

# Naked shaken by vodka slammer

SONJA KOREMANS

Absolut has pulled one of its key ready-to-drink vodkas off the market less than three years after its award-winning global launch.

Absolut Cut, one of the few pre-mixes to penetrate the youth category in Australia, was scrapped by Swedish company Vin & Sprit as part of major brand shake-up.

The citrus mixer failed to deliver volume in Canada and the UK, prompting it to be taken off the production line in all three markets.

Distributor Maxodum Australia said Vin & Sprit had issued the verdict from Stockholm in March, although the development had passed many by with remaining Absolut Cut stocks still on shelves.

Brad Timbrook, Maxxium's marketing director said the liquor giant was focused on its high-end drinks Plymouth Gin, Absolut Vodka and Level Vodka.

"Australia has a very strong ready-to-drink market and Absolut Cut was very popular," Timbrook said.

"But unfortunately Absolut was looking at how the category was going in other parts of the world and having it sitting only in Australia wasn't going to be a global concept for them. Rather than continuing to push the drink here they have decided to focus on core strengths."

For Absolut Cut's media planning shop, Naked Communications, news of the drink's withdrawal was "sudden, surprising and saddening", in light of its consistent popularity in Australia since its launch in 2004.



Naked renovated and temporarily opened a bar in Sydney as part of the launch of Absolut Cut

We had Absolut Cut for the duration of its product life and it was the most popular new pre-mix entrant in the market and continued to perform well." Naked partner Mat Baxter said.

"It knocked its competitors including Smirnoff Black off their perches in a number of venues as the primary white-based RTD," he added.

"It was being drunk in all the right places by all the right people," Baxter said.

He said the exit of the low-alcohol, high-price tag drink would leave a void in the \$2bn RTD "binge-drinker category".

"The pre-mix market has started to heat

up again and there is definitely space for newcomers," Baxter said.

"The 7% alcohol end is extremely cluttered as lots of companies are starting to play in that space.

"So where Absolut Cut sat at 5.5% there are opportunities.

"But the real area for growth if you can carve out is still at 7% with a sophisticated but affordable drink that will appeal to young people on a budget who want to get drunk very quickly.

"They want to buy three drinks and feel it rather than five drinks at 5.5% for double the money."

## IN BRIEF

### TRANSPERTH ON THE HUNT FOR NEW AGENCY

Western Australia's leading advertising agencies are doing battle over one of the state's most coveted accounts with Transperth up for tender this month. Marketforce and The Brand Agency have confirmed that they are pitching for the \$3m account with 303 and incumbent Gatecrasher.

### MPG WINS CREDIT SUISSE

International financial services company Credit Suisse has appointed MPG to manage the local arm of its media account following a global review. MPG, the joint venture between Mitchell Communication Group and Havas, will handle the account worth an estimated \$2.6m.

### OMNIRAB ACQUIRES WEBSEND

Omnirab Media, the region's largest, independent vertically integrated media service business, has acquired web-based display advertising delivery business, Websend.

### QANTAS UNVEILS NEW LOGO

Qantas has unveiled a modern version of its iconic flying kangaroo logo featured on its fleet of aircrafts. The first of the airline's fleet to boast the new logo and livery is a Boeing 767 operating domestic services.

### NEWS AND ARN TEAM UP

News Limited and Australian Radio Network have teamed up to launch the body+soul radio show which will go to air on July 29 on stations MIX 106.5 (Sydney) and MIX 101.1 (Melbourne). It will be based on the body+soul litout found in News Ltd Sunday newspapers.

### KINETICS CONTINUES TO GROW

Corporate and technology PR agency Kinetics announced a string of new business wins including Cisco and Irmate. Other wins over the past few months include Acronis, Aprimo Computerlinks, Computer Training Options, and Ravitan.

### ROWE HEADS TO SEVEN

The Seven Network has hired presenter Jessica Rowe, the former host of Nine's Today show, who was controversially axed from the PBL company earlier this year. The presenter has been on maternity leave since the birth of her daughter Allegra in January, but never returned to the Nine Network.

### LOGOFARM OFFERS NEW SERVICE

Officeworks and corporate design company Logofarm have launched a new online logo design service which allows users to log onto the Logofarm website and lodge a detailed brief for a logo which is created within five business days.

### PERTH AGENCY ANNOUNCES TWO WINS

Perth agency Block Branding has been appointed the creative agency for the UWA Perth International Arts Festival. The agency has also picked up a project to develop the naming strategy for Perth's most anticipated arts venue - a performing arts complex in Northbridge.

### SUMMIT HELD WITH GLOBAL SPEAKERS

The iMedia Agency Summit, produced by dmg World Media, will be held on September 17-19 at the Hunter Valley. Speakers include US MediaSmith CEO David Smith, UK Creative-Matters CEO Patrick Collister, chairman of the Deloitte Innovation Council Peter Williams and US vice chairman of Goodby Silverstein, Harold Sogard. The invitation-only event is being attended by the bosses of most of Australia's main agencies.

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## ... Virgin triple

TV, print, online, in-store, outdoor and ambient activity

But analysts were sceptical about the likely impact of the offering.

BuddeComm senior analyst Phil Harpur said Virgin could struggle because it has a smaller users base compared to other mobile operators.

"Also a bundled wireless broadband and home phone is only likely to have niche market appeal, but if Virgin is able to achieve this, it could still have a reasonably successful product," he said.

He said the experience of other global brands suggested that fixed/mobile convergence products such as the new Virgin Mobile product had had only limited success. "What the market really needs is a competitive mobile/broadband and home phone package rather than just home phone/broadband or home phone/mobile as launched here by Virgin."

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## New MD for Carat Melbourne

CAMILLE ALARCON

Carat Melbourne has appointed Peter Barrie as its new managing director, as the agency focuses on driving a more aggressive presence in the market.

Barrie will replace Robert Drake, who will be "pursuing various ventures outside of the industry", according to an official Carat statement. However, while it will be an amicable parting, it's believed Drake is stepping down due to health reasons.

Barrie will start his new role on August 13 and was most recently working as a consultant for independent online sports network, Sportal Australia. Prior to that he was one of the three partners who launched Full Circle Digital.

While Barrie said he had been approached to take on senior roles in media agencies before, this is the first time he has seriously considered a move

from sales, much due to the opportunity to work with the soon to be installed chief executive of Aegis Media Pacific, Lee Stephens.

"For my career it's a big step forward and a unique opportunity I've worked with Lee before and I've admired him and the work he did with emitch. His vision for the Aegis group is compelling," Barrie said.

It's believed there were up to a dozen applicants for the role and one source revealed to *B&T* that Barrie's appointment was made in support of the agency's "focus to be more aggressive in the market".

Prior to launching Full Circle Digital, Barrie worked as the Victorian sales director for APN Outdoor. He has held sales role throughout his working career and came from the UK in 2002, where he worked on newspapers such as *The Times* and *The Sunday Times*.



## Insider tells of young drinkers being targeted Industry accused of exploitation

By **JILL STARK**  
MEDICAL REPORTER

AN ALCOHOL company insider admits the industry deliberately targets young people by sweetening ready-to-drink "alcopops" to mask the taste of alcohol

Mat Baxter, a marketing executive behind vodka-based drink Absolut Cut, said the market was booming for high-strength, pre-mixed spirits that "get young people drunk faster."

Cheap, sugary drinks packaged in bright colours are the best way to start people drinking early in adulthood, said Mr Baxter, a partner in media planning agency Naked Communications marketer of Absolut Cut, a pre-mixed, stubby-sized, vodka-and-citrus drink.

Critics of the alcohol industry say it is the first time an insider has acknowledged that the industry knowingly targets young people, a practice alcohol companies have consistently denied. Health officials have long held concerns about sweet, pre-mixed spirit drinks, which they say appeal to under-age drinkers as well as young adults.

Absolut Cut, a ready-to-drink (RTD) beverage with an alcohol content of 5.5 per cent, was recently scrapped by its Swedish owners as part of an overhaul.

Mr Baxter said it was a sign that Australia's RTD market —

described by some in the industry as the "binge drinker" category — was dominated by stronger, 7 per cent alcohol drinks with appeal to young people on a budget.

"It's one of the few drinks where you don't necessarily know you're drinking alcohol and that's a conscious effort to make those drinks more appealing to young people," he said.

"(The) drinks are very much about masking the alcohol taste," he said. "When you're young, your palate is tuned for sugary drinks."

Young people could buy three drinks with 7 per cent alcohol and get the same effect for less outlay than if they bought five 5.5 per cent drinks, he said.

The drinks industry has long denied deliberately targeting young people.

Mr Baxter originally made his comments in a trade magazine, and amplified them to *The Age*. Appalled health groups say the comments prove the industry encourages alcohol abuse.

"They know that binge drinkers are using this product to get off their face really fast. If they have a duty of care for the consumers, why don't they take them off the market?" said Geoff Munro, director of the Community Alcohol Action Network.

"The alcohol advertising code states that alcohol must be marketed in a mature and respon-

sible way."

VicHealth chief executive Todd Harper accused companies of exploiting young people.

"Unfortunately it's a reflection of the system that we have where the alcohol industry regulate their own marketing activities."

Craig Sinclair, director of the Cancer Council Victoria's education unit, said heavy drinking increased the risk of a range of cancers. Marketing to young people had grave consequences. "They're really trying to create a culture of binge drinking and to grab them as soon as they're supposedly of legal age to do so."

The 2005 national survey of alcohol use by secondary school students showed that 47 per cent of girls aged 12 to 17 and 14 per cent of boys that age had drunk pre-mixed spirits in the previous week.

Recent Australian Bureau of Statistics figures revealed a 9 per cent jump in the amount of RTDs on the market between 2005 and 2006. Mr Baxter said Australians were the highest RTD consumers in the world but said there was no overt marketing that encouraged irresponsible drinking; the industry was simply responding to consumer demand.

The Distilled Spirits Industry Council and Maxxium Australia, Absolut's Australian distributor, did not return calls.



Sweet temptation: An insider admits the drinks industry masks the alcoholic flavour in high-strength, pre-mixed drinks to entice youthful consumers.

PHOTO: GUY LAWRENCE