Annual Report 2012



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THE BOARD OF CENTRAL COPY CLEARANCE IRELAND

Chairman:

Prof Tony Meenaghan

INSTITUTE OF ADVERTISING PRACTITIONERS IN IRELAND

Board Nominees: Tania Banotti

Gavin Byrne Paul Farrell Dave Harland

ASSOCIATION OF ADVERTISERS IN IRELAND

Board Nominees: Fiona Curtin (retired August, 2012) Robert Jordan (appointed September, 2012) Dara McMahon Ed McDonald

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CHAIRMAN'S REVIEW

On its establishment in 2003, CCCI represented a unique development, not just in Ireland but on a global basis, as a system for regulating the advertising of alcohol. Ten years on, CCCI remains unique in several regards. Firstly, a similar system for pre-vetting all alcohol advertising to ensure compliance prior to publication is not available elsewhere. A second unique feature of the system is that the pre-vetting system is funded by, yet of necessity is independent of, the alcohol companies and additionally utilises the combined input of advertisers, advertising agencies and the print and broadcast media to ensure its successful operation. The consequence of this unique relationship is that the major media fulfil a gatekeeper role in that they will not accept for publication or broadcast, any proposed alcohol advertising material unless it has been pre-vetted by CCCI to ensure that it complies with Codes of Practice, and that it carries a CCCI clearance number. All advertising submitted for pre-vetting is considered against the Advertising Standards of Ireland Codes of Practice and the success of CCCI is reflected in the significant decline in complaints regarding alcohol advertising since its establishment.

In the larger context of alcohol marketing and beyond the specific CCCI remit of brand advertising, 2012 has seen a continuity of focus on the broader issue of alcohol marketing. Early in 2012 the National Substance Misuse Strategy Review Group (Chaired by the Department of Health) published a report which included a wide range of proposed restrictions on alcohol advertising and marketing. A Government decision on its proposals is currently awaited. Given the diversity of opinion and supporting research and the involvement of a broad range of organisations and bodies – industry, Government departments and agencies, non-Governmental organisations, sporting, community and cultural and retail bodies – any resolution is likely to be complex.

While a reduced number of submissions were considered by CCCI in 2012 compared to 2011 (down from 3,844 to 3,530), there were a number of notable and relevant developments in 2012. One of these was the confirmation of the Internet as the leading communications channel for alcohol marketing in Ireland. In 2012 the Internet accounted for 31.2% of all the submissions assessed by CCCI compared to 29.6% in 2011. Collectively the Internet, wireless and digitalisation have undeniably changed the face of human communication and consequently that of business communication. The increased use of new media as communication channels by the alcohol sector was inevitable and this is a pattern of communication change that is likely to continue. The increased usage of this new "channel" has led to extensive discussion by the CCCI at board, executive and copy clearance manager level, and additionally with other industry trade associations and the Advertising Standards Authority for Ireland (ASAI). The

clear outcome of such discussions was a recognition by all parties that this new channel must be considered when discussing Codes of Practice in the wider context of marketing communications. Following extensive consultations, the ASAI announced its intention to extend its code remit to include



social media and related new IT channels in late 2012. This development has obvious consequences for CCCI in terms of fulfilling its pre-vetting service mandate.

A further development in 2012 was an expansion of the client engagement strategy initially introduced in 2011. The rationale for this strategy has been the desire to ensure that all relevant parties clearly understood the role and processes of CCCI and were familiar with the basis for CCCI decision-making regarding the interpretation of the relevant codes and their application to advertising submissions. This client engagement strategy thus sought to improve engagement with alcohol brand advertisers and their diversity of ad agency service suppliers (creative agencies, media agencies, digital design agencies, production houses) and the media. Against this background, our Copy Clearance Managers organised a very successful and well-attended seminar on alcohol advertising to present the details of how CCCI assesses alcohol advertising for codes compliance. The response from all parties to this initiative has been very positive as it enabled them to better understand and keep their teams fully appraised of the rationale behind the CCCI process. This initiative has been constantly built on with one-to-one meetings with individual companies throughout 2012 and this will continue in 2013.

Finally, I want to thank our board, our executive management and all our copy clearance managers, for their commitment and work during the year. Each party has brought exceptional insights to the work of CCCI that has enabled us to effectively deliver strong code compliance rates. I particularly wish to recognise the contribution of Trevor Jacobs and Colm Molloy who stood down as clearance managers in 2012. Both Trevor and Colm were centrally involved in the establishment of CCCI in 2003 and brought their considerable experiences to developing it over the years. I also wish to thank Sean McCrave, who stepped down as Chief Executive of IAPI in 2012. Sean served both at executive and board level in CCCI and I would like to thank him for his contribution and expertise in managing the operation of CCCI and for his various inputs over his tenure in the position.

Tony Meenaghan

Chairman

OPERATIONAL OVERVIEW

General Review

CCCI has been in operation since 2003, during which time it has played a significant role in ensuring that alcohol marketing communications have been generally compliant with agreed and approved Codes of Practice. It deals with one part of the promotion of alcohol products and that is that it operates on the basis that alcohol companies submit details of their planned marketing promotion campaigns to it in advance so that they can be pre-assessed to ensure that they are compliant. This in turn has led to a situation where there have been very few complaints about alcohol ads to the Advertising Standards Authority for Ireland during the decade since CCCI was established.

2012 was a significant year for CCCI at an operational level in that two of its original Copy Clearance Managers, who had been involved with it since its founding, both retired. Trevor Jacobs and Colm Molloy brought an enormous degree of experience to the CCCI which enabled it to successfully build the operation it is today, and CCCI wants to formally record its appreciation of their work and contribution.

CCCI clearance managers and general management met regularly during the year with a range of other trade associations and compliance bodies as well as with the major alcohol companies and distributors to explain the codes in detail and the principles behind them. Meeting individual alcohol companies also included meeting with their advertising agency advisers, and this ensured that they also understood the codes; this is a practice that will be continued on a pro-active basis in 2013 and 2014.

In 2012, CCCI considered a total of 3,530 submissions which was down slightly from the 2011 figure of 3,844. This total number includes all versions and iterations of a proposed campaign, both preliminary ideas and final plans. As a consequence of this approach, the actual number of advertisements that eventually appear in print or broadcast is significantly less than the total number of submissions considered and is in the order of being equal to approximately two-thirds of the submissions. Of the 3,530 submissions considered and assessed, 3,199 of them were approved, an approval rate of 90.6%, with 331 (9.4%) not approved and therefore not published or broadcast. These figures compare with a 92.8% approval and 7.2% non-approval rate in 2011.

CCCI considers submissions in a range of different product categories – Beer and Cider, Spirits, Wine, Liqueurs and RTDs and it considers ads originating both from overseas sources and from Irish sources. In the Beer and Cider category, the non-approval rate for overseas-originating advertising for delivery on the Irish market was 13.9% compared to an Irish-originating non-approval rate of 7.5%. This reflects the greater understanding of the Codes of Practice by Irish-based companies. Interestingly, in Wine advertising, where overseas-originating ads had a non-approval rate of 6.7%, Irish-originating wine ads had a non-approval rate of 15.8%. However, it needs to be noted that the number of overseas-originating wine ads was only 28, a low number and therefore one that could show dramatic percentage changes on the basis of a small number.

Product categories

CCCI divides its analysis of alcohol submissions into different product categories, and this approach helps to more precisely identify patterns and trends.

Beer and Cider accounted for 2,100 (59.5%) of the 3,530 total submissions. This was down from the 2011 figure when Beer and Cider accounted for 2,584 ads, 67.2% of the submissions. The 2012 non-approval rate for Beer and Cider submissions was 8.6%.



Spirit ads accounted for 731 submissions (20.7%) of the total – this compared with 815 and 21.2% respectively in 2011 and 934 in 2010. The overall approval rate for Spirit ads in 2012 was 91.2% and 8.8% non-approval, and this compared with 94.1% and 5.9% respectively for 2011.

The total number of Wine ad submissions in 2012 was 185 compared to 166 in 2011 – the overall approval rate for Wine ads in 2012 was 86% compared to 89.8% in 2011.

Liqueurs only accounted for a total of 20 submissions in 2012 as compared to 42 in 2011, while there had been 69 liqueur ad submissions in 2010. RTDs (Ready to Drink) showed a total of 92 submissions in 2012 with 78.3% of them being approved – 86 of these ads originated in Ireland whereas in 2011 78 out of 85 RTD ad submissions had originated from overseas.

Source-origination and media channels

Over three-quarters of the 3,530 ad submissions originated in Ireland, amounting to 2,802 (79.4%) of the total. The comparable figure for 2011 was 2,778 (72.3%), which was almost three-quarters of the total number of submissions. The ads originating from overseas-based companies and agencies tend to be part of wider global advertising campaigns for their brands. Overseas-originating submissions amounted to 728 which compared to 1,066 in 2011, a drop of nearly 300. The proportion of overseas-originating ads in 2012 was 20.6% which was down from 27.8% in 2011.

In terms of approval and non-approval rates, Irish ads accounted for 79.4% overall (made up of 72.8% of the total numbers approved of 90.6% and 6.5% of the 9.4% non-approvals). Overseas ads accounted for 20.6% of the total submissions, of which 17.8% were approvals and 2.8% were non-approvals.

Internet-based ads have become the number one media channel, a pattern that emerged in 2011. It accounted for 31% of all Irish-produced ads though it only accounted for 2.2% of the ads from overseas sources. Press and magazine advertising accounted for 11% of Irish-produced ads and for 1.8% of overseas-produced ads. TV accounted for 5.8% of Irish-produced ad submissions while overseas-originating ad submissions accounted for 5.1%. Irish-originating ad submissions for Outdoor (643 approved and 77 not approved) media amounted to 20.4% of the total and for 8.4% of the total of overseas-originating ads. Cinema as a channel for both Irish and overseas originating alcohol ads is minimal and 0.4% of the combined total.

Summary

CCCI's area of ad assessment relates to the content of marketing communications for alcohol brand advertising broadcast or published in Ireland. It assesses ads and communications in accordance with the Codes of Practice of the Advertising Standards Authority for Ireland though companies and advertisers are also required to comply with the details of other Codes such as those of The Broadcasting Authority of Ireland and in the context of Placement Codes which are overseen by the Dept of Health appointed Alcohol Marketing Communications Monitoring Body. This latter Code, which was agreed between the Dept of Health and the alcohol and advertising industries, covers marketing and sponsorship and relates to a wide variety of locations in which alcohol marketing or promotion appears.

In addition, advertisers are also required to comply with industry codes such as those managed by the RRAI (Responsible Retailing of Alcohol in Ireland) which operates under the approval of the Dept of Justice and MEAS. These various codes cover retail outlets, off-licences, licensed premises and mixed retail outlets.

During 2012 the ASAI, in conjunction with industry and various trade associations, began the process of assessing how it could bring online and social media communication channels within its remit and CCCI played an active part in this, and from the beginning of 2013 is assessing marketing communications under the revised ASAI Codes of Practice.





Central Copy Clearance Ireland - Location and Medium Report 1 January 2012 – 31 December 2012

Location: Domestic

Medium Approved					Not /	Totals				
	20	12	20	011	20	012	20	11	2012	2011
Outdoor/Ambient	648	18.4%	589	15.3%	78	2.2%	44	1.1%	726	633
Internet	1,040	29.5%	877	22.8%	53	1.5%	33	0.9%	1,093	910
TV/Cinema	169	4.8%	286	7.4%	41	1.2%	31	0.8%	210	317
Print	355	10.1%	491	12.8%	31	0.9%	24	0.6%	386	515
Radio	169	4.8%	258	6.7%	5	0.1%	12	0.3%	174	270
Other/POS	190	5.4%	121	3.2%	23	0.3%	12	0.3%	213	133
Totals	2,571	73.0%	2622	68.2%	231	6.2%	156	4.1%	2,802	2778

Location: Overseas

Medium	Appro	oved		Not Approved					Totals	Totals		
	20	012	20	911	20	012	2	2011	2012	2011		
Outdoor /Ambient	272	7.7%	349	10.1%	26	0.7%	31	0.8%	298	380		
Internet	62	1.8%	262	6.8%	16	0.5%	33	0.8%	78	295		
TV/Cinema	158	4.5%	175	4.5%	32	0.9%	49	1.3%	190	224		
Print	52	1.5%	145	3.8%	12	0.3%	8	0.2%	64	153		
Radio	14	0.4%	4	0.1%	0	0%	n/a	n/a	14	4		
Other/POS	70	2.0%	10	0.2%	14	0.4%	n/a	n/a	84	10		
Totals	628	17.9%	945	24.6%	100	2.8%	121	3.2%	728	1066		
Grand Total	3,199	90.9%	3567	92.8%	331	9.0%	277	7.2%	3,530	3844		

Domestic and overseas refers to the location where the advertising originates. All percentages relate to the report grand total figure for the year (3,530 for 2012).





Central Copy Clearance Ireland - Overall Medium Totals Report

1 January 2012 - 31 December 2012

Decision: Approved

	20:	12	2011		
Dutdoor	914	25.9%	899	23.4%	
nternet	1,102	31.2%	1139	29.6%	
ſV	317	9.0%	456	11.9%	
Print	407	11.5%	636	16.5%	
Radio	183	5.2%	262	6.8%	
205	96	2.7%	84	2.2%	
Ambient	6	0.2%	39	1.0%	
Other	164	4.7%	47	1.2%	
Cinema	10	0.3%	5	0.13%	

Decision: Not approved

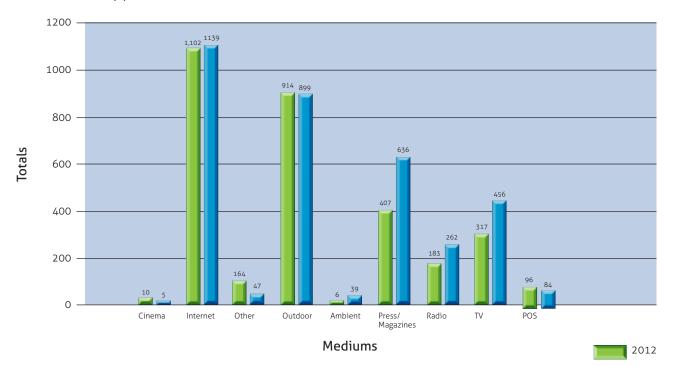
Medium						
	201	2	2011			
Outdoor	103	2.9%	75	2.0%		
Internet	69	2.0%	66	1.7%		
TV	69	2.0%	80	2.1%		
Print	43	1.2%	32	0.8%		
Radio	5	0.1%	12	0.3%		
POS	10	0.3%	3	0.1%		
Ambient	1	0.0%	-	-		
Other	27	0.8%	9	0.2%		
Cinema	4	0.1%	-	-		
Total	331	9.4%	277	7.2%		
Grand Total	3,530	100%	3844	100%		

All percentages relate to the Report Grand Total of 3,530 for 2012.

Central Copy Clearance Ireland - Medium Totals Report

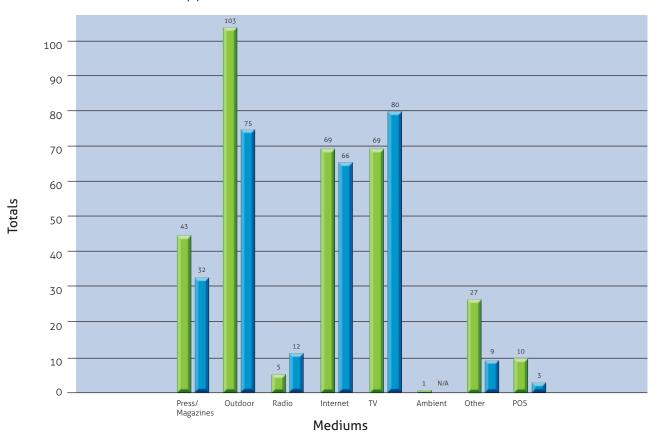
2012 VS 2011

Decision: Approved



2011

Decision: Not approved



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Central Copy Clearance Ireland - Location and Category Report

1 January 2012 - 31 December 2012

Product	Location	Approv	Approved				Not Approved			
		2012		2011		2012		2011		
Beer/Cider	Domestic	1,733	92.6%	1,904	94.6%	139	7.4%	109	5.4%	
Beer/Cider	Overseas	367	86.2%	482	84.4%	59	13.8%	89	15.6%	
Totals	Beer/Cider	2,100	91.4%	2,386	92.3%	198	8.6%	198	7.7%	
Liqueur	Domestic	7	77%	26	100.00%	2	22.2%	-	-	
Liqueur	Overseas	5	45.5%	16	100.00%	6	54.5%	-	-	
Totals	Liqueur	12	60.0 %	42	100.00%	8	40.0 %	-	-	
RTD	Domestic	68	79.1%	7	100%	18	20.9%	0	0%	
RTD	Overseas	4	66.7%	71	91%	2	33.3%	7	9.0%	
Totals	RTD	72	78.3 %	78	91.8%	20	21.7%	7	8.2%	
Spirits	Domestic	448	92.9%	410	93.6%	34	7.1%	28	6.4%	
Spirits	Overseas	219	88.0%	357	94.7%	30	12.0%	20	5.3%	
Totals	Spirits	667	91.2%	767	94.1%	64	8.8%	48	5.9 %	
Wine	Domestic	126	84.0%	142	92.2%	24	16.0%	12	7.8%	
Wine	Overseas	33	94.3%	7	58.3%	2	5.7%	5	41.7%	
Totals	Wine	159	85.9%	149	89.8 %	26	14.1%	17	10.2%	
Other	Domestic	189	94.0%	133	95%	12	6.0%	7	5.0%	
Other	Overseas	0	-	12	100%	1	100%	0	0%	
Totals	Other	189	93.6 %	145	95.4%	13	6.4%	7	4.6 %	
Grand Total		3,199	90.6%	3,567	92.8%	331	9.4%	227	7.2%	

Percentages relate to approvals / non-approvals by product category (overall combined total of 3,530 submissions for 2012).

The development of Central Copy Clearance Ireland

Central Copy Clearance Ireland Ltd (CCCI) is a separate independent company with its own board of directors, and is not a subsidiary of any other company or organisation. It was established in 2003, and was an initiative proposed following extensive discussions between the Association of Advertisers in Ireland (AAI), the Institute of Advertising Practitioners in Ireland (IAPI) and the main alcohol producing and marketing companies at the time. They presented it as a positive industry response to concerns expressed by the Department of Health and Children about the content of some advertising.

The rationale behind it was that the alcohol companies were keen to demonstrate their commitment to socially responsible marketing and promotion of their products. They agreed to set up an independent body, which would be funded by them but in which they would have no board representation or management role, which would act independently to assess the compliance of their proposed advertising campaigns with the Codes of Practice in force, and that they would accept the adjudications of the CCCI in the matter.

This arrangement was further strengthened by the involvement of the major media as delivery partners for the CCCI process. Because advertising would appear in print, billboard or broadcast media, it was important to engage the support of these channels in effectively implementing the CCCI process. The result of this multi-party arrangement is that all advertisements must carry the CCCI approval and have a CCCI certification number which has to be quoted and presented to the relevant media when



the advertiser is seeking to have an advertisement placed for publishing – otherwise it is not accepted by the media for publishing.

Each individual piece of advertising is pre-vetted. This can be copy, images or even concepts. The vetting, often at all stages of its production, is done by a group of managers who are experienced in the industry and trained in the Codes of Practice. Prevetting applies to all advertisements made in Ireland or developed internationally, if they are to be run in the Irish media.

The CCCI board is made up of nine members, four each of whom are nominated by the Association of Advertisers in Ireland and the Institute of Advertising Practitioners in Ireland respectively, plus an independent Chairperson. None of the nominees come from the alcohol industry.

Administration of the CCCI service is jointly provided by the AAI and IAPI.

The service also allows for an appeals process so that an advertiser who might not be in agreement with the decision on their advertisement by the CCCI's professional copy clearance managers, can appeal for a review by the Appeals Committee. This Committee comprises the Chairperson and two other members of the board.

The model developed for CCCI demonstrates how self-regulation in the area of alcohol advertising can work effectively.

Because advertising would appear in print, billboard or broadcast media, it was important to engage the support of these channels in effectively implementing the CCCI process.

