



**ARA**  
**CODE OF COMMERCIAL COMMUNICATION**  
*(draft 1 of July 2007)*

**Including:**

**the Commercial Communication Basic Rules**

**additional rules relating specifically to Packaging, Promotions and Media**

**the Compliance and Monitoring Procedures**

**the Complaints Handling Procedure**

# **ARA CODE OF COMMERCIAL COMMUNICATION**

## **INTRODUCTION**

**This Code represents a firm commitment by the members of the Industry Association for Responsible Alcohol Use (ARA) to high standards in all of their commercial communication activities. The Code incorporates mechanisms to deal effectively with transgressions.**

**Members' commitment to the Code ensures that their commercial communication activities are, at all times, responsible, legal, decent, honest and truthful.**

**The ARA's approach is informed by the body of scientific evidence which indicates that responsible, moderate consumption by those not at risk can be compatible with a balanced and healthy lifestyle. At the same time, excessive or irresponsible consumption of alcohol may result in negative personal, social or health consequences, and the ARA believes it has a role to play in seeking to find and implement solutions to the problems of alcohol misuse and abuse.**

**While the ARA believes that advertising does not impact on overall consumption or misuse, and is supported by international research in this regard, the association deems it necessary to follow a strict self-regulatory code:**

- Because its members wish to make absolutely clear that they do not encourage irresponsible drinking.**
- Adherence to the Code and compliance system is also a way to reassure society of the ARA members' objective – to responsibly market their products only to adult consumers not at risk, who have chosen to consume alcohol beverages. Effective self-regulation is essential to the ARA's partnership with government and to maintaining the South African public's trust.**

## **OBJECT OF THE CODE**

**The object of the Code is to provide guidance for the commercial communication of alcohol beverages. As such, the Code is in addition to all regulatory requirements that already exist in South Africa.**

**Commercial communication includes advertising in all media (including all digital channels), packaging, promotions, merchandising and sponsorship.**

**Compliance must be to both the letter and the spirit of the Code.**

## **BASIC RULES**

**1. Commercial communication must:**

- be legal, decent, honest and truthful and conform to accepted principles of fair competition and good business practice**
- be prepared with a due sense of social responsibility**
- demonstrate sensitivity in regard to issues of culture, gender, race and religion**

- not be unethical or otherwise impugn human dignity or integrity
  - not employ themes, images, symbols or figures which are likely to be considered offensive, derogatory or demeaning
  - comply with all regulatory requirements
2. Commercial communication may not feature or encourage irresponsible, risky or excessive drinking.
  3. Commercial communication may not present abstinence or moderate consumption in a negative light.
  3. Commercial communication may not be directed at persons under the age of 18 years, and no one associated with the act of drinking in commercial communication may be younger than 25. Persons under the age of 18 may be depicted where it would be usual for them to appear, e.g. in family scenes or in background crowds, but it may not, in any way, be suggested that they have or are about to consume alcohol beverages.
  4. Commercial communication may not employ images or icons that have unique appeal to children.
  5. Commercial communication may not imply that alcohol beverage consumption is essential to business and/or social success or acceptance or that refusal to consume is a sign of weakness.
  6. Commercial communication may not be suggestive of sexual indulgence or permissiveness, portray nudity or present an improper portrayal of near nudity, present any situation derogatory to the virtue of either sex or claim or suggest that alcohol beverages can contribute directly to sexual success or seduction.
  7. Commercial communication may not induce people in an improper manner to prefer a drink because of its higher alcohol content or intoxicating effect. Factual information on alcohol strength may be included for the guidance of consumers.
  8. Commercial communication may not claim that alcohol has curative qualities, or offer it as a performance enhancer, stimulant, sedative or tranquilliser.
  9. Commercial communication may not suggest the consumption of alcohol beverages under circumstances that are generally regarded as irresponsible, inadvisable, improper or illegal, e.g. preceding or during any operation requiring sobriety, skill or precision.
  10. Commercial communication may not depict or include pregnant women.
  11. Commercial communication may not suggest any association with aggressive, violent or anti-social imagery or behaviour, illicit drugs or drug culture.

## **ADDITIONAL RULES RELATING TO PROMOTIONS**

1. Events and competitions directed primarily at persons under the age of 18 may not be linked to any alcohol beverage brand or product through sponsorship. It should be stated specifically that persons under the age of 18 are ineligible to participate in events and competitions aimed at promoting a brand or product.
2. Product launches and promotions may not include activities which encourage excessive or irresponsible consumption such as “boat races” or “down-downs”.

- 3. Consumers who attend promotions must be encouraged to assume personal responsibility for their decision to drink or not to drink.**
- 4. Extended promotions and tastings may not be confined to the consumption of alcohol beverages alone. Appropriate snacks or meals should be available.**
- 5. On-campus promotions will be arranged in a manner which meets with the approval of the university authorities and care must be taken to prevent serving alcohol beverages to under-age consumers.**
- 6. Members may not run promotions which encourage increased consumption over a limited period of time, such as “two for the price of one” promotions. Price, however, may be used in on-premise promotional activity provided that it is directly linked to the trial of a specific brand or product.**

#### **ADDITIONAL RULES RELATING TO PACKAGING**

- 1. In order to promote the responsible use of alcohol beverages, packaging of the highest practical quality, which leaves absolutely no doubt as to the fact that the product contains alcohol, must be used.**
- 2. Packaging which improves the convenience of storage, transport and serving is acceptable, provided that it does not encourage the impression that alcohol is a bulk commodity.**
- 3. Labels, which tend to degrade alcohol beverages by using colloquial names such as dop, booze and grog may not be used.**
- 4. The alcohol strength of a product may not be used as the principal subject of a label. Legislation requires that the alcohol strength be provided for the guidance of the consumer.**
- 5. The packaging of alcohol beverages may not be directed at persons under the age of 18 and may not have unique appeal to children.**
- 6. Labels may not convey sexual innuendo.**

#### **ADDITIONAL MEDIA RULES**

*Regardless of any regulations which may already be applied by media owners, ARA members subscribe to the following:*

- 1. Advertisements may not be transmitted in the commercial breaks immediately before, during or immediately after children’s programmes on television or radio.**
- 2. Advertisements will not be placed in any medium aimed specifically at children.**
- 3. TELEVISION: In addition to 1 and 2 above, the following rules apply to advertisements in the**

**television medium.**

- I. Programmes with a verifiable 30% or more viewership of persons under the age of 18 may not contain alcohol beverage advertisements. (the so-called 70/30 rule)
- II. Alcohol beverage advertisements may not be flighted between 14h00 and 17h00 on Monday to Friday.
- III. Alcohol beverage advertisements may not be flighted before 12h00 on Saturday and Sunday.
- IV. In the case of sporting events where the main sponsor is an alcohol beverage company, the 70/30 rule outlined in I above will still apply for the flighting of alcohol beverage advertisements.
- V. All alcohol beverage advertisements on television will contain the message: “Not for sale to persons under the age of 18”. The minimum specifications for this message are:
  - a. The message must be between 8% and 10% of the screen image
  - b. The message to run between 3 – 5 seconds at the end of the advertisement
  - c. The message must be visible and legible and placed at the bottom of the advertisement
  - d. The colour of the message should contrast with the screen image and be a mix of upper and lower case.

**4. RADIO: In addition to 1 and 2 above, the following rules apply to advertisements in the radio medium.**

- I. As the current measurement of listenership only profiles an audience of 16 years and above, the ARA will assume that such a profile serves as a proxy for those under 16 years of age.
- II. For liquor advertisements on radio, the 70/30 rule will apply for audiences of 20 years and above, and an 80/20 rule would be applied in the case of audiences between 16 years and 20.
- III. No liquor advertisements will be broadcast before 08h00 and between 14h00 and 17h00 Mondays to Fridays and before 12h00 on weekends.
- IV. In addition to the rules above, airings must take into account the programme’s appeal to youth based on verifiable profile data, the programme presenter’s profile and the profile of the audience call-ins.
- V. All advertisements on radio will contain the message: “Not for sale to persons under the age of 18”. The minimum specifications for this message are:
  - a. The message to be 3 – 5 seconds at the end of the advertisement
  - b. The message can either be separate or part of the creative execution as long as the creative execution does not detract from the message
  - c. The voice for the message should preferably be different from that employed in the advertisement
  - d. The message should be translated into the vernacular where relevant.

**5. CINEMA: In addition to 1 and 2 above, the following rules apply to advertisements in the cinema medium.**

- I. The 70/30 rule will apply and the ARA members will ensure that compliance with this rule is achieved through contractual arrangements between members and cinema owners.

- II. Cinema advertisement selling companies will be required to submit film titles to the ARA with a qualitative assessment of the audience profile in terms of the 70/30 rule.
- III. All alcohol beverage advertisements in the cinema will contain the message: “Not for sale to persons under the age of 18”. The minimum specifications for this message are:
  - a. Same as for Television

**6. PRINT: In addition to 1 and 2 above, the following rules apply to advertisements in the print medium.**

- I. The 70/30 rule will apply.
- II. The proxy for the age profile will be the same as used for the radio medium.
- III. All advertisements in print will contain the message: “Not for sale to persons under the age of 18”. The specifications for this message are:
  - a. For A4 print advertisements, the font and size must be Arial black 11.
  - b. For A5 and A6 print advertisements, the font and size must be Arial black 9.
  - c. For all other advertisements in print the size must be proportionally increased or decreased as the case demands
  - d. The message line must be centred at the bottom of the advertisement and placed horizontally (not right or left justified or vertical)
  - e. The message line must contrast with the background so that it is clearly visible
  - f. A combination of upper and lower case to be used

**6. OUTDOOR: As viewership age profiles are not available for this medium, the following rules will apply to achieve the objectives of the ARA commercial communication rules.**

- I. No billboards advertising an alcohol beverage brand or product will be placed within 200 meters of schools, community centres and churches.
- II. In the case of building wraps and billboards larger than Super 96 size, no alcohol beverage advertisement will be placed within 500 meters of schools, community centres and churches.
- III. All alcohol beverage advertisements in the outdoor media will contain the message: “Not for sale to persons under the age of 18”. The minimum specifications for this message are:
  - a. For landscape sites – 12% of 96 sheet (3m x 12m) or larger billboard space should carry the message, and 6% of 48 sheet (3m x 6m) and 16 sheet (1,5m x 1,5m) or smaller should carry the message
  - b. For portrait billboards – 8% of 6 x 9m or 9 x 6 m billboard space should carry the message, and 6% of any portrait size smaller than 6 x 9 should carry the message e.g. street poles
  - c. A combination of upper and lower case to be used
  - d. The message must contrast with the background so that it is clearly visible.

**7. ADVERTORIALS:**

- I. All advertorials to carry the age line as specified for print.

## **MONITORING AND COMPLIANCE**

Members of the ARA undertake to have in place within their organization a programme to monitor compliance with the Code by their organisation. Such a programme would include procedures to make all employees aware of the Code, its contents and purpose, and the requirements in regard to compliance. Management takes responsibility for all aspects of the programme, required training and implementation within their organization.

Compliance with the Code must be secured as a pre-requisite when awarding business to:

- advertising agencies
- market research companies
- media buyers and other external consultants
- event management companies.

Each member will be required to sign an annual Certificate of Compliance confirming the extent of their compliance or non-compliance with the Code and the remedial action taken in the case of the latter. A copy of the Certificate will be submitted to the National Liquor Authority and a copy to the ARA for purposes of record.

## **COMPLAINTS HANDLING PROCEDURE**

1. All complaints raised in terms of the ARA Commercial Communication Code will be submitted in writing to the party alleged to be in breach of the Code. Copies will be submitted to the arbitrator and the assessors.
2. The party alleged to be in breach will have 14 days in which to respond. Such response shall be in writing with copies submitted to the arbitrator and the assessors.
3. Failure to respond will have the same effect as an unsatisfactory response in that a hearing will be scheduled within 14 days.
4. The panel hearing the complaint shall comprise the independent arbitrator retained by ARA for these matters and the assessors. The arbitrator will hand down a ruling within 48 hours of the completion of the hearing.
5. The director of ARA and another appropriate person with the necessary knowledge and experience of the Code and commercial communication will be appointed assessors on an annual basis.
6. If a dispute is not resolved after the hearing, the parties may take the matter on appeal. The parties will choose a mutually acceptable person to hear the appeal. Only one appeal shall be allowed.
7. The party found in breach of the ARA Commercial Communication Code will be subject to the same sanction, corrective measures and deadlines as those in breach of the ASA Code.

**8. The ultimate penalty for non-compliance will be a public announcement that the guilty party has had its membership of ARA terminated, with reasons for the termination. A copy of the announcement will be submitted to the Director-General of the Department of Trade and Industry.**

**9. The ARA Commercial Communication Code is not intended to be interpreted in a purely legalistic manner. The spirit and intent of the Code will form the basis of all judgments in terms of the Code.**

**10. Any interested party may submit a complaint in terms of the Rules. It is not a requirement that the identity of the complainant be revealed. However, if the complainant is a member of the ARA, their identity will be revealed to the party against whom the complaint is lodged, if the latter so requests.**

**11. A complaints line will be operational and the general public will be advised on how to lodge complaints.**

**July 2007**



## **CODE OF CONDUCT FOR THE PURCHASE, DISTRIBUTION OR SALE OF ALCOHOL BEVERAGES BY MANUFACTURERS AND DISTRIBUTORS**

### **1. CONDUCT PROMOTING A RESPONSIBLE ATTITUDE TO THE COMMERCIAL COMMUNICATION OF ALCOHOL BEVERAGES**

Manufacturers and Distributors subscribe to the Code of Commercial Communication of the Industry Association for Responsible Alcohol Use (ARA).

### **2. CONDUCT RELATING TO THE PURCHASE OR SALE OR DISTRIBUTION OF ALCOHOLIC BEVERAGES**

- 2.1 Manufacturers and Distributors may not purchase alcohol beverages from any supplier who has been convicted of the offence of supplying alcohol beverages as an inducement to employment or in lieu of wages or remuneration (“dop-system”).**
- 2.2 Manufacturers and Distributors may not sell or distribute alcohol beverages to a retail trader who has been convicted of the offence of selling alcohol beverages to a minor.**
- 2.3 Manufacturers and Distributors may not sell or supply alcohol beverages to an unlicensed outlet.**
- 2.4 Manufacturers and Distributors may not purchase or distribute or sell illicit or stolen alcohol beverages.**
- 2.5 Manufacturers and Distributors may not sell or distribute alcohol beverages to a retail trader who has been convicted of the offence of selling alcohol beverages to an intoxicated person.**
- 2.6 Manufacturers and Distributors may not sell or supply alcohol beverages to a retail trader who has been convicted of the offence of employing a person who has not yet reached the age of 16.**

### **3. CONDUCT RELATING TO RETAIL TRADERS**

- 3.1 Manufacturers and Distributors encourage unregistered retail traders to register and obtain licenses.**

- 3.2 Manufacturers and Distributors encourage retail traders to undergo a licensee training course.**
- 3.3 Manufacturers and Distributors encourage retail traders to participate actively in the activities of the ARA in order to promote the responsible use of alcohol beverages and to discourage misuse and abuse.**

*Version: July 2007*