



Michael Thorn
FARE
Level 1, 40 Thesiger Court
Deakin ACT 2600

21 December 2015

Dear Michael,

Re: complaint about Lion's Beer the Beautiful Truth Campaign.

I refer to your letter dated 10 December 2015, addressed to Lion's CEO Stuart Irvine. I am the Managing Director of Lion's beer business and responsible for the *Beer the Beautiful Truth* campaign.

We are disappointed FARE has chosen to communicate its views in such a hostile manner. We wrote to you about the campaign on 12 August 2015, at the time of launch, and never received a response.

Four months later you have chosen to provide your feedback through the launch of a lookalike website, deliberately infringing our intellectual property and making false and unwarranted allegations for the purposes of confusing the public as to the true nature of our campaign. Only now have we heard from you directly, threatening to report us to the Australian Competition and Consumer Commission on what are, for the reasons set out below, clearly spurious grounds.

While we will not always see eye-to-eye, Lion firmly believes that more can be achieved to improve Australia's drinking culture through respectful consultation amongst all relevant stakeholders.

FARE's approach is all the more disappointing given your organisation was established by Federal Parliament, with our support, to dispense an over-collection of tax from beer drinkers that never met with the necessary Parliamentary approval. I think the members of the public that paid that tax will be disappointed to see their money wasted on frivolous publicity stunts rather than directed to programs that address alcohol misuse, as per the original intention.

With regards to your comments on our campaign, Lion rejects these suggestions completely.

The campaign is focussed on busting common beer myths and providing all of the facts in a clear and transparent manner. Through our own consumer research we know there is considerable confusion about what is in beer – while people clearly understand it contains alcohol, most think it is full of sugar and preservatives, which is simply not the case.

This confusion is part of the reason people are increasingly moving to wine, spirits and RTDs when they choose to have an alcohol beverage, which in many cases contain more sugar and more calories. By providing the facts we hope that people will be better informed and reconsider beer when making their choice in bottle shops and at the bar.

Given beer is the lowest strength form of alcohol available (with most new beers now sitting between 4.2-4.6 ABV) and the only category that offers light and mid-strength variants (noting that Australia's best selling beer is Lion's XXXX GOLD at 3.5% ABV), I am puzzled as to why you would be concerned about us encouraging someone to choose a beer over a much higher ABV wine or spirit.

Perhaps your concern lies in your confusion regarding the intent of the campaign, which you have suggested is about convincing non-regular drinkers to become regular beer drinkers, or encouraging someone wanting to stop drinking for health reasons to continue.

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To the contrary, *Beer the Beautiful Truth* aims to encourage those people who choose to drink to reconsider beer as an option when they do so. You are greatly underestimating an individual's capacity to assess information about beer without that over-riding their normal lifestyle choices.

You also suggest that the use of language such as 'low carb', '99.9% sugar free' or 'preservative free' is positioning beer as healthy. To the contrary, these are merely basic statements of fact about aspects of the nutrition content of beer – no health claim or effect on the body are mentioned. I note that you have also suggested that Lion uses 'low calorie' as a descriptor. This is incorrect – Lion does not describe any of its beers as 'low calorie'.

Moreover, we reject your suggestion that the campaign 'pretends to provide information to consumers to enable them to make informed choices'. Every bottle of beer included in the campaign clearly displays the alcohol content, sugar content (twice), calorie content, protein content, fat content, carbohydrate content, dietary fibre and sodium content. Furthermore, each piece of both secondary packaging and tertiary packaging for each beer clearly displays the alcohol content (three times), sugar content (twice), calorie content (twice), protein content, fat content, carbohydrate content (twice), dietary fibre and sodium content.

In other countries Governments are moving to legislate that alcohol companies provide nutrition information on labelling – the fact we have chosen to do so voluntarily is evidence of our desire to provide consumers with such transparent factual information. And over 70% believe we should.

Perhaps even more importantly, 71% of consumers told us this information would help them make more informed choices when drinking – such as choosing a lower calorie option, drinking less overall or drinking fewer drinks on one occasion. Surely this is something FARE should welcome?

Finally, to liken beer to tobacco is absurd, and demonstrates FARE is out of touch with the vast majority in the community who enjoy a beer or other alcohol beverage safely and sociably. As a succession of Health Ministers have stated, tobacco is the only legally available product that consumed as intended has adverse health consequences for the general population.

At a time when data from the Australian Government shows we are making considerable gains in reducing underage drinking and risky drinking generally we would encourage FARE to focus its significant resources on targeted, value-adding activities that will further improve our drinking culture rather than pursuing measures that penalise the broader population without reducing harm.

If you would like to discuss this further please get in touch. If you choose to complain to the ACCC, we trust that you will provide it with a copy of this response.

Yours sincerely,

James Brindley
Managing Director, Lion