

Response ID ANON-1NVJ-ED5N-B

Submitted to Alcohol advertising and promotion
Submitted on 2023-03-09 08:44:51

Declaration of direct or indirect links to the alcohol industry

1 Please indicate any direct or indirect links to the alcohol industry?

Indirect links

Please provide any further information below:

Culture Counts is a network of over 70 arts, heritage and creative industries organisations. Our members are largely representative bodies, as well as some events and performing companies.

Some of the representative bodies in Culture Counts membership represent members who work with the alcohol industry as sponsors, as do some of the Culture Counts members whose organisations produce events or are performing companies.

Sources mentioned later in this consultation response:

1

<https://www.parliament.scot/-/media/files/committees/constitution-europe-external-affairs-and-culture-committee/prebudget-scrutiny-funding-for-culture.pdf>

2 <https://culturecounts.scot/culture-budget-tracker>

3 <https://data.oecd.org/chart/70uu>

Sports and events sponsorship

2 Do you think we should prohibit alcohol sports sponsorship in Scotland?

Not Answered

Please explain your answer in the text box:

3 If alcohol sponsorship for sports was to be prohibited, what types of marketing do you think should be covered by a prohibition?

Please add your response in the text box:

4 What, if any, sporting activities or events do you think should be excepted from a prohibition on alcohol sports sponsorship, and why?

Please add your response in the text box:

5 Do you think we should prohibit alcohol events sponsorship in Scotland?

No

Please explain your answer in the text box:

To respond to this consultation, Culture Counts have gathered information and perspectives from members likely to be affected by the proposed restrictions.

Owing to the commercial sensitivity that can be associated with sponsorship arrangements, some members have asked for the information they've provided to be anonymised.

Our members have told us that sponsorship from alcohol brands is a key source of income. One of our members, Arts & Business Scotland provided information on their Scottish Government supported Culture and Business Fund, which offers £ for £ match funding on secured business sponsorship for eligible arts and heritage projects.

In the last five years, 63% of projects supported by the Arts & Business Culture and Business Fund had an alcohol brand as the primary sponsor, meaning that without this revenue, the project may not be able to be delivered or would be severely impacted. In the 37% where it wasn't the key revenue stream, the sponsorship was listed as either the second or third largest income for the project.

The projects that this income supported include: Community arts spaces, theatre productions and literary, music and film festivals on both national and local scales.

As well as supporting core costs, sponsorship income is often used to facilitate non-profit making activities:

- Glasgow Film – an arthouse cinema and registered charity in Glasgow and home to Glasgow Film Festival told us that increased revenue from Alcohol Sponsorship allowed them to invest in Scottish based film talent development and educational activities.

- Creative Edinburgh – the city's largest network of multi-disciplinary creatives runs an annual awards program, highlighting the projects, people and places that flourish across Edinburgh and continually ensuring its place on the cultural map, nationally and internationally. This year the awards received both monetary and stock-in-kind sponsorship, without which the awards would not have taken place.

- Working with an alcohol brand over the pandemic enabled a Glasgow based music festival to provide a safe outdoor space for people to meet and socialise. Music programming in the space extended a much-needed opportunity to musicians affected by the pandemic.

- Support from an alcohol brand enabled another music festival to add a new stage to their festival, showcasing local talent.

There is no doubt that commercial sponsorship is a key part of many culture sector business models. Culture funding levels have not risen in line with inflation for a number of years, and since 2020 have been subject to further, unprecedented pressures. For further context on this, please refer to the Constitution, External Affairs and Culture Committee's report outlining this "perfect storm" (1), and Culture Count's Culture Budget tracker. (2)

In the context of severely challenged public funding, alternative sources of income are extremely important. At a recent Culture Committee meeting, Cabinet Secretary Angus Robertson suggested that in this context of extreme funding pressure, there is a need for greater work across agencies, Government and trusts, organisations and private sector companies. This suggestion has been echoed at Scottish Government convened culture sector resilience roundtables.

In preparing this response, Culture Counts asked members if they had considered alternative sources of sponsorship to alcohol brands. Included below are a selection of responses to this question:

- We are always exploring other sources of sponsorship - however as two of the main industries in our area are whisky and oil & gas - it can be challenging to find sponsors who are outside of these two areas, particularly in the current economic climate when smaller businesses have less money available to spend.

- With our Festival predominately attended by those who are 18+, alcohol sponsorship has been a popular and successful revenue. We do not solely approach alcohol brands, however, as we have licensed bars on our premises it is a natural choice.

Even though Glasgow Film Festival is a high-status event securing sponsorship is getting harder and harder. It is not easy at all. We have a small team and developing relationships with potential sponsors takes a huge amount of time and effort. Alcohol brands are one of the few sectors that are still responsive to our requests.

- Keeping a variety / portfolio of partnerships is important to balance risk. However, there is no one sector of industry that could provide the level of sponsorship support, paired with the specific advantages provided by such partnerships in relation to events.

- Yes, we have been actively pursuing other sponsorship avenues, but it has been challenging to secure sponsors. A diverse portfolio of sponsors is necessary to help ensure our events are a success and attractive to members.

- We secure sponsorships across a range of business sectors but there is an undeniably strong fit between cultural consumption and live events, which we believe our audiences expect and appreciate.

The extent to which alcohol sponsorship plays a role in culture sector business models varies, according to the enormous diversity of the sector. For those organisations and events who work with alcohol brands as sponsors, restricting these partnerships will have an undeniable impact.

Restrictions would cause an increased need to focus on profit-generating activity, hampering the ability of organisations and events to offer community focused, talent development and promotional activity. It is in these activities that many of the wider benefits provided by culture – to health, wellbeing, community, connection and belonging – can be found.

For some, restrictions will cause operational and cashflow challenges. One performing arts venue reported that the loss of product-in-kind alone would mean increased costs of around £20k per annum.

The opening of consultation on proposed restrictions is already having an effect, causing a chilling effect on discussions between organisations and current and potential sponsors. One festival was discussing a six figure multi-year sponsorship proposal with an alcohol brand but was then told that they would not consider a long-term arrangement while the alcohol regulation measures were under development. '

The member responses provided above show that the culture sector is awake to the need for a balanced sponsorship portfolio. However, and especially in the current economic climate, many have reported that there is a severe lack of other sectors and companies that could replace support currently provided by alcohol brands.

6 If alcohol events sponsorship were to be prohibited, what types of marketing do you think should be covered by a prohibition?

Please add your response in the text box:

7 What, if any, events do you think should be excepted from a prohibition on alcohol events sponsorship, and why?

Please add your response in the text box:

All cultural events should be exempted from a prohibition on working with alcohol brands as sponsors.

While Culture Counts and our members wholeheartedly agree with the aim of reducing alcohol related harm that sits behind these proposals, any restriction on culture sector sponsorship would not be evidence based. The Government consultation paper on these proposals notes that the extent and impact of sponsorship of non-sporting events in Scotland has not been researched.

Without a clear evidence base, in enacting restrictions the Scottish Government would run the risk of pulling the lever that is available, not that which will make meaningful strides towards these important goals. Further research is required so that the Scottish Government and the culture sector can understand the impact and extent of current practices, and the extent to which any changes would meaningfully contribute to shared public health goals.

While evidence pointing to a need for such restrictions does not exist, a keen understanding of the impact that restrictions would have does. We urge the Scottish Government to keep these impacts at the forefront when considering these matters.

The Scottish Government have cited examples from France and Ireland where such prohibitions on cultural events have been in place for a number of years. As well as these restrictions, those countries also have a much different position on public cultural funding.

According to the OECD, UK spending on culture as a percentage of GDP stands at 0.7%. This is one of the lowest in Europe, where the average culture spend as percentage of GDP stands at 1.2% (3). Higher levels of public investment are what enables France and Ireland's cultural sectors to thrive without the requirement for sponsorship from alcohol brands.

Enacting these restrictions in Scotland without investing a greater proportion of our GDP in culture would only add to the "perfect storm" of challenges outlined in the previously mentioned Constitution, External Affairs and Culture Committee report.

Working with alcohol brands is just one of many ways that Scotland's innovative, passionate and highly skilled cultural sector make up this difference in public sector support, all the while remaining a world leading advert for Scotland, both at home and abroad, and providing the basis of how people connect and belong in their communities.

8 If alcohol sponsorship restrictions are introduced, do you think there should be a lead in time for these?

Not Answered

Please explain your answer in the text box:

End questions

39 Do you think the Scottish Government should look to introduce a comprehensive package of restrictions across a number of marketing channels? If so, what do you think this package should include?

Not Answered

Please explain your answer in the text box:

40 What, if any, additional alcohol marketing methods or channels not covered in the consultation would you like Scottish Government to consider restricting?

Please add your response in the text box:

41 What further evidence on alcohol marketing you would you like the Scottish Government to consider?

Please explain your answer in the text box:

42 If you sell, distribute, advertise or manufacture alcohol, or represent those who do, how do you think the potential restrictions in this consultation paper would impact you, and the wider alcohol sector?

Please add your response in the text box:

43 Are there any relevant equality issues that Scottish Government should be considering at this stage in the policy development?

Please add your response in the text box:

About you

44 What is your name?

Name:

Joseph Peach

45 What is your email address?

Email:

joseph@culturecounts.scot

46 Are you responding as an individual or an organisation?

Organisation

47 What is your organisation?

Organisation:

Culture Counts

48 The Scottish Government would like your permission to publish your consultation response. Please indicate your publishing preference:

Publish response with name

49 We will share your response internally with other Scottish Government policy teams who may be addressing the issues you discuss. They may wish to contact you again in the future, but we require your permission to do so. Are you content for Scottish Government to contact you again in relation to this consultation exercise?

Yes

50 I confirm that I have read the privacy policy and consent to the data I provide being used as set out in the policy.

I consent