

July 9, 1997

Statement of Commissioner James H. Quello

In re: Proposed Notice of Inquiry on Broadcast Advertisement of Distilled Spirits

I wish to state from the outset that alcohol abuse is a devastating societal problem that merits serious government attention.

Many families have experienced the tragic consequences of alcoholic addiction. Now the possible advertising of distilled hard liquor on TV poses problems and challenges to government regulation.

In this case, the government is already taking responsible action in the form of two investigations by the FTC, the agency with the expertise and the primary jurisdiction in this area. I wonder how many of the organizations requesting FCC action are aware that the government is already taking responsible action.

If it weren't for the FTC's appropriate actions, I would be willing to consider an FCC inquiry.

However, I can't understand the need for a proposed FCC inquiry with two ongoing FTC investigations.

An FCC inquiry at this time would represent a duplication of effort and an unnecessary expenditure of government resources. It would also violate the terms of an existing agreement between the FCC and FTC granting FTC jurisdiction for investigating advertising.

So the process is already working. The government is already responding responsibly. We, the FCC, should not get in the way in a matter beyond our authority and expertise.

Needless to say, the subject of distilled alcohol advertising is emotionally charged and lends itself too readily to mischaracterizations.

I applaud the networks and the great majority of broadcasters who have voluntarily refused to accept hard liquor ads. I hope the distilled spirits industry will establish responsible, voluntary guidelines.

It is significant that Senator Conrad Burns, Chairman Senate Subcommittee on Communications; Senator John Ashcroft, Chairman of Senate Consumer Affairs Subcommittee; Congressman Billy Tauzin, Chairman, House Subcommittee on Telecommunications, Trade and Consumer Protection; and, Congressman John D. Dingell, Ranking Member, House Telecommunications Committee; have all written to the FCC or FTC expressing opinions that liquor advertising is within the regulatory scope of the Federal Trade Commission, not the Federal Communications Commission.

For all the above reasons, I cannot support an FCC Notice of Inquiry.

992