



COORS ENDS MIRAMAX DEAL FOUR YEARS EARLY
Breakup Follows Departure of Beer Marketing Chief Ron Askew
By **James B. Arndorfer**

The Deal: A seven-year promotional deal between Coors Brewing Co. and Miramax Films.

The Result: After experiencing a slump in sales and the departure of its chief marketing officer, Coors ends the relationship with Miramax after nearly three years.

~ ~ ~

CHICAGO -- Coors Brewing Co., a unit of Molson Coors Brewing Corp., has passed on an option to continue a brand integration deal with the Walt Disney Co.'s independent film division -- nearly four years earlier than expected, executives from the companies confirmed.

Coors has been systematically dismantling the advertising programs set up by its former marketing chief, Ron Askew, who left the company abruptly in December.

The split demonstrates how branded entertainment deals, like other marketing initiatives, are vulnerable to changes in leadership and self-examination by the clients.

Seven-year deal The two signed a seven-year deal in August 2002 that gave the Denver-based beer brand the chance to place its products in a slate of films produced by Miramax and its Dimension Films, co-promote those films with additional marketing dollars and appear as the official sponsor at movie premieres in the U.S. Rival brews were barred from appearing in films. The Coors partnership with Miramax was a seven year deal, that the beer brand had the option to continue after three years. Coors opted not to.

People close to the brewer pegged the value of the deal at \$1 million.

At the time the deal was made, Miramax had already been in production on the Gwyneth Paltrow comedy *A View From the Top*, which featured bottles of Heineken in the film. Once Coors became Miramax's partner, however, the

bottles ended up on the cutting room floor: A special effects shop was hired to replace the original Heineken bottles with Coors.

“This is a very special partnership that makes perfect sense for Coors,” said Ron Askew, Coors' chief marketing officer when the deal was announced.

No reasons given A Coors spokesman wouldn't elaborate on its reasons for not continuing the partnership, an overall deal that is unusual in Hollywood. Few studios have such long-standing deals.

But Lori Sale, executive vice president for worldwide promotion at Miramax, attributed the break to Coors being in-between chief marketing officers.

Mr. Askew, who joined Coors in 2001 and orchestrated the Miramax pact, left abruptly in December. Former Coors marketing executive Lee Buxton is filling the slot on an interim basis. Executives close to Coors said Coors' parting with Miramax is no coincidence after Mr. Askew's departure.

These executives also contend the split marks Coors' ongoing dismantling of programs put in place by Mr. Askew. For example, Coors last fall

Coors' relationship with Miramax is still winding down. The brand will appear in several of Miramax's movie releases later in the year.

killed the music-and-cleavage infused “Rock On” campaign sponsored by Mr. Askew. It replaced it with the “Coldest tasting beer in the world” effort from Interpublic Group of Cos.' Foote Cone & Belding, Chicago.

The brewer also dropped Interpublic's Deutsch, Los Angeles, as agency of record. Mr. Askew hired Deutsch.

Beer brand in trouble All this comes when Coors is struggling to find ways to turn around its flagship Coors Light brand, which has suffered two straight down years.

But executives close to the brewer said Coors executives questioned whether the deal generated any value for the brewer -- particularly as its highest-profile effort, for *Scary Movie 3*, was slammed because the horror comedy movie was rated PG-

13.

Ms. Sale said Coors hadn't voiced any dissatisfaction with the alliance and added she “wouldn't be surprised” if the two worked together again. “It was a great experience,” she said.

Coors' relationship with Miramax is still winding down. The brand is still set to appear in several of Miramax's releases later in the year, including *Proof*, with Ms. Paltrow and Jake Gyllenhaal; *An Unfinished Life*, with Robert Redford and Jennifer Lopez; and *Derailed*, starring Clive Owen and Jennifer Aniston.

High-level relationships The experience proves how important it is to make sure relationships between studios and marketers are made at high levels, particularly given the high turnover rate of executives, Ms. Sale said. Studios have to "make sure the relationship is solidified" higher than the CMO level.

The partnership highlighted how brewers have been stepping up branded entertainment initiatives to reach young adults.

For instance, Coors also struck a deal with the NBC reality TV series *The Restaurant*. SABMiller's Miller Brewing Co. created short films for ESPN. Anheuser-Busch has already sponsored a commercial-free *Late Night with David Letterman* on CBS and commercial-free feature films on cable network FX, including *Deuce Bigalow* and *Me, Myself and Irene*, and created the *Budweiser Best Man* short films as intermissions on the channel.

But branded entertainment is a path full of risks for alcoholic beverages marketers, who need to make sure their brands are aimed at the right audiences.

'Scary Movie 3' debacle Coors learned this the hard way with *Scary Movie 3*, which featured a cameo from the busty Coors Light twins that Coors backed with as much as \$8 million in additional advertising, including TV spots during NFL games, in-store promotions and a radio campaign.

The problem: The movie was rated PG-13 and aimed at the 12- to 49-year-old demographic. As Bob Weinstein put it, "We're going to get the *Austin Powers* crowd." But brewers are supposed to advertise only in media where at least 70% of the audience is of legal drinking age.

Both Coors and Miramax were surprised by the rating, as the previous two installments were rated R.

