

Molson Coors Beverage Company Consultation Response – CAP and BCAP consultation on amending the rule limiting marketing claims for low alcohol products

About Molson Coors Beverage Company

Molson Coors Beverage Company owns some of the UK's most important breweries and brands – including Carling, the UK's number one lager, brewed in Burton on Trent and made from 100% British barley; Sharp's – maker of the famous Doom Bar in Rock, Cornwall which is the UK's number one cask beer; and Aspall, which continues to involve the Chevalier family who founded the Cyder House in 1728 in Suffolk.

Our beverage portfolio also includes Coors Light, Staropramen, Blue Moon, Pravha, Cobra, Worthington's, Caffrey's, Rekorderlig, Miami Cocktails and the hard seltzers Three Fold and Bodega Bay. Our range of low and no alcohol products includes Doom Bar Zero, Cobra Zero, Bavaria 0.0% and Rekorderlig no alcohol.

Our Western Europe Head Office is in Burton on Trent and we have regional offices across the UK in Edinburgh, London and Belfast. Our National Contact Centre is in Cardiff. We have 12,000 on-trade customers and the largest technical services and customer sales team in the industry. Across our breweries, offices and mobile workforce we employ over 2,000 people across the UK and Ireland. The business also supports the Molson Coors Growers Group, which brings together more than 140 farmers as part of its extended supply chain.

In recent years we have invested over £100m across our UK operations and through Our Imprint we demonstrate our commitment to our people, communities, consumers and the environment. Most recently we have become the first major brewer in the UK to produce all our beers and ciders using 100% renewable electricity.

Molson Coors has responded to the Covid-19 pandemic in several ways:

- We have focused on protecting the health, wellbeing and livelihood of every member of staff, at the outset of the pandemic asking all of our extremely vulnerable and vulnerable employees to remain at home, including operational teams, and continuing to pay everyone, whether isolating, working or furloughed, 100% of their salary
- Reflecting the company's objective of being 'Champions of the Local', Molson Coors has supported the on-trade, including the national multi-channel launch of the #supportyourlocal campaign from Carling
- While being home to the most-loved beer and cider brands in the UK, Molson Coors takes pride in supporting small and entrepreneurial businesses (it has the largest independent on-trade footprint of any brewer) through the crisis – including investing behind providing fresh beer and restocking on re-open.

We are committed to tackling harmful drinking and supporting moderation. We are a major contributor to the Drinkaware Trust, and a member of several organisations that promote responsible drinking including the Scotland Alcohol Industry Partnership and the International Alliance for Responsible Drinking (IARD). We work with a wide range of



stakeholders to listen to their views, anticipate changing attitudes to alcohol in society and evolve our governance practices and welcome the opportunity to respond to this CAP BCAP consultation.

Question 1: Do you agree with CAP and BCAP’s proposed new rule to replace CAP rule 18.9 and BCAP rule 19.10? Please set out your arguments for supporting or disagreeing with the proposal.

Yes, we agree with the CAP and BCAP proposed rule amendment to allow brands to promote a low alcohol product as part of a range of drinks. The amendment offers a sensible and pragmatic approach to supporting the promotion of low alcohol products. However, we wish to see clarity in the wording of this amendment to make clear it includes alcohol free products as well.

Please see below the following points in support of the proposal:

Responsible Marketing

We believe in the responsible marketing of alcohol to adults in order to be leaders in reducing alcohol harm in society. We only target our marketing, packaging and promotion activities to legal drinking age consumers. With the growing influence of digital media, we recognise the importance of minimising minors’ exposure to and appeal of the marketing and promotion of our products. We therefore not only adhere to extensive laws and regulations on alcohol marketing, we have also chosen to adopt a number of governance codes including the International Alliance for Responsible Drinking (IARD) Digital Guiding Principles, the Portman Group Code and our own Commercial Code and Our Imprint sustainability strategy. We will only portray situations where our product is or has been consumed in a socially acceptable way. We will not condone or encourage drunkenness or anti-social behaviour in our marketing.

We value the ability to self-regulate our advertising and constantly analyse our business for good practice. Our Marketing Compliance Committee (MCC) process includes a cross-functional group of employees who are responsible for reviewing marketing materials against our internal standards and industry standards, including mandatory, voluntary and self-regulatory requirements.

Alcohol Trends

Existing self-regulatory systems and codes have been effective in regulating the marketing and promotion of alcohol in the UK to ensure alcohol is marketed responsibly and not to under 18s. Government statistics show continuing downward trends for overall alcohol consumption, binge drinking and underage drinking. UK alcohol consumption has fallen over the last 20 years. Between 2007 and 2017 the proportion of people who drank on five or





more days fell 41%, binge drinking fell 20% and heavy binge drinking 18%¹. Some 77% of UK adults do not exceed the CMO's recommended lower-risk guideline of 14 units per week²

As highlighted in the consultation document there has been an increase in both the availability and consumer purchase of no and low alcohol products. Our own portfolio includes Cobra Zero, Bavaria 0.0% and Rekorderlig no alcohol. In 2020, the range was extended further with the launch of Doom Bar Zero a 0.0% which has grown rapidly to become the No.2 amber ale brand in the 'no & low' ale category in both volume and value rate of sale³.

Molson Coors Beverage Company – April 2021

¹ ONS; Portman Group

² NHS Digital; Scottish Government; Stats Wales; NI Health Department; Portman Group

³ Nielsen Off Trade Latest 4we 30/1/2021

