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NATIONAL COUNCIL ON ALCOHOLISM AND DRUG DEPENDENCE, INC.

Four Loko Maker Agrees to Limits on Marketing to Young People

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The maker of the flavored malt beverage Four Loko agreed this week to sharply limit its marketing to young people, Reuters reports.

The company is making changes to its marketing in response to allegations by 19 U.S. state attorneys general and the city of San Francisco that it improperly marketed its product to young people and encouraged them to abuse alcohol.

The company, Phusion Projects LLC, will not promote binge drinking or other misuses of alcohol, and will accept limits on marketing that are designed to prevent people under 21 from purchasing alcoholic products.

Phusion said it will not promote its products on school or college property, except at licensed retailers. The company will not use models or actors under 25, or who appear to be under 21, in its ads. Phusion will also pay $400,000 to the regulators, the article notes.

"This is an important step toward ending the irresponsible marketing of alcohol to young people," San Francisco City Attorney Dennis Herrera said in a statement. "I'm grateful that we were able to get this industry leader on the same page with consumer protection offices in San Francisco and 19 states. The result will be better informed consumers and a safer, healthier marketplace."

Last year, Phusion agreed to put an "alcohol facts panel" on the back of cans containing more than two servings of alcohol, to settle the Federal Trade Commission's charges of deceptive marketing. The panels disclose the alcohol by volume, and the number of servings in the can. Phusion also agreed to redesign cans with more than two-and-a-half servings of alcohol so they can be resealed. This design will encourage drinkers not to consume the entire can in one sitting.

Four Loko originally contained caffeine and alcohol. Following warnings by the Food and Drug Administration, Phusion Projects removed caffeine from the drink.