

**UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION**

In the Matter of

**ALLIED DOMEQ SPIRITS & WINE AMERICAS, INC., and ALLIED
DOMEQ SPIRITS & WINE USA, INC. d.b.a. HIRAM WALKER, corporations**

DOCKET NO. C-3858

COMPLAINT

The Federal Trade Commission, having reason to believe that Allied Domecq Spirits & Wine Americas, Inc. and Allied Domecq Spirits & Wine USA, Inc. d/b/a Hiram Walker, corporations ("respondents"), have violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that this proceeding is in the public interest, alleges:

1. Respondent Allied Domecq Spirits & Wine Americas, Inc. is a Delaware corporation with its principal office or place of business at 3000 Town Center, Southfield, MI 48075.
2. Respondent Allied Domecq Spirits & Wine USA, Inc. d/b/a Hiram Walker is a Michigan corporation with its principal office or place of business at 3000 Town Center, Southfield, MI 48075. Allied Domecq Spirits & Wine USA, Inc. d/b/a Hiram Walker is a wholly owned subsidiary of Allied Domecq Spirits & Wine Americas, Inc.
3. Respondents have advertised, offered for sale, sold, and distributed beverage alcohol products to the public, including Kahlua White Russian, a pre-mixed cocktail. Kahlua White Russian is a "food" within the meaning of Sections 12 and 15 of the Federal Trade Commission Act.
4. The acts and practices of respondents alleged in this complaint have been in or affecting commerce, as "commerce" is defined in Section 4 of the Federal Trade Commission Act.
5. Respondents disseminated or caused to be disseminated advertisements for Kahlua White Russian, including but not necessarily limited to the attached Exhibits A and B. These advertisements contain the following statement: "LOW ALCOHOL BEVERAGE."
6. Through the means described in Paragraph 4, respondents represented, expressly or by implication, that the Kahlua White Russian is a low alcohol beverage.
7. In truth and in fact, the Kahlua White Russian is not a low alcohol beverage. It has a significant alcohol content, 11.8 proof (5.9% alcohol by volume), equal to or greater than numerous other alcohol beverages. For example, a Kahlua White Russian has substantially more alcohol ounce for ounce than many beers, malt liquors and wine coolers. For some people, drinking as few as two or three Kahlua White Russians will begin to impair normal functions, such as driving.

Therefore, the representation set forth in Paragraph 6 was false or misleading.

8. The acts and practices of respondents as alleged in this complaint constitute unfair or deceptive acts or practices, and the making of false advertisements, in or affecting commerce in violation of Sections 5(a) and 12 of the Federal Trade Commission Act.

THEREFORE, the Federal Trade Commission this day of ,1998, has issued this complaint against respondents.

By the Commission.

Donald S. Clark
Secretary

SEAL: