I am using this opportunity here presented to reflect on the years gone by and the fact that 2011 marked thirty years of advertising self-regulation in Ireland. Elsewhere in this supplement you will read that our European umbrella body the European Advertising Standards Alliance was founded only twenty years ago but that the concept of advertising self-regulation is well rooted in European commercial life with the Advertising Standards Authority in the UK reaching its 50th milestone this year and the French equivalent body having been set up in 1953.

The ASAI was established in 1981 and substantially restructured in 1988. This restructuring was done at the request of the then Director of Consumer Affairs, Mr James Murray, and the ASAI continues to enjoy a good working relationship with the Office of the Director as it is now established in the National Consumer Agency (NCA). ASAI receives advice and support from the staff of the NCA and, when necessary, the Agency provides a legal backstop for the very small number of traders who refuse to comply with our adjudications on misleading advertising. I am also aware that the NCA are producing a memorandum of understanding to govern the future relationship between the two organisations. I would like to thank the current Director, Ms Anne Fitzgerald, and her staff for their help and guidance.

Over the years, the ASAI has also enjoyed good working relationships with a range of Government agencies including some where there is overlap in remit or at least areas of common interest. At various times we have received help and advice from management and staff in the Broadcasting Authority of Ireland (BAI), the Food Safety Authority of Ireland (FSAI), the Irish Medicines Board (IMB), Commission for Communications Regulation (ComReg) and the National Standards Authority of Ireland (NSAI).

Equally, we have received advice and guidance from a range of Government departments on issues as diverse as food, agricultural services, telecommunications, building materials and chemicals. Without this assistance it would not always be possible for the Authority to reach decisions on some of the complex complaints presented by consumers and others. It is my expectation that as we develop our self-regulatory model, particularly in the area of digital media, ASAI will endeavour to establish new working relationships with Government departments and statutory regulators in Ireland.

At this time, supported by the advertising industry, we are undertaking a detailed strategic review of our objectives and functions. We are also reviewing our digital remit with a view to extending it into new areas including social media. These exercises will be completed later in the year and we will then commence a review of our Code. As we move forward towards the next thirty years, I am certain that our primary objective will remain the regulation of advertising in the interest of consumers.

The role we undertake, however, contributes to and assists the overall regulatory model in the regulation of commercial practices in Ireland. This fact has been recognised by the EU in Directives and in a range of statements by Commission officials and indeed Commissioners since the beginning of the first round table discussions in 2004. Most recently on the 29th March, at a conference entitled “Advertising We Care”, the Commissioner for Health and Consumer Policy Mr John Dalli praised advertising self-regulation and the strengthening of advertising self-regulation mechanisms.
ADVERTISING SELF-REGULATION

A variety of models of advertising self-regulation have been in existence in Europe for over 50 years. At the present time, self-regulatory systems for advertising exist in 27 European countries and in Australia, New Zealand, Canada, India, North and South America. While models may vary and are, of course, influenced by the existence of associated legislation in individual jurisdictions, the majority are based on the Consolidated Code of Advertising and Marketing Communications Practice of the International Chamber of Commerce (the Consolidated ICC Code). The underlying requirement of this Code is that all advertising be legal, decent, honest and truthful.

Advertising self-regulation in Ireland has existed for 30 years since the Advertising Standards Authority for Ireland (ASAI) was established by the advertising industry in 1981. Since the founding of the original organisation, the structures have changed and the scope of its responsibilities has grown with the diversification of media. The main structural changes were introduced in 1988, and complaints handling and decision-making are now very clearly and visibly carried out at arm’s length from the industry by the Secretariat and the independent Complaints Committee.

In addition to the traditional role of complaint handling, ASAI now undertakes regular monitoring across all media, provides copy advice and has established a review system for those who wish to appeal the decision of the Complaints Committee. At the present time, the remit in the area of digital media is being examined with a view to further expansion. In addition, the Authority will, as with self-regulatory authorities in other European countries at the request of the EU, take on an entirely new role related to the privacy issues associated with Online Behavioural Advertising (OBA).

The development of services in recent years has been made possible only by the support provided by responsible advertisers, agencies, the media and their professional organisations. There are still people, however, who either ignore or seek to undermine the system and thereby potentially devalue the model of self-regulation that has provided, and continues to provide, a service to consumers and industry. There are also a small number of marketers who see the responsibilities of self-regulation as being solely the role of the ASAI and they will only act when their obligations are spelt out to them.

Meaningful self-regulation requires that marketers will not commission, generate or publish marketing communications that are likely to be in breach of the provisions of the ASAI Code. The Board of the Authority, and many of their colleagues in industry, have invested in and developed a successful model of self-regulation that is currently accepted by the public and a range of government departments and agencies. At a time when areas of the industry are being considered for further regulation and further restrictions by the authorities, the advertising industry must be careful to protect and support its self-regulatory system which has stood the test of time.

During 2012 ASAI will organise, with the assistance of a range of the larger print media companies, a work-shop for the senior executives of advertisers, agencies and the media in all its strands. The objective will be to underline the responsibilities involved in supporting the self-regulatory system and highlight the fact that their responsibilities involve, not alone compliance and financial support, but also from time to time making difficult commercial decisions not to be involved in campaigns that are likely to breach the provisions of the Code.

2011 IN BRIEF

COMPLAINTS

In 2011, the ASAI received 1,402 written complaints concerning 867 advertisements. This level of complaint shows a reduction on the figure of 1,736 complaints received in 2010. The principal reason for the reduction is the high level of complaints received in 2010 in relation to a small number of campaigns.

There were 265 complaints carried forward from 2010, and the ASAI dealt with 1,535 complaints in 2011, leaving 132 in respect of 96 advertisements to be carried forward to 2012.

GROUND OF COMPLAINT

In general, the two main areas of complaint relate to advertising being misleading or offensive. There are, however, a wide range of other issues covered by the Code provisions that are raised by members of the public. These include issues concerning children, health and safety, causing fear and distress, health and environmental claims.
COMPLAINTS BY SECTOR
The main sectoral areas attracting complaints were as follows:

- Telecommunications: 265 complaints
- Travel & Holidays: 129 complaints
- Food & Beverages: 256 complaints
- Leisure: 116 complaints
- Health & Beauty: 104 complaints
- Household: 99 complaints
- Financial: 92 complaints
- Motoring: 86 complaints

COMPLAINTS BY MEDIA

<table>
<thead>
<tr>
<th>Media</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Digital Media</td>
<td>561</td>
<td>425</td>
</tr>
<tr>
<td>Broadcast*</td>
<td>541</td>
<td>526</td>
</tr>
<tr>
<td>Print</td>
<td>241</td>
<td>184</td>
</tr>
<tr>
<td>Outdoor</td>
<td>171</td>
<td>426</td>
</tr>
<tr>
<td>Brochures/Leaflets</td>
<td>120</td>
<td>99</td>
</tr>
<tr>
<td>Direct Marketing</td>
<td>22</td>
<td>19</td>
</tr>
<tr>
<td>Television*</td>
<td>353</td>
<td>288</td>
</tr>
<tr>
<td>Radio</td>
<td>188</td>
<td>238</td>
</tr>
</tbody>
</table>

*Television: 353 complaints (TV: 353, Radio: 188, Online: 165)

In 2011, digital media gave rise to the largest block of complaints. As mentioned in the 2010 Report the growth related to an extension of digital remit in 2009. A large proportion of the complaints in relation to digital media are for advertisers’ own websites rather than paid for advertising on third party websites.

DIGITAL ADVERTISING
The Authority’s remit in the area of digital advertising was extended to advertisers’ own websites in 2009. We are glad to report that, with the exception of a small number of individual advertisers, all others are fully compliant when accepting the adjudications of the Complaints Committee or, indeed, advice from the Secretariat.

Currently, a sub-group of the Board of the ASAI is examining proposals for an extension of remit to new areas of digital media, including advertisers’ pages on social media. This extension will involve an extensive consultation exercise with consumers, NGO’s, Government departments/ agencies and the public.

CHAIRPERSON OF THE COMPLAINTS COMMITTEE

My report for the year 2011 is available as normal in the ASAI’s Annual Report which, this year, can be found at www.asai.ie. I would like to use the opportunity presented in this publication to thank, on my own behalf and on behalf of my predecessors, all of those who over 30 years have served on the Complaints Committee of the ASAI.

They have come from a great variety of backgrounds and have brought a diversity of talents, experiences and knowledge to the decision making process. Whether they came from the minority industry representation or the majority lay members, they all have added great value to the process of ensuring, to the greatest extent possible, that the advertising presented to consumers is legal, decent, honest and truthful.

I have in recent reports referred to the fact that the examination and decision making process in dealing with complaints can sometimes be quite complex and, indeed, that the increasing use of digital media is presenting new challenges. While the members of the Complaints Committee apply their expertise in examining the evidence in each case, the Secretariat of the ASAI works tirelessly to ensure that the information presented to the Committee is accurate, relevant and balanced. On behalf of the current Committee I would like to thank them sincerely for the manner in which they perform this task.

Finally, I have included below a brief outline of the complaints numbers dealt with by the Committee in 2011.

RESOLUTION OF COMPLAINTS BY COMPLAINTS COMMITTEE IN 2011

<table>
<thead>
<tr>
<th>Resolution</th>
<th>Complaints</th>
<th>Advertisements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Submitted to Complaints Committee</td>
<td>326</td>
<td>127</td>
</tr>
<tr>
<td>Upheld/In Breach</td>
<td>231</td>
<td>89</td>
</tr>
<tr>
<td>Not Upheld/Not In Breach</td>
<td>90</td>
<td>35</td>
</tr>
<tr>
<td>Statements</td>
<td>5</td>
<td>3</td>
</tr>
</tbody>
</table>

Note: The Committee also reviewed decisions by the Secretariat on complaints concerning 191 advertisements.
Over the past 20 years, the European Advertising Standards Alliance (EASA) and its members have striven to ensure that advertising should be legal, decent, honest and truthful. This has meant creating self-regulatory bodies in almost half of the current EU 27 countries. It is the case, however, that in a number of countries the principles of advertising self-regulation were being competently applied for much longer periods.

Ireland is one such case and, indeed, the ASAI was one of the founder members of the EASA and provided the second Chairman, Mr Noel McMahon, the then Chief Executive of the ASAI who served in 1993-1994 and took the decision to establish the EASA in its current headquarters. Subsequently his successor, Mr Edward McCumiskey, played a leading role in the 2001 re-organisation of the EASA when self-regulatory and industry bodies joined together in an enlarged alliance.

At the present time the strength of the EASA and the ability to meet new challenges is directly related to the level of support and involvement committed by the individual members. In this regard I would like to acknowledge the recent contributions of Mr Frank Goodman, the Chief Executive, and Ms Orla Twomey, the Assistant Chief Executive for their roles in the EASA Executive and as Chairperson of the Self-regulatory Committee respectively.

The EASA and the individual members are being asked by the EU to provide more varied and diverse services particularly in the area of digital media and behavioural advertising. They are also being asked to work to higher and more exacting standards as part of the price of recognition of the role of self-regulation in the overall regulatory model. The successful best practice model encapsulated in the EASA’s Charter is being applied by other sectors; cosmetics, gambling, alcohol and food and is also being exported to other parts of the globe where self-regulation projects are being built. This process has been ongoing since the commencement of the first EU Advertising Round Table, in 2004.

To date the EASA and its members have responded positively to all such requests and with the support of our individual members, we expect the process of obtaining greater recognition for the system of advertising self-regulation to continue into the future, both centrally and in individual countries. EU Commissioner Dalli underlined the EU’s belief that “...self-regulation can be a useful tool, amongst others, and one that can usefully complement the work of public enforcers.” Ireland has every reason to be proud of its contribution to our success and remains a leading best practice example by which others can be inspired.

Go raibh maith agaibh.

Dr. Oliver Gray
EASA Director General

The ASAI Annual Report is available on our website www.asai.ie.