

# Alcohol companies earned billions from underage drinking in 2016

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Underage drinking. Credit: Rutgers Center of Alcohol & Substance Use Studies

Underage youth consumed \$17.5 billion worth, or 8.6 percent, of the alcoholic drinks sold in 2016. Products from three alcohol companies—AB Inbev, MillerCoors and Diageo—accounted for nearly half of youth consumption, according to a new study published in the *Journal of Studies on Alcohol and Drugs*.

Data collected in a landmark study of youth alcohol consumption by brand enabled the authors to calculate the first estimate in nearly 20 years of the monetary value of youth alcohol consumption. And for the first time, they were able to attribute those revenues to specific companies.

"The alcohol industry has said they don't want minors to drink, but when we counted up the drinks, it was clear that they were making billions of dollars from these sales," said co-lead author Pamela J. Trangenstein, Ph.D., assistant professor of health behavior at the University of North Carolina Gillings School of Global Public Health. "There is a clear disconnect when an industry advocates prevention but then makes billions of dollars from prevention's failure."

12 to 20. Although underage consumption has been falling in recent years, alcohol is still responsible for approximately 3,500 deaths per year among people younger than age 21, according to the Centers for Disease Control and Prevention.

"Our prior studies have repeatedly shown that youth are exposed to and influenced by alcohol marketing," said co-author David H. Jernigan, Ph.D., professor at Boston University and co-author on the study. "If [alcohol companies](#) are truly committed to preventing [youth](#) drinking, they should be willing to put these revenues into an independent agency able to address underage drinking without a conflict of interest."

The Institute of Medicine and National Research Council, the science advisory body for Congress, made that recommendation in their 2003 report on underage drinking. In 2006, Congress passed unanimously the first legislation solely devoted to reducing underage drinking. While that legislation authorized \$18 million in spending, Congress has never spent the full amount. In fact, Congress recently made permanent the tax break provided to alcohol companies in the 2017 tax cuts.

"Community coalitions in North Carolina and across the country are constantly begging for dollars to support their work on underage [drinking](#)," said Trangenstein. "Our study identifies a clear source for that badly needed funding. Families and communities are paying the price, while big [alcohol](#) companies are reaping all the benefits."

**More information:** Eck, R. H., Trangenstein, P. J., Siegel, M., & Jernigan, D. H. (2021). Company-specific revenues from underage drinking. *Journal of Studies on Alcohol and Drugs*, 82, 368–376. [DOI: 10.15288/jsad.2021.82.368](https://doi.org/10.15288/jsad.2021.82.368)

Alcohol is the No. 1 drug used among people ages

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