



www.scotch-whisky.org.uk

Scottish Parliamentary Elections 2007
A Scotch Whisky Manifesto

Introduction

The Scotch Whisky Association aims to protect and promote Scotch Whisky around the world. Its 53 member companies - all of whom are distillers, bottlers or blenders of Scotch Whisky - represent more than 95% of the industry.



A World-Class Scottish Industry

Scotch Whisky's international reputation is underpinned by the requirement that it can only be made in Scotland. It is an ambassador for the country in 200 export markets.

Decisions taken at Holyrood have a very real impact on the Scotch Whisky industry. Industry sustainability and international success is crucial to thousands of jobs across the country and the wider Scottish economy.

Continuing success cannot be taken for granted. The next Scottish Executive and Scottish Parliament must recognise the economic and social importance of the industry to Scotland and support, both at home and abroad, efforts to maintain Scotch Whisky as the leading international spirit drink.

- Scotch Whisky is iconic and an instantly recognisable ambassador for Scotland in the global market - attracting visitors, business, and investment.
- Every year over £2bn of Scotch Whisky is exported - earning £75 a second for Scotland's balance of trade - making it one of our leading manufactured export earners.
- Scotch Whisky now accounts for 13% of total Scottish exports (exc. oil and gas) and makes up an important percentage of exports to leading markets, such as the USA (18%), France (21%), and Spain (30%). Unlike other sectors, Scotch Whisky exports are growing, especially to the important markets of the future, such as China and India.

- Over 40,000 jobs in Scotland depend upon on whisky production, including among local cereal suppliers, bottle, label, and packaging companies, transport and haulage, and suppliers of a wide range of goods and services.
- Across the whisky supply chain, the industry spends over £700m a year, and contributes an additional £800m in excise taxes. Distillers are investing in technology, innovating, and developing skilled workforces.
- Scotch Whisky producers are internationally recognised as leaders in the promotion of responsible attitudes to alcohol. They also play an important role at national and local level, contributing to Scottish life through their sponsorship and support for a myriad of community, cultural and sporting events.
- Whisky-related tourism is growing in importance. Distilleries represent 25% of Scotland's five star tourist attractions, hosting one million visitors a year.



Scotch Whisky Industry Priorities

The industry looks forward to working with politicians of all parties to meet the specific challenges facing the industry at home and abroad, helping to grow a sustainable and successful industry to the benefit of the Scottish economy. Four priorities have been identified in the domestic context:

- A better legislative framework for Scotch Whisky
- Working in partnership to tackle alcohol misuse
- Supporting international competitiveness
- Building a sustainable future for distillers

A better legislative framework for Scotch Whisky

Strong legal protection is fundamental to Scotch Whisky's success, enabling the industry to protect Scotch Whisky from unfair competition by challenging misleadingly labelled products and promoting the positive reputation of Scotch Whisky to consumers around the world. This protection could, however, be improved. Category descriptions, such as 'Single Malt' are not defined and protected in law, whilst traditional regional names such as 'Highland' and 'Lowland' are misused abroad. Labelling rules could be introduced to give better protection for consumers from misleading practices.



Following wide consultation, the SWA is proposing new legislation to further codify the definition and presentation of Scotch Whisky. This would ensure consumers receive clear and consistent information, build understanding of Scotch Whisky abroad, and ensure the highest levels of protection. This is an opportunity to adopt domestic legislation with important international implications for Scotland.

The next Scottish Executive and Parliament should:

- support proposals to codify further the definition and presentation of Scotch Whisky in legislation.
- ensure the new European Spirit Drinks Regulation - setting out the EU legislative framework for spirit drinks - meets the needs of the Scotch Whisky industry.

Working in partnership to tackle alcohol misuse

SWA members are committed to fostering a culture which recognises that responsible, moderate consumption of alcohol is part of a modern healthy society. Cultural change in attitudes to alcohol will require collaboration by a wide range of public and private stakeholders that extends beyond the life of the next Parliament.

Distillers play their part to the full, for example through unit labelling, support for alcohol education, and a far reaching industry Code of Practice on responsible marketing and promotion. Change requires a sustained, long term commitment.



To commence this process, the next Scottish Executive and Parliament should:

- embrace a partnership approach with all stakeholders, focusing on evidence-based measures that make a difference.
- ensure strict enforcement of the law on the sale of alcohol to those under the legal purchase age and those who are intoxicated. Adoption of a 'two strikes and out' approach would be a powerful measure, as would continuing the roll out of test purchasing arrangements across the country.
- tackle irresponsible promotions in both the on and off trade environment, whilst recognising responsible promotions, including advertising and sponsorship, are a legitimate part of commercial activity.
- work closely with industry to communicate better responsible drinking messages, including unit information on all bottles of Scotch Whisky, and to improve the provision of alcohol education resources.
- support brief interventions delivered by a range of healthcare professionals to change drinking

Supporting international competitiveness

With 90% of sales abroad, the Scotch Whisky industry is a proactive and committed campaigner for free trade so that trade barriers do not unfairly restrict market access or distort competition. The industry also does much to showcase Scotland overseas. The next Scottish Executive and Parliament should:

- work with the industry to promote fair and non-discriminatory access for Scotch Whisky to markets around the world, in particular focusing on the removal of trade barriers in important emerging markets, such as India, Turkey, and Russia.
- work with the industry to better promote Scotland, Scotch Whisky and Scottish business overseas.

The freedom to operate at home without the burden of costly and unnecessary red tape is also important. In this context, the SWA supports the better regulation agenda and its focus on legislation being brought forward only when it is necessary, proportionate and appropriate. The next Scottish Executive and Parliament should:

- work closely with producers to ensure that European and domestic legislation impacting on industry competitiveness is in line with better regulation principles.
- support European efforts to bring forward appropriate labelling for alcoholic drinks and bottle size regulations to ensure consumers receive clear information and protection.



Building a sustainable future for distillers

Scotch Whisky relies on its local environment and is made only from natural raw materials. It is in our interests to ensure that environment is protected.

Distillers have made significant investments in green technology, and are working hard to ensure a sustainable future for Scotch Whisky and the communities that depend upon the industry. We look to the next Scottish Executive and Parliament to:

- support industry efforts to protect the local environment, for example through investment in energy-saving measures and by ensuring that carbon trading schemes, at UK and EU level, are both proportionate and effective.
- apply only risk-based legislation in support of sustainable development, taking full account of socio-economic, as well as environmental, impacts.

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