Molson Coors welcomes the work of the Scottish government in addressing the issue of harmful alcohol consumption. We are pleased to have been able to contribute to the process of reviewing various policy recommendations that target alcohol harm without punishing the responsible consumer. Keeping in mind that there is no one quick fix for addressing alcohol harm, Molson Coors remains committed to keep working together with the Scottish government and others to make sure that the irresponsible alcohol consumption is addressed. We believe that reducing alcohol abuse is a desirable and achievable goal. We need efficient policies to target alcohol harm without punishing the responsible consumer.

We recognize that some of the key questions you have asked are being addressed by the Portman Group, an industry body. However, below, we lay out some Molson Coors’ responses to the draft bill.

Alcohol abuse is a complex issue which ultimately requires fundamental cultural change. This is not an area for which there is a “quick fix” and we believe we need to build respect for alcohol in a variety of ways, including education, policy measures and ensuring alcohol is reasonably priced. Acknowledging the difficulty in satisfying all parties when dealing with alcohol issues, Molson Coors (UK) has a few minor suggestions as well as some questions of clarification concerning the following details in the report:

1. Our Canadian experience with the system of minimum pricing, has shown us that minimum pricing might provide part of the solution to the issue in Scotland. We would, of course, be willing to put our Canadian experience and contacts at your disposal to discuss how these details were worked out in Canada, and see if they would work in Scotland.

2. In assessing whether minimum pricing may be the correct solution for Scotland, we believe the following challenges will need to be considered;
   a. How to appropriately determine the optimal level for the minimum price
   b. How minimum pricing would be implemented and enforced in Scotland, particularly bearing in mind challenges regarding border control. What would be the impact on England and Wales?
   c. The European regulatory regime – whether this is permissible under competition law, whether there are other measures available which may be preferable
   d. What other effects might minimum pricing have?

For instance, some of our questions below look at how we can address poor behaviour without affecting responsible retailing? Would we have to set two levels of minimum price; a base line and a responsible line? What would be the repercussions of this? (sec. 2, 6B (1)).
3. Concerning promotional pricing, Molson Coors believes that added value mechanics should not be included in the calculations of the total value of component packages. For instance, if a free glass is offered as a purchase incentive, (also enhancing the enjoyment of the product), it would not induce irresponsible drinking the same way as offering free alcohol would. This would enable the different companies to compete on brand and quality, rather than on price or alcoholic content.

4. On the issue of where stock is sold, we find that the Bill should allow for differentiating between responsible, standard promotional practices - for instance out-of-aisle selling of a single 450ml bottle of Grolsch at £2.00, does not feel irresponsible, but would be caught by the regulation, compared selling boxes (pallets) of 15, 300ml beer bottles for £5 – which should be caught.

5. We do, however, see a prominent place for education in a suite of policies addressing alcohol harm. If communication is limited to one specific aisle, then one only has the opportunity to interact with a proportion of shoppers. If we agree that education is a key driver for cultural change, where could we educate outside the aisle?

6. Furthermore, we recommend setting up an industry-wide voluntary code which bans advertisements that make a virtue of price, in the same way we can not make a virtue of ABV. This voluntary code would then focus any advertisement on the products’ qualities and brand and would prevent alcohol being used as a “loss leader”.

Our objective as a family brewer is to ensure that beer is enjoyed responsibly – and not bought on the basis of price, but on the basis of brand and taste, which may be a key way to reduce harm.

As a global company, Molson Coors has experience across the world with various policies, and we look forward to working together with government, the health community and the local community to find the best possible solutions for Scotland.

If you require further information or clarification, please do not hesitate to contact me.

Scott Wilson
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Molson Coors Brewing Company (UK) Ltd
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