

The Public Health Perspective on the Alcohol Industry and Regulation

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ABOUT US



Mission: Healthy Marylanders Living in Healthy Communities

Vision: To improve public health in Maryland through education and advocacy



The Public Health Perspective

A FRAMEWORK FOR PREVENTING DISEASE & INJURY



WHAT IS PUBLIC HEALTH

Medicine treats disease; Public health prevents it



INTERVENTIONS

EDUCATION

SAFETY

SURVEILLANCE

RESEARCH

ADVOCACY

Vaccines!

**Food
standards!**

**Worker
protections!**

**Risk behaviors
in youth!**

Case; Public h

**Tracking
disease
outbreaks!**

**Health risks of
tobacco!**

**Is prevention
really the best
medicine or is it
laughter??**

RESEARCH

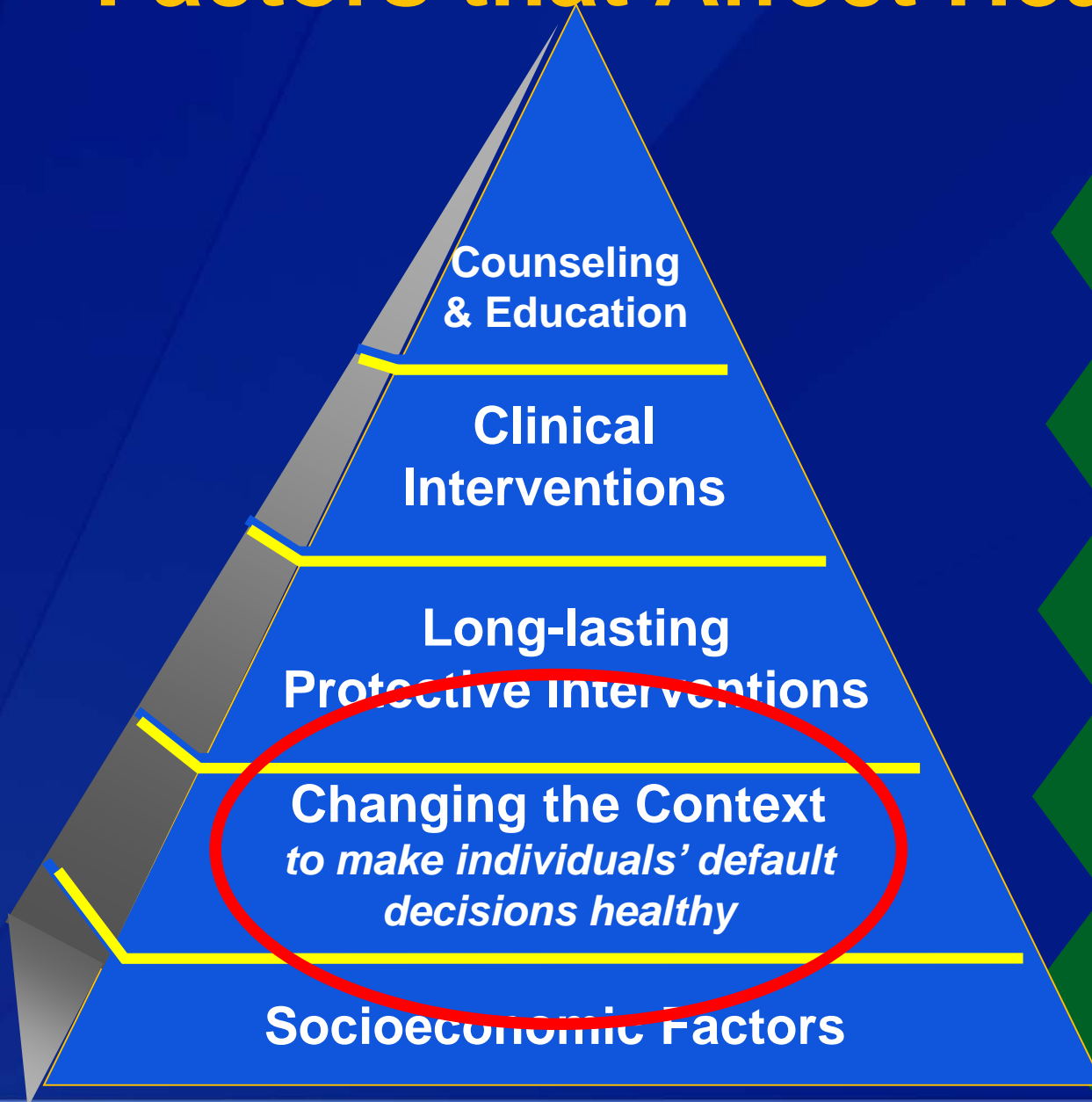
**Translating
science into
policy!**

Factors that Affect Health

Smallest Impact



Largest Impact



Examples

Eat healthy, be physically active

Rx for high blood pressure, diabetes

Immunizations, brief intervention, cessation treatment

Fluoridation, 0g trans fat, smoke-free laws, tobacco tax

Poverty, education, housing, inequality

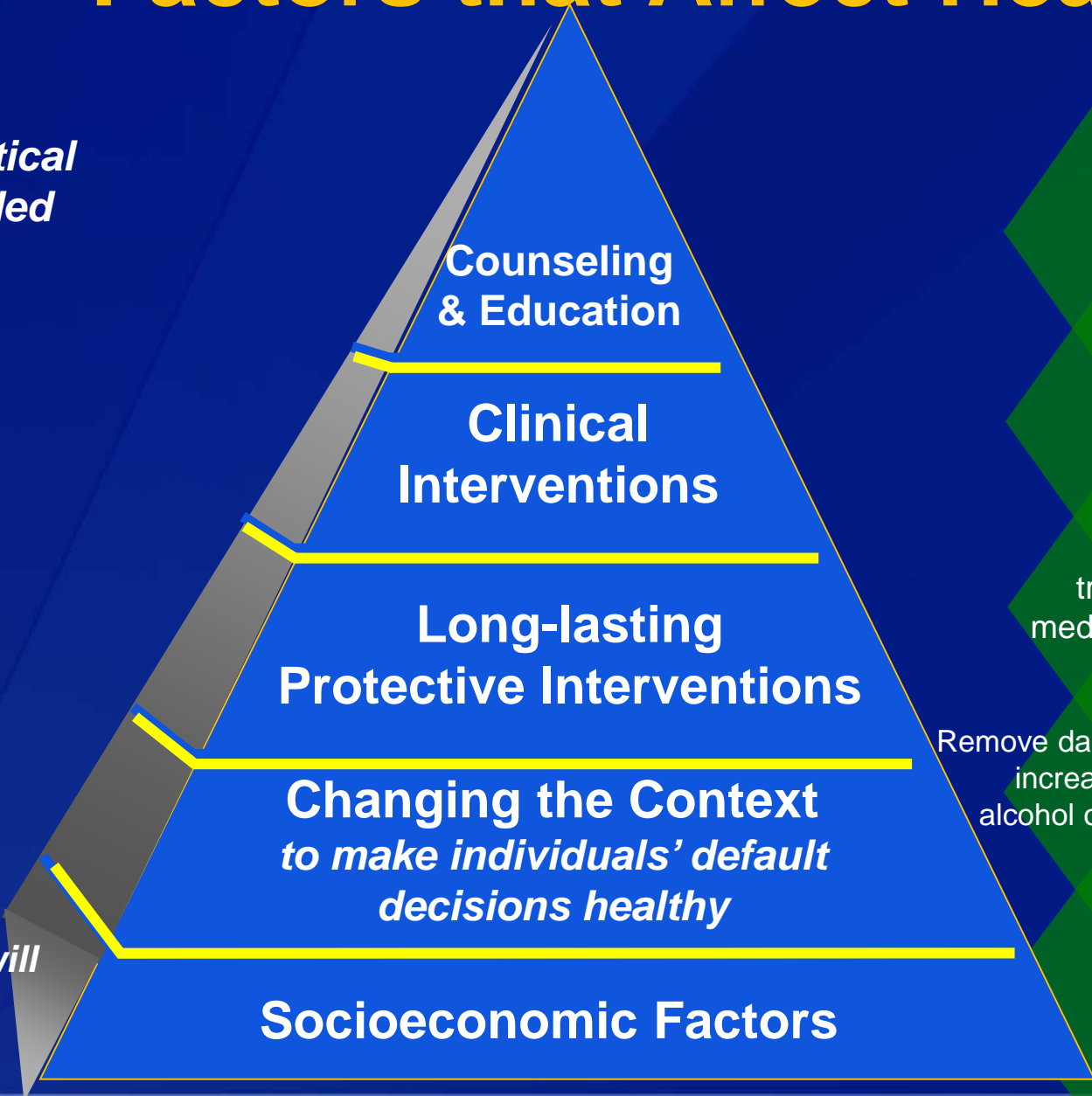


Factors that Affect Health

Little political will needed



Much political will needed



Counseling & Education

Clinical Interventions

Long-lasting Protective Interventions

**Changing the Context
to make individuals' default decisions healthy**

Socioeconomic Factors

Examples

Alcohol education and counseling, SBIRT

Evidence-based treatment and other medical interventions

Population-level access to treatment and SBIRT, strong media campaigns (i.e. with high audience penetration)

Remove dangerous products, e.g. AEDs; increase alcohol excise tax; reduce alcohol outlets; restrict/reduce alcohol marketing

Poverty, education, housing, inequality

Health in All Policies

- ▶ Embed health considerations into decision-making processes
- ▶ Approach on health-related rights and obligations
- ▶ Improves accountability of policymakers for health impacts
- ▶ Identify populations at greater risk
- ▶ Brings multiple sectors together
- ▶ Ideally reduces unintended consequences



Why we regulate

- ▶ Acute injury (drowning, falls)
- ▶ Acute health effects (poisoning, pancreatitis)
- ▶ Chronic health effects (liver disease, cancer)
- ▶ Societal effects (crime including assault, homicide)
- ▶ Harms to others (victims of drink driving, domestic violence)



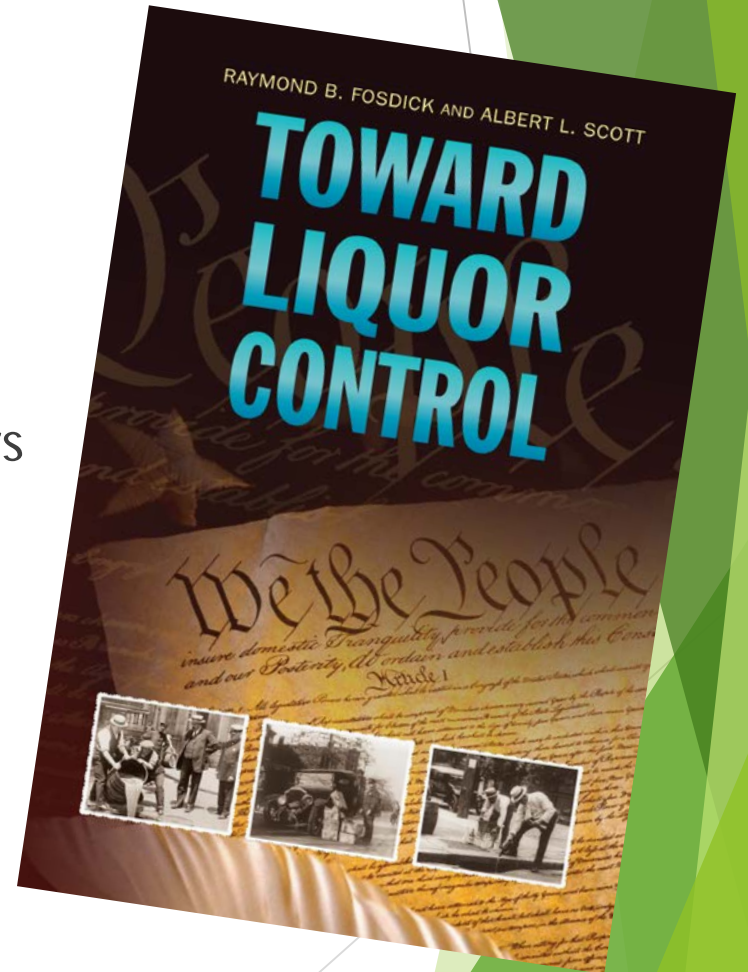
Traditional business practices not practical for alcohol

- ▶ A typical business plan includes:
 - ▶ Efforts to retain and increase customers who are frequent buyers
 - ▶ Discounts and promotions to gain new frequent buyers
 - ▶ Advertising to young people to build a future customer base
- ▶ For alcohol this means:
 - ▶ Marketing to heavy drinkers
 - ▶ Use of volume discounts to encourage greater use
 - ▶ Marketing to underage youth to encourage present and future alcohol use

Cannot consider economics in isolation.

Toward Liquor Control

- ▶ Creation of laws promoting temperance
- ▶ Elimination of tied house practices
- ▶ Separation of suppliers from retailers by wholesalers
- ▶ Licensing systems
- ▶ Promotion of fair trade practices



Current issues and challenges

- ▶ Deregulatory environment
- ▶ Characterization of alcohol regulatory system as “outdated” or “antique”
 - ▶ Misunderstanding of what alcohol regulatory systems are for
- ▶ Problems with terminology
 - ▶ May not know what a “tied house” is
 - ▶ “Temperance” sounds moralistic and old fashioned
- ▶ Rise of craft brewers and distillers
- ▶ Crossover with marijuana legalization
- ▶ Rise of e-commerce
- ▶ Deregulation through defunding

Product innovations

- ▶ Immediate and long term implications for health and safety
 - ▶ Average beer is 4.5-5% (standard drink is 12oz/5%)
 - ▶ Many craft brews are 7-9%
 - ▶ "I only had 1 or 2 beers!"
 - ▶ 4 Loko and similar products as high as 14% in single serve containers



23.5oz
14%



12oz x 5.5
5%



16oz
8%

=



12oz x 2.1
5%

Impairment and Alcohol Trends

- ▶ It can be difficult for individuals to understand what it means to be impaired
 - ▶ Individuals differ in their degree of impairment at a given BAC
- ▶ Factors affecting alcohol's physiologic influence
 - ▶ Weight, age, sex, race, ability to metabolize alcohol
- ▶ Inconsistent serving sizes and the combination of alcohol with caffeine/energy drinks undermine individuals' ability to estimate their level of impairment
- ▶ Alcoholic beverages are now more affordable, of far greater variety, and more widely promoted

12 fl oz of
regular beer



about 5%
alcohol

8-9 fl oz of
malt liquor
(shown in a
12 oz glass)



about 7%
alcohol

5 fl oz of
table wine



about 12%
alcohol

1.5 fl oz shot of
distilled spirits
(gin, rum, tequila,
vodka, whiskey, etc.)



about 40%
alcohol

FIGURE 1-7 Standard drinks in the United States.
SOURCE: NIAAA

NEW PRODUCTS

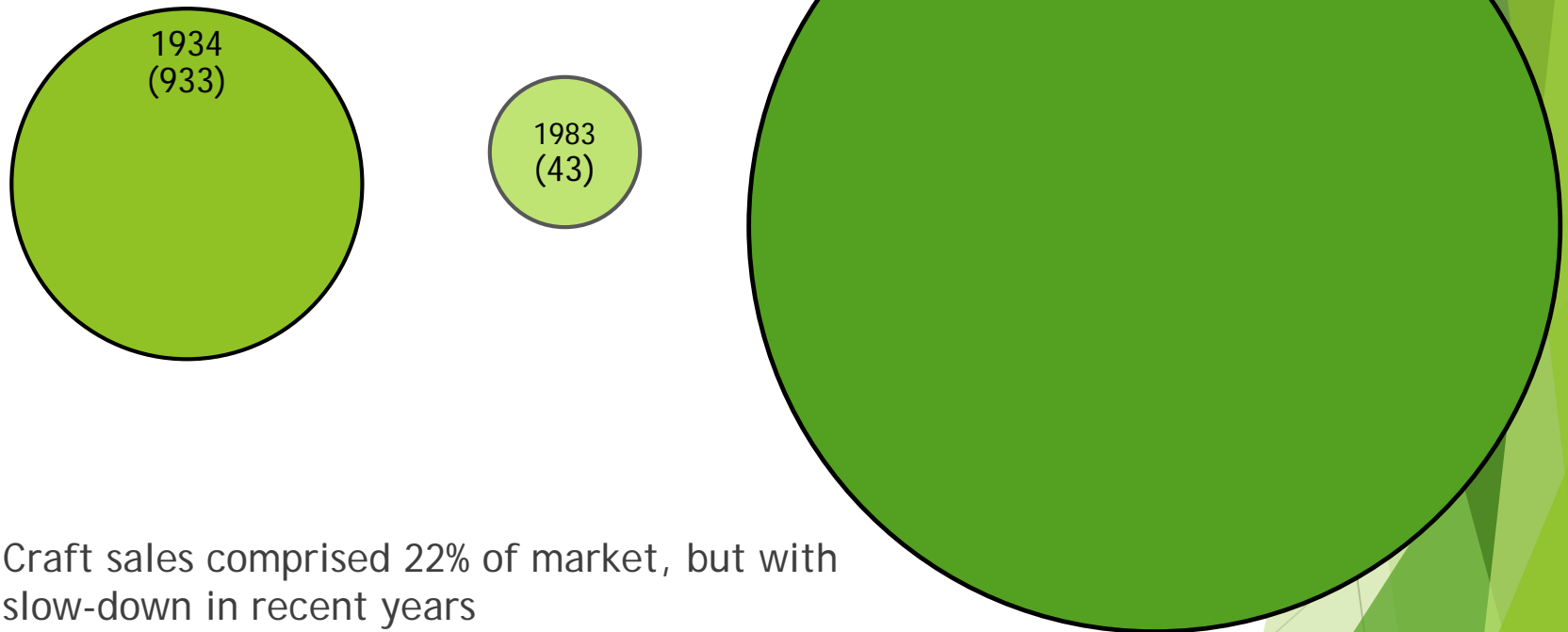


<p>Palcohol. Powdered Alcohol VODKA SPIRITS DISTILLED FROM GRAIN Made from premium vodka distilled 3 times 65% alcohol by volume 51% alcohol by weight 100 ml</p>	<p>Palcohol. Powdered Alcohol RUM SPIRITS DISTILLED FROM CANE Made from premium Puerto Rican rum 74% alcohol by volume 58% alcohol by weight 100 ml</p>	<p>Palcohol. Powdered Alcohol KAMIKAZE ALCOHOL AND NATURAL FLAVORS Spirits Just Like a Margarita Just add water for an instant cocktail 56% alcohol by volume 44% alcohol by weight 100 ml</p>
<p>Palcohol. Powdered Alcohol COSMOPOLITAN ALCOHOL AND NATURAL FLAVORS Just add water for an instant cocktail 60% alcohol by volume 48% alcohol by weight 100 ml</p>	<p>Palcohol. Powdered Alcohol LEMON DROP ALCOHOL AND NATURAL FLAVORS Just add water for an instant cocktail 58% alcohol by volume 46% alcohol by weight 100 ml</p>	

12 Ounces of Black Tuesday = **3.8 Cans of Coors**

Craft brewing market

- ▶ Proliferation of small breweries



- ▶ Craft sales comprised 22% of market, but with slow-down in recent years
- ▶ Increased competition/market saturation
- ▶ Competing alcoholic beverages (e.g., craft spirits, spiked sparkling water)

Craft brewing market (con't)

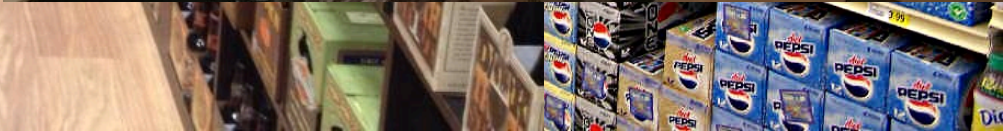
- ▶ Previous pattern of consolidation likely to repeat
- ▶ Consolidation already apparent
 - ▶ 50 of the largest craft brewers account for 90% of the market
 - ▶ 60 big acquisition deals 2012-2016; 5 of the fastest growing craft beer brands were acquired by one of the major alcohol marketers in 2017



Public health frame of regulation

- ▶ Regular policy reviews and updates are part of a well-functioning regulatory system
- ▶ Alcohol is a special product, and regulatory structures are built to create a healthy marketplace with key protections not only for consumers, but for non-consumers (half the population)
- ▶ 3-tier system aids in enforcement and ensures tax collection
- ▶ Strong research base to support effectiveness of regulation
- ▶ Promotion of consumer choice is a “byproduct” of the frame
 - ▶ Separation of the tiers integral to the rise of the craft movement and product diversity

Pop vs. beer



Policymaking approach

- ▶ Use a Health in All Policies approach
 - ▶ Collaboration with other sectors, reduces possibility of unintended consequences or burden on vulnerable populations
- ▶ Take time to consider the broad policy purpose of the law
- ▶ Does the law still serve that purpose?
- ▶ Do other laws serve that purpose?
- ▶ Do other societal factors further the same purpose?
- ▶ Do other societal factors or laws nullify the purpose?



Thank you!

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