

ENLISTING THE SUPPORT OF RETAILERS TO REDUCE HARMFUL DRINKING

Producers and retailers have an important role to play in promoting safe drinking environments and helping prevent the harmful use of alcohol.

Our desire to ensure that our products are sold responsibly led us to work with retailers across the world in creating and launching our “Guiding Principles for Responsible Retailing”. This initiative was introduced in 2015 and highlights best practices for selling and serving alcohol in four areas:

- **Enforcing minimum legal purchase age (LPA) laws. For example:**
 - **Encouraging** retailers and venues to train their staff to identify underage youth and refuse to serve them alcohol
 - **For retail** and hospitality sales, requiring government-issued age verification (where appropriate) for anyone appearing to be under the LPA
 - **For online sales**, requiring the purchaser to show proof of age upon delivery
- **Efforts to minimize excessive drinking at retail establishments. For example:**
 - **Training servers/staff** on the signs of excess alcohol consumption, and effective intervention techniques
 - **Denying** service to clearly intoxicated patrons
 - **Avoiding** irresponsible promotions
- **Supporting road safety. For example:**
 - **Training servers/staff** on handling patrons who may be at risk of drink driving
 - **Encouraging** the use of designated drivers among customers, where relevant
 - **Providing patrons** with information about safe transport options
- **Providing a well-managed retail outlet. For example:**
 - **Implementing** an effective dispersal policy at closing time
 - **Maintaining** a positive relationship with local law enforcement
 - **Ensuring** that non-alcoholic drinks, such as water and soft drinks, are also available

All the markets where we are commercially active in North America have industry-supported initiatives, with 78% of markets in Europe, and nearly half of markets in South and Central America, and in Asia. More effort is needed for such initiatives in Africa, where only 24% of the markets have such initiatives.

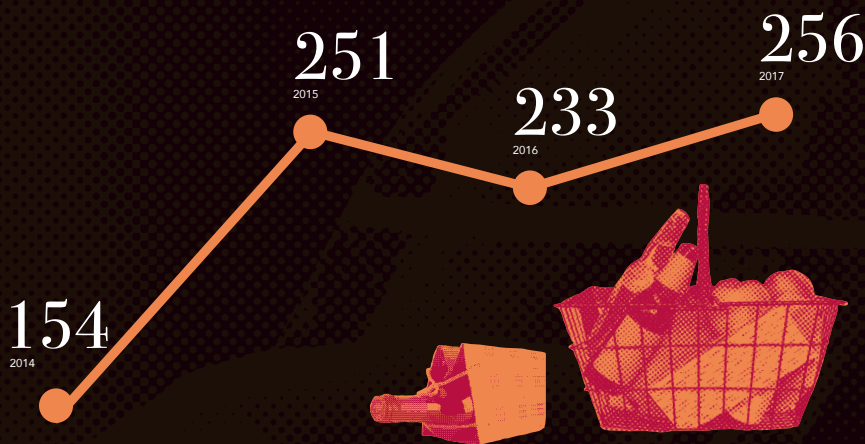
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Codes of practice also offer industry guidance in the absence of government regulation

COMMITMENT
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Key to KPI infographics: **P** Progressive **C** Cumulative **O** Only 2017 data **L** Limited data set, figures for 2013–2017 were not available

ACTION 10: RESPONSIBLE RETAILING

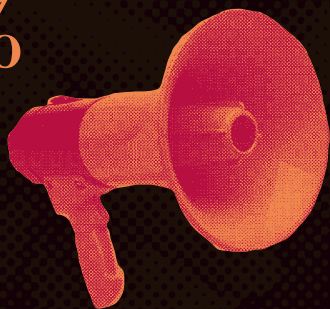


An average of **224^{PL}**

local responsible retailing initiatives were operating, per year, between 2014 and 2017.

66%^{PL}

increase in the number of local responsible retailing initiatives between 2014 and 2017.



68^{PL}

Local responsible retailing initiatives ran in an average of 68 of the countries where we were commercially active between 2014 and 2017.



COMMITMENT 5 IN ACTION

These case studies were chosen from our regional and national programs to showcase a diverse set of actions, priorities, geographies, and challenges. They reflect the many ways we work around the world, and represent programs implemented by individual companies as well as through partnerships.

SETTING STANDARDS: AGAINST MINORS BUYING ALCOHOL IN MEXICO



AB InBev and HEINEKEN have worked with two major retailers to improve their beverage alcohol sales procedures to help prevent underage youths from buying and consuming alcohol.

First, they used test-purchasing operations to calculate the percentage of stores selling alcohol to minors. The chain stores then updated the cash register software in approximately 1,200 of their stores in multiple cities including Zacatecas, to display a pop-up message reminding staff to ask for ID whenever they sold alcohol and that selling alcohol to minors is a crime. They also created a communications campaign to reinforce the message, and both chains introduced penalties for the owners of stores that sold alcohol to minors.

From May 2016 to December 2017, alcohol sales to underage youths fell by 43% in Zacatecas. The program was introduced to five other Mexican cities in 2017 and will be expanded further in the future.

PARTNERSHIP: LATVIA: "WOULD YOU SELL ALCOHOL TO YOUR CHILD?"

The Latvian Alcohol Industry Association (LANA) – whose members include Pernod Ricard – launched awareness campaigns and test-purchasing operations using underage volunteers in 2016 and 2017. LANA partnered with the Association of Hotels and Restaurants of Latvia (AHRL), Latvian Traders Association, the Latvian Food Retailers' Association (LPTA), and the Latvian Medical Association, to carry out more than 40 engagements with retailers.

The initiative asked sales staff to imagine what the consequences would be of selling alcohol to their own child and reminded them to ask for ID; one participant commented that it was "great as it emotionally reminds me how important it is for us to make sure that the buyer is of age".

In 2017, approximately 1,250 retail cash registers displayed the campaign materials, and around 400 hotels, cafes, and restaurants joined the initiative. The campaign was featured on TV, radio, and the internet, potentially reaching approximately 2 million people. After the campaign, 90% of boys and just over 65% of girls were stopped from buying alcohol without showing ID.



BEST PRACTICE: MYSTERY SHOPPING SCHEMES IN FLORIDA, USA



The research-based Responsible Retailing Forum (RRForum) partnered with distributor Breakthru Beverage Florida to offer a free mystery shopper program to specialist alcohol retailers in and around Hillsborough County in Tampa, Florida, between March and May 2017. Every licensee who volunteered for the program received a guide to best practices in responsible retailing, information on relevant laws, and other useful resources. Mystery shoppers conducted inspections on a selection of the 111 licensee volunteers; when staff did not ask for ID, their employer received feedback and an offer of free training for that employee. Around 87% and 88% of the shops successfully stopped underage youths from buying alcohol in the first and second rounds of inspections respectively. Between October and December of the same year, Breakthru Beverage Colorado and RRForum worked together to offer a similar mystery shopper program in Denver, Colorado. This time, 176 licensees took part, with underage volunteers visiting approximately 50 outlets in each round of inspections. In the first round, 90% of staff correctly checked ID, rising to 98% in the second round of inspections.

Our member companies Brown-Forman and Molson Coors are two of the companies that support RRForum.

INNOVATION: "YOU'RE ASKING FOR IT" IN THE UK

The Scottish Alcohol Industry Partnership (SAIP) worked with Police Scotland and North Lanarkshire Council, between June and September 2017, to deter adults from buying alcohol on behalf of minors. The [proxy-purchase prevention campaign](#)¹ ran across the whole of North Lanarkshire, following successful pilots in Motherwell and Wishaw in 2015, and Leith in 2016. The partners spoke to community stakeholders, including local schools and retailers, and analyzed surveillance camera footage, to understand patterns of proxy purchase activity.

A campaign ran across print, online, broadcast, and outdoor media to discourage alcohol sales on behalf of underage youths, with officers from licensing and trading regulatory bodies visiting over 300 retailers to raise awareness and distribute posters, signs, and window stickers. Fourteen "clean graffiti" stencils with warning messages were used on the streets outside shops that had previously sold alcohol to proxy purchasers to discourage any further attempts to buy alcohol for underage youths.

Local schools were also involved and held class discussions to teach pupils about the risks and dangers of proxy purchases, also hosting theatre productions about related social issues.

Police Scotland identified 14 areas of significant proxy purchase activity through the campaign, detected 38 adults making proxy purchases, and noted that reports of drinking in public areas fell by 51%, and youth disorder incidents reduced by 10%. The partners now hope to roll the campaign out across the whole of Scotland.

"The 'You're asking for it' campaign is a

successful approach that tackles a serious issue that affects our communities in Scotland. Underage drinking plays a huge part in antisocial behavior... It is vital that we continue to work together to tackle this problem and make our communities safer."

Divisional Commander for Lanarkshire Division
Chief Superintendent Roddy Irvine

"North Lanarkshire Council is pleased to be the first local authority in Scotland to roll out this effective proxy purchase campaign. 'You're asking for it' sends a very clear message to adults that buying alcohol for children is not acceptable under any circumstances and anyone who is caught faces a fine or prison sentence. It's important that communities continue to be vigilant on this issue to protect our young people from harm."

North Lanarkshire Council Leader Jim Logue

"The impact this proxy purchase campaign has is clear and the cooperation of retailers and the wider community is remarkable. Licensees are

enthusiastic about the campaign as it provides a structured and supportive approach in identifying and handling cases of proxy purchasing. Reducing alcohol sales to under 18s has a significant impact on local communities, helping to improve safety, tackle crime and improve health among young people. I believe this campaign has the potential to have an even bigger impact across Scotland."

Scottish Grocers Federation Head of Policy
and Public Affairs and SAIP Campaigns
Group Chair John Lee

Our member companies Bacardi, Diageo, HEINEKEN, Molson Coors, and Pernod Ricard are some of the participants in the Scottish Alcohol Industry Partnership (SAIP). Additionally, the Scotch Whisky Association (SWA) is also a member of the SAIP, with SWA members including Bacardi via John Dewar & Sons, Beam Suntory, Brown-Forman, Diageo, and Pernod Ricard via Chivas Brothers.



¹<http://www.youreaskingforit.com/>