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#### THE WHITE HOUSE

WASHINGTON

December 17, 1984

Dear Mr. Matthews:

Thank you for sharing your ideas with me regarding beer advertising. Public response to these commercials is becoming more vocal. Hopefully all concerned parties can make changes. I hope desired results can be obtained without legislation.

Enclosed is a copy of the Federal Strategy. I am sure you will find it interesting as it sets the Administration policy and has been accepted by the President.

Best regards,

Sincerely

Carlton E. Turner, Ph.D. Special Assistant to the President for Drug Abuse Policy

Mr. Leonard S. Matthews, President American Association of Advertising Agencies, Inc. 666 Third Avenue New York, New York 10017

#### THE WHITE HOUSE

WASHINGTON

December 17, 1984

Dear Mr. O'Toole:

Your views and concerns over public response to beer advertising were appreciated. We share a common goal in wanting to protect corporate rights to advertise.

Without some corporations accepting responsibility, however, I believe legislative initiatives may need to be used to correct what many perceive as irresponsible advertising.

I have enclosed a copy of "The 1984 Federal Strategy for the Prevention of Drug Abuse and Drug Trafficking." It puts forth the Administration policy and has been accepted by the President.

Once again, thank you and if we can be of any assistance, do not hesitate to call. Regards,

Sincerely,

Carlton E. Turner, Ph.D. Special Assistant to the President for Drug Abuse Policy

Mr. John E. O'Toole Chairman of the Board Foote, Cone & Belding 101 Park Avenue New York, New York 10178

# Drive Mounted to Ban $25 J_{J_{A}}$ TV Beer and Wine Ads

#### **By SALLY BEDELL SMITH**

A coalition of education, religious and public health activists is mounting an effort to ban advertising of beer and wine on television. Advocates of the ban, which include the National Parent-Teacher Association as well as the Mormon and Baptist churches, contend that such messages promote alcohol abuse and lead to such problems as drunken driving.

The move has prompted the broadcast industry and alcoholic beverage manufacturers to form a lobbying effort to oppose the ban. At stake for broadcasters is more than \$700 million in advertising revenues — 3.5 percent of total advertising revenues on televison and 12 percent of radio revenues.

Among other strategies, broadcasters are planning a campaign of public service announcements and programs to appear on television and radio stations across the country on various issues of alcohol use and abuse — an expansion of past efforts to highlight primarily the problems of driving and drinking. At a meeting of its board of directors beginning today in Palm Springs, the National Association of Broadcasters, the principal lobbying group for radio and television interests, is to outline the campaign, which is designed to show that the industry is capable of addressing the issue voluntarily.

the issue voluntarily. "It will be the largest and most aggressive campaign that has been launched in the history of broadcasting," said Edward Fritts, president of the association.

### **Movements on Several Fronts**

Hearings on the issue have been scheduled by Senator Paula Hawkins, Republican of Florida, for Feb. 7. The purpose, she said, is to determine if "alcohol consumption is glamorized on television," as some members of the entertainment industry have testified in past hearings. Leading the drive for a ban on beer

Leading the drive for a ban on beer and wine advertisements is the Center for Science in the Public Interest, a Washington-based organization that describes itself as a "health advocacy citizens group." It says it has collected more than 600,000 signatures on a petition asking Congress for legislation that would either ban such advertisements or require broadcasters to provide equal time for commercials highlighting the health and other hazards of alcohol. The staff of the Federal Trade

The staff of the Federal Trade Commission plans to issue a recommendation within six weeks on a petition filed two years ago by the center asking the agency for a ban or equivalent time. And next month the Justice Department's Office of Juvenile Justice and Delinquency Prevention will hold a conference in Williamsburg, Val, to try to work out a voluntary measure acceptable to both sides.

#### Action Improbable This Year

At a gathering of independent television station executives in Hollywood last week four members of the House telecommunications subcommittee discussed the prospects of a ban. "The threat is very real," said Representative Mike Oxley, Republican of Ohio. But even proponents of the ban admit that it is improbable that Congress would act this year. The drive for a ban is being led by Project Smart — Ston Marketing Al

The drive for a ban is being led by Project Smart — Stop Marketing Alcohol on Radio and Television — an offshoot of the Center for Science in the Public Interest. George Hacker, the national coordinator of Smart, has fashioned a coalition including, he said, "hundreds of organizations at the state and national level." Among its members, he said, are traditional prohibitionists in the Baptist, Methodist and Mormon churches as well as such mainstream groups as the 4.5 million-member National P.T.A., the National Council on Alcoholism, public interest lobbyists concerned about the effects of alcohol on health and on society, and a new wave of activists concerned about problems of drinking and driving. "The glamorous and glorified images of alcohol use are misleading impressionable using prophe into

"The glamorous and glorified images of alcohol use are misleading impressionable young people into believieng that alcohol is associated with success in sex, sports, business and friendships," said Mr. Hacker. Of particular concern, said Arnold Fege, the director of government relations for the National P.T.A., is the appearance in commercials of rock stars and former athletes. The

commercial message, he contends, is "directed at young people who cannot drink."

Advocates of a ban point out that consumption of hard liquor — which distillers voluntarily refrain from advertising on the air — has dropped while beer and wine drinking has increased. They also maintain that tobacco consumption has gone down since cigarette advertising on television and radio was banned 15 years ago.

ago. Short of a ban across the board, the Smart faction is promoting "counteradvertisements" to show the damaging side of alcohol consumption. One proposal is to have one counter-message for every three beer and wine commercials, with the industry paying for the costs of the counter-advertisements. Another possibility would be a ban on wine and beer commercials in prime time or a prohibition on featuring rock stars and athletes in the commercials.

Broadcasters and the alcoholic beverage industry vigorously oppose all efforts to limit or ban their products. They contend that broadcast advertising is intended to persuade viewers to switch brands, not to increase consumption, and that research does not indicate a causal connection between higher consumption and broadcast advertising.

"To have a legitimate product removed from a legitimate medium is inappropriate," said Donald B. Shea, president of the United States Brewers Association. "It is the same as saying because 50,000 people are killed in auto accidents each year you should ban automobile advertising. There is not a single product that cannot be misused. Even water and oxygen can be abused."

#### **Constitutional Question**

Opponents of a ban also question whether a ban is constitutional, arguing that court rulings in the past decade have extended First Amendment protection to commercial speech.

Constitutional law experts are divided on that question, however. "As soon as you try to put commercial speech up against safety commmercial speech is going to lose," said Marc Franklin, a professor at the Stanford Law School. "This would be the first case to raise that issue headon."

Requirements for counter-advertising are also unacceptable to broadcasters and advertisers. "If you say that counter-ads are necessary you assume that the problem is related to advertising," said Donald Wear, vice president of policy for the CBS Broadcast Group. "We don't think that is the case."

1.

But broadcasters are stepping up their voluntary efforts on alcohol education nevertheless. Since last March, broadcasters have increased their public service announcements and public affairs programs devoted to drunken driving. The California Broadcasters Association, for example, broadcast more than 16,000 such announcements over the recent holiday period. Mothers Against Drunk Driving, the Texas-based group that has pushed for stiffer penalties against drunken drivers, is cooperating with the new N.A.B. drive for public service programming, according to officials of both organizations. There is also some indication that commercials themselves may

25 JAN 1985

There is also some indication that commercials themselves may change as a result of the pressure. "My guess would be we'll see more Clydesdales clumping through the snow," said Mr. Fritts. "Advertisers will make a conscientious effort to make sure the advertising is not targeted toward young people of nonlegal age."

### 25 JAN 1985

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American Association of Advertising Agencies Inc., 666 Third Avenue, New York, N.Y. 10017 • (212) 682-2500

January 23, 1985

Dr. Carleton Turner The White House Room 220 Washington, D.C. 20500

Dear Dr. Turner:

We were delighted to receive confirmation today from Sue that you will be joining us for lunch on Wednesday, January 30, at 12:15 in our offices at 1899 L Street, NW, Suite 700.

As I said in my earlier note, the group is the Steering Committee of our Government Relations Committee. Its chairman is Peter F. McSpadden, president and chief operating officer of Dancer Fitzgerald Sample Holdings, Inc., New York, and its secretary is Bradley H. Roberts, executive vice president and director of our Washington office. Let me enclose bios to introduce them to you in advance, and also enclosed is a list of the members of the Steering Committee and staff who will be present.

We're looking forward to the meeting and discussion of the White House viewpoint on the issue of alcohol beverage advertising and legislation.

The phone number of our Washington office is 331-7345, and Brad's secretary is Carolyn Ray, should you have a need to call--or any questions.

Sincerely,

Bernard Ryan &

Public Affairs

Bernard Ryan, Jr./mil



Enclosure

American Association of Advertising Agencies Inc., 666 Third Avenue, New York, N.Y. 10017 • (212) 682-2500

#### BRADLEY H. ROBERTS

#### EXECUTIVE VICE PRESIDENT

#### DIRECTOR, WASHINGTON OFFICE

#### AMERICAN ASSOCIATION OF ADVERTISING AGENCIES

Mr. Roberts was appointed director of the Washington office on October 1, 1984. Previously, he had been president of BH Roberts and Associates for the past two years.

In 1982, Brad retired as vice chairman of Needham, Harper & Steers and president of NH&S/West, after 25 years with that agency. He moved to Los Angeles in 1965 to establish the Los Angeles office of NH&S, and under his direction the agency became a major factor in the west. Previously, in NH&S's Chicago office, he handled such accounts as Johnson's Wax, Morton Salt, Ac'cent, Campbell Soup, "All" detergent products, and the Quaker Oats line of Ken'l dog food products.

Mr. Roberts has served widely in community and industry volunteer work. With the A.A.A., he served as chairman of the Western Region, national director-at-large, and member of the Operations Committee.

He is a director of the executive board of the Art Center College of Design in Pasadena, California; former member of the board of directors of the Western States Advertising Agency Association (WSAAA), which named him "Advertising Leader of the Year" in 1979; former member of the boards of directors of the Hollywood Radio and Television Society and of Junior Achievement of Southern California; and founding director of the Hollywood Presbyterian Medical Center. He was selected as "Communications Man of the Year" in 1980 by the City of Hope, and in 1981 was general chairman of the annual awards competition, "Best in the West," of the American Advertising Federation.



American Association of Advertising Agencies Inc., 666 Third Avenue, New York, N.Y. 10017 • (212) 682-2500



PETER F. McSPADDEN

#### PRESIDENT

CHIEF OPERATING OFFICER

DANCER FITZGERALD SAMPLE HOLDINGS, INC.

Peter F. McSpadden is president and chief operating officer of Dancer Fitzgerald Sample Holdings, Inc. and chairman of the New York office of Dancer Fitzgerald Sample, Inc., the

10th largest U.S. advertising agency. He is a member of the board of directors of the American Association of Advertising Agencies and chairman of its Government Relations Committee.

Mr. McSpadden joined DFS in 1959 as an account executive. He was named a vice president in 1965 and a senior vice president and a member of the Executive Committee in 1969. He was named president in 1973 and took the additional title of chairman of the New York office in 1982.

Pete McSpadden's career has been in account management. Over the years he has worked on most of the agency's major accounts, including Procter & Gamble, General Mills, and Life Savers. In addition, he has served as liaison between the agency's Creative Department and board of directors since 1965, when he helped orchestrate the successful reorganization of the creative area from a departmental structure to a multi-creative director team system.

He is a past director of the Eastern Region of the A.A.A.A., the American Advertising Federation, and the National Advertising Review Board.

Mr. McSpadden is a graduate of Dartmouth College. A political science major, his avocation is politics. He has been active in the Connecticut political scene and served as campaign manager for Senator Lowell Weicker during Mr. Weicker's successful bids for the House (1968) and the Senate (1970, 1976 and 1982).

Pete McSpadden and his wife, the former Barbara Dodds, reside in Riverside, Connecticut, with their three sons. He is a member of the Riverside Yacht Club, Greenwich Country Club, and Wayzata Country Club. He is also a director of Broadstreet Communications, Inc.



American Association of Advertising Agencies Inc., 666 Third Avenue, New York, N.Y. 10017 • (212) 682-2500

 Meeting Of The

 Steering Committee of the A.A.A. Committee on Government Relations

 Wednesday, January 30, 1985

 A.A.A.A., 1899 L Street, NW

 Washington, D.C.

#### Expected To Attend

Peter F. McSpadden, Chairman Richard Bonsib C. Knox Massey Jr. Carl W. Nichols William F. Rosenthal Joan O. Rothberg Alden H. Sulger Jr.

Frank Brooks Laurie Jackson Glenda Leggitt Bradley H. Roberts Bernard Ryan Jr.

Guest

Carleton Turner

Dancer Fitzgerald Sample, Inc., New York Bonsib Inc., Fort Wayne Tucker Wayne & Company, Atlanta Cunningham & Walsh Inc., New York D'Arcy MacManus Masius Worldwide, New York Ted Bates Worldwide, New York Ogilvy & Mather Inc., New York

A.A.A.A., Washington, D.C. A.A.A.A., Washington, D.C. A.A.A.A., Washington, D.C. A.A.A.A., Washington, D.C. A.A.A.A., New York

The White House



25 JAN 1985

THE WHITE HOUSE WASHINGTON Date: //23

TO:

alta June

MARY JO JACOBI FROM: **Special Assistant to the President** 

SUBJECT:

The attached is for your:

T	Information	Review & Comment
	Direct Response	Appropriate Action
	FRW Draft Letter	Per Request
	File	Other

Comments:

See p. 3





Brad Roberts

### Welcome to a New Year

... and to a new 4A's Washington Newsletter. Our hope is that you will find it more inviting, more readable, and more rewarding.

New objectives have been established for the 4A's Washington office, and communications will play a large part in fulfilling them. Among other things, we want

to keep member agencies and the industry informed and advised of what is pending, what actions have been taken, and what actions should be taken

and to inform and educate member agencies on how our government works and who makes it work.

You will meet key people on these pages – either by interview or profile. You will be alerted to issues affecting our industry. You will hopefully be provided an occasional chuckle.

Communications should be a twoway affair. Letters to the editor will be welcome – although possibly not always appreciated! Let us hear from you. What are you thinking? How can this office and this newsletter better serve the membership? We have some *Continued on pg. 6* 

January 1985

IN THIS ISSUE: The Alcohol Issue: Page 3 May States Regulate Print Advertising: Page 4 Twentieth LEAP Aboard: Page 6

# FTC, FDA Take Opposing Views

Washington's advertising and food labeling regulators have been buzzing lately about food nutritional health claims. A recent Kellogg's ad for All-Bran has resulted in the FDA and FTC formulating opposing views on the worth of nutritional health claims. The ad states that a high-fiber/ low-fat diet may lower the incidence of some types of cancers, according to the National Cancer Institute. With pressure from consumer groups such as the Center for Science in the Public Interest (CSPI), the FDA has been taking a hard line. FDA staffers have initiated a review of the claim, and it is possible that the FDA will ask for a voluntary moratorium on food ads making nutritional health claims, much like the current prescription drug advertising moratorium. At this time the FDA is not contemplating regulatory action.

In recent statements FDA personnel have indicated that the agency is "open to generic health claims," but when concerning specific claims, there is a need to be very cautious.

Over at the FTC quite a different tune is being sung. The FTC has

praised the Kellogg's ad and also stated that the "FTC should look with favor on an increase in healthand disease-related advertising claims as long as they are accurate, substantiated and do not mislead reasonable consumers." The FTC views ads such as the Kellogg's ad as providing important health information to the public. At a recent advertising conference attended by the Washington Office, Carol Crawford, **Director of Consumer Protection** at the FTC, stated that "the healthrelated and nutritional claims [made by the Kellogg's ad] appear to be exactly the kind of adequately substantiated and responsible vehicles for providing beneficial information to the public that we believe it is important for regulatory programs to encourage, not discourage." 



Washington staff welcomes new office director Brad Roberts. Front (l. to r.): Carolyn Ray, Lee Peterson, Laurie Jackson, Denise Allia. Center: Glenda Leggitt, Stannard Preston. Back: Bernie Ryan, Brad Roberts, Frank Brooks, Len Matthews.

The Alcohol Issue	beverage add three large g tions stand of attempt to ba act, all alcoh ing on radio These three for Science i (CSPI), the Alcoholism tional Congr	te regarding alcohol vertising continues, rass-roots organiza- out as leaders in the an, or at least counter- nol beverage advertis- and television. groups are the Center n the Public Interest National Council on (NCA) and the Na- ress of Parents and ational PTA).	be ch belief alcoh overa the pr tion a suffic encur Using policy have	e "control" advocates may aracterized by their general T that alcohol abuse and olism will be deterred and all consumption reduced if roducts, and their distribu- and sale in particular, are biently regulated and mbered. Their respective alcohol y platforms as sources, we drawn the following profiles ese three groups as follows:
C	SPI	NCA		PTA
tion drive to ga signatures of p	ng Alcohol on evision): a peti- ather 1 million persons opposed rertising and to etition to Con-	cohol on national awareness of alcohol- on): a peti-ism as a treatable disease 1 million and to reduce the stigma at- ns opposed tached to this disease. ng and to n to Con-		Engaged in ''multi-level'' pro- gram of prevention, legisla- tion and remediation.
vertišing and r gies aimed at heavy drinker 2. Effective ar media counte 3. Warning lab	rictions on ad- marketing strate- youths and s; nd numerous r-ads and PSA's; pels on alcoholic in advertising; and calorie	advocates	includ- ation ing; includ- ing erages since inking t and ng	<ol> <li>A Drug and Alcohol Abuse Prevention Project, to provide information to parents;</li> <li>National minimum drinking age of 21 years;</li> <li>Expanded alcohol education programs at the state and local levels;</li> <li>Support of legislation requir- ing that alcohol beverages be labeled as drugs which may be dangerous to one's health;</li> <li>Support SMART especially in seeking total ad ban or equal time.</li> </ol>
BACKGROUND Jacobson; Dir Policy: George Founded 1971 over 30,000 di members. First petitioned in 1972 to requ	Policy: George Hacker Founded 1971, currently has over 30,000 dues-paying members. First petitioned the government in 1972 to require ingredient labeling on all alcohol bever-		depen- bholism	President: Elaine Stienkemeyer Composed of local, council, district and state affiliates.
	Ame	rican Association of Advertising Ager	ncies Inc.	1899 L Street, N.W., Washington, D.C. 20036

### May States Regulate Print Advertising?

During its first day in session for the new year, the U.S. Supreme Court will have to decide whether states may regulate attorney print advertising and whether such regulation would infringe on First Amendment rights.

The Court will hear an appeal filed by an Ohio attorney, Phil Zauderer, who received a public reprimand for using print advertising to attract business from a specific target. The ad also violated Ohio law, which permits only "tombstone advertising," featuring pictures of the scales of justice and photos of attorneys.

A second case involving attorney advertising on broadcast media is expected to gain public attention within the next few weeks. According to 4A's sources, two Iowa lawyers, Mark Humphries and Fred Hass, whose state bar association obtained a temporary injunction against their television commercials, are expected to file and appeal on January 17 to have their case heard by the U.S. Supreme Court's ruling on the Zaunderer case will be highlighted in next month's newsletter. 



Commissioners Pat Bailey and Mary Azcuenaga at the Federal Trade Commission

# Two Women Commissioners Now at FTC

Mary Azcuenaga is the first person to rise directly from the Federal Trade Commission's staff to the post of Commissioner. She will serve with fellow Commissioner Patricia Bailey, making this the first time in history that two women have served concurrently at the Commission.

With the Congressional recess appointment of Azcuenaga by President Reagan, there will now be three attorneys (Azcuenaga, Bailey and Terry Calvani) and two economists (Chairman James Miller and George Douglas) at the Federal regulatory agency.

It is likely that Azcuenaga's name will be resubmitted for nomination and for Senate confirmation during the 99th Congress. The 4A's Washington office has requested an interview with Commissioner Azcuenaga and has been told that she will grant interviews after the Senate hearings.

## Reagan Kicks off Second Half

It's been said that tradition, and not competition from "Super Bowl Sunday," is the reason for a Monday inauguration. Historically, five inaugurations have been postponed until the following Monday when January 20 fell on a Sunday.

President Reagan will take the oath of office during a private ceremony on Sunday, January 20, the same day as Super Bowl XIX. He will be sworn in a second time at the traditional public inauguration on the following day. About 100,000 people are expected to attend.

Inaugural committee officials said the celebration would emphasize "the unity and strength President Reagan has returned to America. . .We want participation to be as broad and as wide as the President's victory."

While signs of wealth and power will not vanish, this time more events will be free and open to the public. However, the invitationonly balls and entertainment galas of this inauguration will be exclusive in another way. The 50,000 coveted tickets to those events will be allocated to states based on the number of votes they delivered to Reagan in his 49-state landslide victory. That means that the host city of the inauguration, the District of Columbia – which along with Minnesota handed Reagan his only losses could end up out in the cold. 

# **Up & Coming**

Congress Reconvenes January 3 U.S. Supreme Court hears attorney print case January 7 Presidential Inauguration—Private Ceremony January 20 Presidential Inauguration—Public Ceremony January 21 4A's Government Relations Steering Committee Meeting January 30 Department of Juvenile Justice—

"National Partnership" Meeting January 29-31

# LEAP NEWS

### Washington Welcomes Laurie Jackson, 20th LEAP

The Washington office recently welcomed Laurie Jackson as a new LEAP. Laurie is the twentieth LEAP to serve as an ad industry representative in Washington since the inception of this highly successful program.

Laurie comes to us from Ted Bates, New York, where she was most recently an account executive on Uncle Ben's Wild Rice. Before joining the account management side of the business, she worked for several years in market research.

With the advent of the new 99th Congress, the next year should be an exciting and challenging one in Washington, and Laurie is ap-

# Quotes

"My wife says the job has made me shorter."

Secretary of Defense Caspar Weinberger explaining to a National Press Club audience the effects of four years as Secretary of Defense



Laurie Jackson

proaching her term with great enthusiasm and excitement. In her words,

"I am convinced more than ever that the LEAP experience is in itself a graduate study in advertising. Anyone who wants to fully understand how advertising works would benefit from this program. Already, in just a few short weeks. I have discovered that advertising is heavily regulated by Congress and regulators. I've also learned, however, that we can impact legislation to best serve the needs of our industry and the government. I look forward to this challenge and thank Ted Bates and the 4A's for the opportunity." 

#### "I must admit when last week Ralph Nader's *Congresswatch* praised the (proposed tax) plan, I began to get suspicious that I may lose my White House pass."

Secretary of the Treasury Donald T. Regan at the National Press Club, December 3, 1984

#### Continued from pg. 1 ideas. We'd welcome yours.

One of the prime assets of the 4A's is the LEAP program (Loaned Executive Assignment Program). As observed in the November newsletter, it is the envy of other associations. The values, to the 4A membership, sponsoring agencies and potential LEAPs. are nowhere near fully recognized and appreciated. We plan to change that. Every member agency should want the benefit of one or more former LEAPs on staff. Every ambitious, promising young person at a member agency should aspire to a year in Washington as a LEAP. They will.

Perhaps you can now understand our somewhat reluctant decision to skip the December issue of the newsletter. We initiated some subtle changes in November and wanted our next issue to reflect more fully our future intent. We hope you will like it. We know you will benefit.

Let us hear from you!

American Association of Advertising Agencies Inc. 1899 L Street, N.W., Washington, D.C. 20036 (202) 331-7345



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