimum legal purchase age to 21 in off-sales
The entire 18-20 age group should not be penalised for the misbehaviours of a minority.

It would be a contradiction if a person is old enough to vote, fight for their country or marry, yet not able to buy alcohol at a local store to celebrate such an occasion. Indeed, at present an 18 year-old is considered responsible enough to hold a personal and premise alcohol licence.

Heineken UK opposes raising the minimum legal purchase age to 21 for off-sales. Rather than targeting an entire age range, we would prefer to see the existing law fully and rigorously enforced.

Heineken UK action
We believe the most effective way to tackle harmful drinkers, without penalising the entire population, is adequately funded treatment and support services. We work in partnership with the social care organisations Addaction and Turning Point piloting innovative alcohol intervention projects which can be trialled and rolled out across the country if successful.

We are fully signed up to the UK-wide Campaign for Smarter Drinking, an industry wide responsible drinking campaign, and leverage our sponsorships to promote this messaging at the John Smith’s Grand National and the Heineken Rugby Cup.

Heineken UK is committed to providing consumers with the best possible information when buying and consuming alcoholic drinks. As S&N UK, we were one of the first producers in the UK to adopt detailed responsible drinking information on all bottles and cans of our beers and ciders in 2003. The information includes a responsible drinking message, the number of alcohol units contained within the pack, recommended daily guidelines for consumption and details of the drinkaware.co.uk website and the symbol recommending pregnant women should not consume alcohol.

At the end of 2009 we began putting unit content on our branded glassware, and expect to have over 10 million unit labelled glasses in the on-trade by the end this year.

We believe advice and support for parents and responsible drinking education campaigns are essential and we are fully supportive of the Drinkaware Trust to deliver these.

Heineken UK is a member of the Alcohol Industry Partnership with the Scottish Government. The Group is currently working on a multi-component pilot project in Fife. We believe this targeted approach is the most effective way to address the different problems associated with alcohol misuse and would call on the Government to put more focus on this type of approach.
Despite the delivery of tangible projects through the work of the Alcohol Industry Partnership, we are concerned that the proposals in this Bill leave little room for partnership with alcohol industry stakeholders to deliver these targeted solutions.

Summary
In conclusion, we believe that the effect of these proposals is potentially damaging to Scotland as a popular and unique tourist destination. Scotland is renowned for its welcoming hospitality, culture and diverse food and drink offerings. Much has been achieved in recent years to improve quality and choice within the Scottish hospitality industry – we feel this would be threatened by the over regulated and cumbersome control of total alcohol sales that are proposed in this consultation.

We fully recognise the impacts of alcohol misuse on our communities and are fully committed to working in partnership to deliver innovative solutions to these problems. However we consider that the simplistic approach outlined in this paper is a retrograde step which we feel will fail to address alcohol misuse and will penalise responsible law-abiding consumers. We believe targeted solutions at problem groups, be them harmful drinkers, under-age drinkers or those consuming in a hazardous pattern, will be the most effective way to forge a new, more responsible relationship with alcohol in Scotland.

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