

Surrogates are Legitimate Products, Say Liquor Cos

Seek 'unfettered right' to advertise brand extensions without any misrepresentations

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New Delhi: Liquor industry group lobby CIABC (Confederation of Indian Alcoholic Beverage Companies) has written to the consumer affairs ministry that "for brand extensions permitted under law to advertise, companies should have unfettered right to advertise provided there is no misrepresentation or miscommunication suggesting the product to be something else."

The development comes days after government's directive to alcohol makers last week asking companies to submit a list of products sold as surrogate extensions in 15 days besides seeking revenue from brand extensions including water, soda, music fests, payments to celebs, and so on.

Liquor makers sell packaged water, music CDs, playing cards, soda, and many other products under brand names identical to their alcohol brands, as advertising the latter is not permitted.

However, despite the restrictions, advertising of such products is rampant. According to the letter signed by Vinod Giri, director general of CIABC, and addressed to Anupam Mishra, joint secretary at ministry of consumer affairs, food and public distribution: "The regulatory focus on alcohol should be on creating quality brands, encouraging responsible behaviour, and reducing health risks."

CIABC's members include Allied Blenders & Distillers, Amrut Distilleries, Devans Modern Breweries, Globus Spirits, Jagatjit Industries, Mohan Meakin, Radico Khaitan and Sula Vineyards.

"Brand extensions are legitimate endeavours, and due to historical restrictions, companies have de-risked by creating parallel businesses. Since creating a new brand name is a very expensive proposition, companies tend to extend the same brand name which is familiar to consumers even if it is in a different product category since such familiarity lends credibility," according to the letter, on behalf of the alcobev companies.



Devpt comes days after govt order to cos directing them to submit list of products sold as surrogate extensions