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bmj.com poll Should alcohol companies be banned from sponsoring international sporting tournaments?



## FESTIVAL OF FOOTBALL OR ALCOHOL?

Whichever country hoists aloft the World Cup trophy on 13 July, the real winner will be the alcohol industry, finds **Jonathan Gornall**

At the end of last year, Home Office minister Norman Baker was adamant. Despite an energetic campaign by the British Beer and Pub Association to persuade him to “back Roy’s boys” in Brazil, he announced he would not be relaxing licensing laws to allow pubs to stay open longer during the 2014 World Cup.

The 2003 Licensing Act gives the secretary of state the power to do so for an occasion of “exceptional international, national or local significance”; at the time it had been exercised just twice, for the royal wedding in 2011 and the Queen’s diamond jubilee in 2012.

The World Cup, said Baker, was not on a par with those one-off events. Furthermore, he feared the public safety consequences: police had had to mount “a substantial policing operation” for the 2010 World Cup and the 2012 European Championships.<sup>1</sup>

But within three months, a determined alcohol industry, fresh from its victory over minimum unit pricing<sup>2</sup> and, as usual, aided and abetted in the House of Commons by its friends in the all party parliamentary beer group,<sup>3</sup> had forced the

government into another humiliating U-turn over its alcohol policies.

On 3 February 2014, the prime minister announced on Twitter that he had “ordered a rethink.” A brief consultation followed,<sup>5</sup> and by the end of March the industry was celebrating “really great news, which will put pubs at the heart of a great national event”—and one which, it predicted, would see about £20m (€25m; \$34m) pumped into the pub trade between the start of the World Cup on 12 June and the final on 13 July.

In the UK, football and alcohol are inextricably linked. Of the 20 clubs in the Premier League, only two—Hull and Cardiff—are not sponsored by drinks companies. Manchester United has no fewer than three

alcohol backers, one each from the beer, wine, and spirits sectors. The biggest industry backer is Carlsberg, which, in addition to sponsoring the league itself, is partner with nine of its clubs.

But if the scale of alcohol’s influence on the British government and English football is

extraordinary, it is nothing compared with its efforts on the world stage.

### Tax breaks for sponsors

Nations clamour to host the World Cup and its organiser, the Fédération Internationale de Football Association (Fifa), football’s international governing body, has a long record of championing the financial interests of its commercial partners, including Budweiser, the tournament’s official beer partner, by imposing extreme conditions on governments around the world.

One of the most controversial is that a host country must waive tax on any profits made by

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Fifa’s commercial partners during a World Cup, an “obscene” condition that will leave sponsors such as Bud-

weiser free to walk away with every Real they pocket, depriving Brazil of an estimated £312m in revenue, according to the antipoverty campaign group InspirAction, the Spanish partner of Christian Aid.

“The price of these tax breaks for corporate

## A&E attendances as a result of assaults, “often associated with alcohol use,” increased by 37.5% on the days England played, echoing similar findings from the 2006 World Cup

giants will be paid by people living in poverty in Brazil,” said Isabel Ortigosa of InspirAction in a statement last month. “The millions that Fifa demands for its sponsors should be used for the benefit of Brazil’s many poor communities, not to enrich the already powerful.”<sup>6</sup>

Such tax breaks for Fifa sponsors are not unique to the Brazil World Cup. South Africa also bent over backwards to comply in its successful bid to host the 2010 tournament,<sup>7</sup> and government documents leaked during the unsuccessful Dutch bid to win the 2018 World Cup revealed the extent of the tax exemptions that Fifa demanded of the Netherlands.<sup>8</sup>

Neither has Britain been immune to Fifa’s tax demands. In 2009 it emerged that the prime minister, Gordon Brown, had promised to exempt Fifa and its affiliates from all tax as part of England’s ultimately unsuccessful bid to host the 2018 cup.<sup>9</sup> In October 2010 the successor coalition government was quick to confirm the UK’s commitment, guaranteeing that “tax exemptions shall apply to the four circles of protected parties as set out by Fifa . . . the ‘Fifa Family.’”<sup>10</sup>

It is, of course, in Fifa’s interests to protect the commercial interests of its sponsors. It is believed that AB InBev, the world’s largest brewing company and owner of Budweiser, pays anything between \$10m and \$25m a year to be part of the World Cup “family”—a squad of companies that generated a reported \$1.6bn in sponsorship revenue for Fifa in the four years from 2007 to 2010.<sup>11</sup>

### Questionable legacy

The true value of the World Cup to the countries that scramble to host it is, however, less clear. For all the pre-tournament talk of the “intangible benefits” and “lasting legacy” that would accrue to South Africa after 2010, the country is now struggling to maintain the white elephant stadiums it built. Even the government’s postmortem conceded the event had left the cash strapped nation £2bn out of pocket.<sup>12</sup>

Public health can also be one of the losers of a World Cup, as a 2013 study concluded after examining the impact of the 2010 tournament on attendances at emergency departments in England. Attendances as a result of assaults, “often associated with alcohol use,” increased by 37.5% on the days England played, echoing similar findings from the 2006 World Cup and a Welsh study looking at admissions following international rugby and football matches.<sup>13</sup>

In Brazil, public health experts fear one legacy of the World Cup will be a return to the dark days of alcohol fuelled violence in stadiums. Fifa has secured the usual tax breaks for its “family” but has gone even further on behalf of Budweiser, its alcohol partner, by bullying the Brazilian government into abandoning its longstanding ban on alcohol in sports stadiums, introduced in an attempt to end often fatal violence between rival fans at games.

Ronaldo Laranjeira, professor of psychiatry at the Federal University of São Paulo, believes Fifa came under pressure from the drinks industry to change its rules regarding alcohol. In 2004, Fifa’s safety guidelines imposed a blanket ban on “the sale and public distribution of alcohol . . . within the confines of the stadium before and during the match.”<sup>14</sup> By 2008, however, the requirement had changed. Match organisers were required only to “prohibit the possession and distribution of alcohol at the stadium premises or in the stadium itself by any unauthorised individuals.”<sup>15</sup>

It is, says Laranjeira, shocking that Fifa “can come to a country and makes it change its laws. We have been very active in trying to embarrass the government on this issue, but in the end the alcohol industry has won. At the moment it is running the show, more or less as tobacco ran Formula One for many years.”

He and other Brazilian health lobbyists now fear that the temporary suspension of the law will become permanent: “The sports minister has said all along that he supports this change and, worse than that, he supports the idea that after the World Cup alcohol should continue to be allowed in the stadiums. The power of the alcohol industry is incredible.”

### Power games

That power became further evident last month when Budweiser and Coca-Cola, another member of the Fifa family, persuaded the Brazilian government to postpone plans to increase taxes on beer and other beverages until after the tournament. Bloomberg reported the decision to postpone the 2.25% rise had been made after a meeting between Brazil’s finance minister and AB InBev executives in Brasilia, the capital.<sup>16</sup>

AB InBev and Fifa are old friends—Budweiser, one of its 200-plus brands, has been a sponsor of the World Cup for the past 25 years, a relationship that in 2011 was extended to 2022.<sup>17</sup> This means that Budweiser will be the official beer for the World Cup in Russia in 2018 and—depending on the outcome of the current controversy over



bribery allegations—in Qatar in 2022. Both of these events will provide an interesting test of the power of Fifa and the alcohol lobby.

As part of Russia’s efforts to address its national drinking problems, this year’s winter Olympics at Sochi were alcohol-free and, as a consequence, the games lacked a beer sponsor. “We weren’t too keen to become the sponsor of the winter Olympics,” a spokesman for Heineken, supporter of the London and Athens summer games, told the *Wall Street Journal*.<sup>18</sup>

It remains to be seen whether Russian resolve will waver over the World Cup, but such is the power of Fifa that Qatar, a strictly Muslim country with tough drinks laws, has already agreed to sell alcohol in fan zones at games in 2022.<sup>19</sup>

The industry is adept at getting its way with governments, as shown last year when the Irish government backed down from plans to ban alcohol sponsorship of sport by 2016, after a strong campaign by the industry and sports groups.

A parliamentary committee heard the medical profession argue that the association between alcohol and sport should be severed. Alcohol Action Ireland made the case that “Irish children are the real targets of alcohol advertising and sponsorship as the companies seek to establish brand awareness and loyalty.” There was, it added, “no product on the planet that causes more deaths and social problems [and none] that could more inappropriately be promoted by [sports] organisations.”

The day was won, however, by representatives of sports, including football, rugby, the Gaelic Athletic Association, and horse racing, who told the committee that while they were all “cognisant of the dangers misuse of alcohol has for their members [they] were firmly of the view that if such sponsorship was discontinued it



### Sport is vital to the health of the alcohol industry. Sochi's winter Olympics was the exception, kept alcohol free in response to Russia's alcohol problems

would be difficult to find replacement sponsors in the present economic climate.”

The committee concluded that alcohol sponsorship of sport should remain in place until such time as alternative sources of funding could be found.<sup>20</sup>

#### French find another way

Proponents of alcohol sponsorship in Ireland have argued that without it the country's bids to host major tournaments, such as UEFA's Euro 2020 football competition (sponsored by Carlsberg) and the 2023 Rugby World Cup (sponsored by Heineken), would be scuppered.<sup>21</sup> Yet sport in France, which banned sports advertising and sponsorship by drinks companies in 1991, seems to have survived. The ban remains with well-established mechanisms for dealing with coverage of international sport. International football matches featuring alcohol advertising are not broadcast on television, and in the media references to sponsors' names are edited out: the Heineken (rugby) Cup, for example, is referred to only as the H Cup.

Of course, the alcohol industry has fought hard against the legislation, called the *Loi Evin* after its champion, the French minister of health Claude Evin. Back in 1997 brewing company Anheuser-Busch lost an attempt to have the law overturned. As recently as 2004 a case brought by Bacardi was thrown out by the European Court of Justice, which ruled that although the ban constituted “a restriction on the freedom to provide services” it was “justified by the aim of protecting public health.”<sup>22</sup>

For advertising industry commentators, the industry's failure to torpedo the *Loi Evin* in 1997 cast “serious doubts over what benefit Anheuser-Busch will get out of its estimated \$10m sponsor-

ship of the 1998 World Cup soccer championship in France.”<sup>23</sup> The answer was not a lot, but a new sponsor was found—Casio—providing evidence, according to a report by the European Alcohol Policy Alliance in 2004, that “sport does not die without alcohol sponsorship.”<sup>24</sup>

The often repeated claim that alcohol support was vital for sport is “completely untrue,” says Tom Smith of UK Alcohol Concern. “There's absolutely no evidence to suggest that would be the case. We've seen tobacco removed from sport, and all of those sports continue to thrive at grassroots as well as professional level. They've found alternative sources of funding, and their reputations have improved.”

He is also sceptical about the industry funded Portman Group's sponsorship code, introduced in January this year.

“We feel that any regulation of alcohol marketing should be independent and statutory, and that the Portman code is window dressing,” he says. The association between alcohol and football “is so culturally ingrained that it's over-learned, an automatic cognitive union that's built up over years through marketing, such as sponsorship.

“Millions of children and young people are going to be exposed to alcohol marketing during the World Cup, so any serious regulation that would try to prevent these positive associations being made needs to be independent and needs to be statutory.”

#### Industry dependence on sport

What is clear, however, is that sport—and especially football—is vital to the health of the drinks industry. In 2009 Carlsberg made clear that in the UK alone a World Cup was worth 21 million extra pints to the pub trade.<sup>25</sup>

In February, AB InBev said it was significantly increasing the amount of money it spent on marketing in order to “exploit the opportunities the World Cup offers and maintain recent growth for official beer Budweiser.”

In the UK an estimated 45 million people will see the company's “Rise as one” World Cup television commercial, which is backed by an advertising campaign in print and on billboards, and the creation of a “limited edition” Budweiser World Cup bottle. Budweiser is also planning to use digital technology heavily, exploiting Facebook, Twitter, YouTube, and a mobile app to capitalise on “the biggest social conversation ever.”<sup>26</sup>

In a sector that's struggling to maintain volumes, there's a lot to play for. When it released its full year results in March 2011, AB InBev credited Budweiser's sponsorship of the 2010 World Cup as a key factor in an overall 3.4% growth in volumes for the company, with Budweiser compensating for worse performing brands by growing sales by an incredible 36.1%.<sup>27</sup>

Home team Brazil may be the favourite to win the 2014 World Cup. But whichever country hoists aloft the trophy on 13 July the real winner will be the alcohol industry.

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Competing interests: None declared.

This feature is funded by the European Community's Seventh Framework Programme (FP7/2007-2013), under grant agreement No 266813—Addictions and Lifestyle in Contemporary Europe—Reframing Addictions Project (ALICE RAP). Participant organisations in ALICE RAP can be seen at [www.alicerap.eu/about-alice-rap/partners.html](http://www.alicerap.eu/about-alice-rap/partners.html)

Provenance and peer review: Commissioned; not externally peer reviewed.

References are in the version on [bmj.com](http://bmj.com)

Cite this as: *BMJ* 2014;348:g3772

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