

DISTILLED SPIRITS COUNCIL OF THE UNITED STATES, INC.
CODE OF RESPONSIBLE PRACTICES FOR BEVERAGE ALCOHOL
ADVERTISING AND MARKETING

MAGAZINE SPECIAL BINDING INITIATIVE

The spirits industry through its trade association, the Distilled Spirits Council of the United States, Inc. (DISCUS), has had in place for over 70 years a code of voluntary advertising practices that reflects the spirits industry's commitment to responsible advertising and marketing of beverage alcohol products to adults who choose to drink. The DISCUS voluntary Code of Responsible Practices for Beverage Alcohol Advertising and Marketing applies to the advertising by DISCUS members of the distilled spirits, malt beverage and wine brands they market in the U.S. and also is followed by an increasing number of non-member distilled spirits marketers. DISCUS represents nearly 80% of all distilled spirits sold in the United States.

Consistent with our objective to direct our advertising to adults, DISCUS members have committed to the removal of their advertisements from the school library subscription copies of *Newsweek*, *People*, *Sports Illustrated*, *Time*, and *U.S. News & World Report* by securing special bindings of those publications, which we understand are the magazines most commonly subscribed to by school libraries. In doing so, DISCUS member companies voluntarily refrain from advertising on the inside and back covers of these magazines (premium advertising space), each of which exceeds the 70% 21 years of age and older demographic standard set by the DISCUS Code, if their covers cannot be segregated out for special bindings of school library subscription copies.

Effective July 1, 2006