

News

## Light beers: Brewers try to cash in on health-conscious drinkers

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As the flavored-malt-beverage category recedes, alcoholic-beverage marketers are eyeing low-calorie alternatives.

The new breed of starter beers is aimed more at health-conscious **drinkers** than at dieters. Though lower than light beers in calories and often carbohydrates, they are positioned as an alcoholic alternative for active young **drinkers** of both genders who grew up swilling sports beverages and isotonic.

For more than a year, SABMiller's Miller Brewing Co. has been at work on a lighter beer to supplement its flagging Lite, according to people familiar with the situation. Upstart Long Beach Brewing Co. this month begins testing Thin Ice, with 1 gram of carbohydrates per serving, while Anheuser-Busch Cos., hard on the heels of its low-carb Michelob Ultra, is relaunching Doc's Hard Lemon as lower calorie, lower-carb version of the original.

The new Miller product revises the discontinued 77-calorie Lite Ultra launched in 1991, according to one person who was briefed. The initial plan was for a first quarter 2003 or spring launch, but that could be delayed, according to people with knowledge of Miller's plans. WPP Group's Y&R Advertising, Chicago, is believed to be handling some marketing for the new brew, though WPP's Ogilvy & Mather, New York, is Lite's agency. Y&R did not return calls for comment by press time, but a Miller spokesman said no product launch is imminent and that the focus is on Lite.

### low-cal marriage

Next month in Boston, small independent Long Beach will test a product with a citrus taste and 90 calories that marries diet drinks and flavored malts. Terry Hopper, national sales manager, said it likely will be promoted as having one-third the calories and fewer carbs than malt drinks, mixed drinks, beer or wine. The company is interviewing ad agencies to promote the \$6.50 six pack via print and in-store displays.

Flavored malt beverages represented 2.8% of all beer sold in supermarkets the four weeks ended Oct. 6, down from a peak of 3.7% the four-week period ended July 14, according to Information Resources Inc.

A-B hopes its reformulated Doc's can spark sales of the two-year-old brand that saw sales peak in 2001. Doc's 16.5 grams of carbohydrates and 165 calories-down from the original 39.5 carbs and 253 calories-will be played up in packaging, outdoor and print advertising by Omnicom Group's Downtown Partners, Toronto. Sibling Michelob Ultra, with "Lose the carbs. Not the taste" advertising via Waylon Advertising in St. Louis, launched nationwide in late September. Ultra has 95 calories and 2.6 grams of carbohydrates.

Pat McGauley, director of high-end brands at A-B, said consumers had been calling for a low-carb beer for at least two years but that it's too soon to predict how the category will fare. A-B is trying to position Ultra as a drink for active people rather than dieters.

The plan is also to enlarge the market. The light-beer category grows every year, but success is not contingent on its healthful attributes. "Beer drinking has never been about the dietary aspects of the product," one industry veteran said.

Although light beer represents 44% of all beer sold in this country, "diet" beers have failed before. Tom Pirko, president of beverage consultant Bevmark, said the current fitness cult, however, could give brewers a fighting chance if they instead are positioned as "lifestyle" choices. "Men may parade their beer bellies, but they're not proud of them," he said. Ultra is "a brilliant concept to take what was a diet beer and turn it into the equivalent of Gatorade," Mr. Pirko said. "It's taken away the stigma of diet."

Heineken USA's VP-marketing, Steve Davis, predicted the current crop of diet beers would follow the same path as flavored malt drinks, dry beers and wine coolers.

"Every three to five years something like that happens," Mr. Davis said, "and it goes nowhere."