

November 17, 2014

Dear Sirs,

We would like to draw your attention to the important changes in the advertising legislation.

***Advertising of beer and beer-based drinks***

Legal amendments to the regulations related to the advertising of beer and beer-based drinks came into force July 22, 2014. We would like to point out that these amendments will be valid until January 1, 2019.

First advertising of beer and beer-based drinks in periodic print media was allowed provided that advertising should not be placed on the first and last pages of newspapers, as well as the first and last pages and covers of magazines.

Secondly amendments allowed advertising of beer and beer-based drinks during broadcast of sport contests. More specifically beer and beer-based drinks may be advertised during live broadcast or broadcast of sport contests recording (sport games, fighting, races) as well as on sport TV channels. We would like to note that under Russian legislation sport contest is understood as competition among individuals or teams of athletes in various sports (sports disciplines) in order to identify the best contestant conducted by regulations approved by its organizer.

Thirdly during sport events it is allowed to advertise beer and beer-based drinks by way of using advertising constructions in the form of verbal mark of trademark or name or the producer inside of or within 100 meters from sport facilities and related places. Please note that it is prohibited to use image of the advertised product, advertising slogans, combined trademarks of the advertised product, as well as other information about product or its manufacturer.

According to Russian legislation sport event means sport contests as well as training activities, including the theoretical and organizational parts, and preparation for sport contests with the participation of athletes. Please note that according to the Letter of the Federal Antimonopoly Service, these amendments are applicable only to the official sport events, which are understood as sport events included in the Unified Schedule of Interregional, National and International athletic events and sports events, Schedules of athletic events and sports events of the regions and municipal entities of the Russian Federation.

Please note that advertising should contain a warning about harm caused by excessive alcohol consumption which should take not less than ten per cent of advertising space. With regard to the advertising on TV channels duration of such warning is not set, and as a consequence warning should remain throughout the broadcast advertising.

***Advertising on pay and encoded TV channels***

Advertising on pay and encoded TV channels is prohibited from January 1, 2015. These amendments do not apply to the Russian national public TV channels, as well as TV channels distributed on the territory of the Russian Federation with limited radio frequency resources by terrestrial broadcasting.

According to the information provided on official cite of the Federal Service for Supervision of Communication, Information Technology and Mass Media (Roskomnadzor), mass media registered as TV channel which has license with over-the-air broadcasting permission is allowed to place advertising.

We would like to point out that recently two legislative drafts were introduced to the State Duma which proposed to allow advertising on those pay and encoded TV channels which are distributed in the territory of the one region of the Russian Federation or one or several municipal entities which are located in the territory of one region.

***Advertising by text messages (sms)***

According to the amendments advertising by text messages without consent of the subscriber will become illegal for service provider from October 21, 2014.

Under those amendments advertising by text messages may be used only with prior consent of the subscriber expressed through the commission of his/her actions. Those actions shall uniquely identify the subscriber and enable to ascertain willingness of subscriber to receive abovementioned text messages. If customer which have ordered sending of text messages or service provider are unable to prove that such consent was given, those text messages shall be deemed to be received without consent and therefore illegal.

Consent of the subscriber is not necessary for the following text messages: messages related to the transfer of subscriber numbers and other messages which service operator is obliged to send in accordance with the legislation of the Russian Federation, as well as messages on the initiative of the federal executive bodies, bodies of state extra-budgetary funds, executive bodies of subjects of the Russian Federation, local executive bodies in accordance with the legislation of the Russian Federation.

Subscriber has right to demand that service provider stop sending advertising text messages, and service provider shall comply with that demand.

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For more information please visit our web-site [www.alrud.com](http://www.alrud.com) or contact directly our Partner Irina Anyukhina [ianyukhina@alrud.com](mailto:ianyukhina@alrud.com).

Kind regards,

**ALRUD Law Firm**

*Note: All information was obtained from publicly available sources. The author of this information letter assumes no liability for the consequences of decision-making based on such information.*