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Sweden

Wine

Swedish Ban on Alcohol Advertising Lifted

2003

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Report Highlights:

A verdict from the Swedish Market Court on February 5, 2003, opens up for alcohol advertising in Swedish newspapers and magazines. The challenge by the Swedish food magazine "Gourmet", to Sweden's prohibition on alcohol advertising made its way through the European Court of Justice and back to the Stockholm District Court and finally the Swedish Market Court with a favorable result.

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
Stockholm [SW1], SW

On February 5, 2003, the Market Court, Sweden's highest court of appeal for consumer issues, upheld the Stockholm District Court's decision in favor of the magazine "Gourmet"'s right to publish alcohol advertisements. The Court ruled that the Swedish ban on alcohol advertising was too intrusive to warrant an exception to European Union law. The decision is a heavy blow to Sweden's rigorous policies to restrict alcohol consumption on public health grounds. Lifting the 24-year old ban on alcohol advertising was a longed-for decision for the entire wine and spirits sector in Sweden.

Swedish law has for many years restricted alcohol advertising on TV, radio, billboards and in non-trade publications such as daily newspapers and weekly and monthly magazines. In 1997, the Swedish Consumer Ombudsman sued the "Gourmet" magazine in Stockholm's District Court for violating the advertising ban. The Swedish Court turned to the European Court of Justice for guidance in this case.

In March 2001, the European Court of Justice agreed that the ban was an obstacle to the free movement of services within the EU and therefore, contravened the EU's founding treaty. Sweden restricts alcohol advertising on public health grounds, but the European Court suggested that public health goals could be achieved with less restrictive measures and referred the matter back to the Swedish Court. On March 4, 2002, the Swedish Court concluded that banning alcohol advertising on public health grounds was a measure that was disproportionately restrictive compared to its actual impact on health.

The decision was another blow to Sweden's rigorous policies to restrict alcohol consumption on public health grounds. (In 1995, Sweden had to relinquish its monopoly on wine and spirits imports, which Sweden had also justified based on public health concerns, in order to meet EU accession requirements). Moreover, both the European Court of Justice and the Swedish Courts' rulings represent an important shift in attitude on advertising restrictions in Europe.

The Swedish court pointed out that maintaining the ban would have only marginal effects considering the comprehensive editorial information on alcohol (e.g. wine critiques) that appears in Swedish media. Also, the court took into consideration Systembolaget's extended evening and Saturday opening hours and the considerable amount of alcohol advertising allowed in magazines that can be obtained in Systembolaget's shops. (Systembolaget is the government agency which handles all over-the-counter sales of wine, spirits and full-strength beer through some 400 shops throughout Sweden.)

The Swedish Consumer Ombudsman, who appealed the decision to the Swedish Market Court, regrets the Court's ruling. Also, the Government is concerned about effects on public health, and is already announcing restrictions and changes to the new alcohol law on advertising. The Government especially would like to ban advertising on spirits, and has Finland's advertising ban for beverages containing more than 23 percent alcohol as a model. However, a restriction of this kind would probably immediately be appealed to the European Court of Justice and it is doubtful that it would be justified for public health reasons.