

Greenpeace International
Jasper Teulings
Senior Legal Counsel
Advocaat / Attorney-at-Law

Ottho Heldringstraat 5
1066 AZ Amsterdam
The Netherlands
t direct: +31 6 20005229
f direct: +31 20 514 8151
jasper.teulings@int.greenpeace.org

Amsterdam, 10 October 2007

Fax +1 314 765 9271

Anheuser-Busch Inc.
Attn. Joseph F. Jedlicka III
Vice-President of Legal and State Affairs
One Busch Place
St. Louis
Missouri 63118-1852
United States of America

Re: Greenpeace International / Anheuser-Busch

Dear Mr Jedlicka,

We confirm receipt of your letter dated 8 October 2007. In this letter, addressed to both Greenpeace USA (Greenpeace, Inc.) and Greenpeace International (Stichting Greenpeace Council, hereafter also: 'GPI'), Anheuser-Busch ('A-B') claims that statements on 'the website of Greenpeace' are misleading, false and defamatory. Moreover, A-B alleges that a video Greenpeace released is both defamatory and an infringement of its copyright and trademark.

Please note that both the website communications and the video originate from Greenpeace International and have been published under its auspices, so please address any further communications in this matter to me.

Website communications

A-B alleges GPI made the following misleading, false and defamatory statements on its website:

1. GPI falsely implied that Budweiser exported to Europe contains GE rice;
2. GPI falsely suggested A-B has not acted responsibly with its consumers;
3. GPI falsely stated that over 30% of the US rice supply is contaminated with GE rice.

GREENPEACE

International

Ad 1. 'GE rice in Budweiser for EU market'

Nowhere does GPI make this allegedly misleading statement. In fact, GPI and its staff are abundantly clear that "*Anheuser-Busch must make a clear statement about the level of GE contamination of the rice used to brew Budweiser **in the US** and spell out what measures are in place to ensure that this beer **does not reach the company's export markets.***" (cfr. international press release). There is no accusation that the contaminated beer is actually being exported. Greenpeace is seeking public reassurances that measures are in place to prevent this from happening. Full reference is made to A-B's statements in prior negotiations with Greenpeace representatives, requesting that the guarantees made in these talks be made public. None of this is misleading, false or defamatory.

Ad 2. 'A-B not acting responsibly with its customers'

The web feature says "*Although Anheuser-Busch did not cause the contamination of the rice, the company has a responsibility to their customers. It should have refused to purchase or use any rice contaminated by GE strains.*" This is a solid statement, clearly identifying why Greenpeace believes A-B have not acted responsibly. It is by no means misleading, false or defamatory.

Ad 3. '30% of the US rice supply being contaminated with GE rice'

This statement is based on last year's widely published research by the USA Rice Federation:

"In data collected from seven US rice exporters, USA Rice Federation found that 32 percent of nearly 700 long-grain rice samples - collected between August and October and including everything from unmilled rice to parboiled rice - tested positive for Liberty Link traits." (published in Arkansas Democrat Gazette on 4 November 2006, and elsewhere). In addition, the Vice-President of that Federation, Mr Cummings, publicly stated that roughly 40 percent of US rice exports have been negatively affected by what many experts consider to be their industry's worst crisis.

If A-B has any issues with these indeed very serious findings, it should address them at the source, rather than threatening the messenger, or – preferably – address the cause of the problems, as Greenpeace has repeatedly asked A-B to do. Again, we can't find any misleading, false or defamatory element in these statements.

Video

The video is an evident Greenpeace parody on the existing Budweiser advertisement, and as such protected under EU copyright and trademark laws (which are not dissimilar to US rules on parody). There can be no confusion as to the origin of the video given the prominent GREENPEACE logo at the end of it.

A-B also alleges that the video is defamatory because it suggests *to European consumers* that A-B uses GE rice sold in beer to them. It is unclear to us what you base this allegation on, because the video contains no such suggestion.

Conclusion

It is clear from the above that A-B's accusations against GPI of making misleading, false and defamatory statements have no foundation in fact. These accusations, which have been repeated by A-B's Vice-President Mr Muhleman in the media, are in and of themselves misleading and false, and therefore defamatory towards Greenpeace.

Equally misleading and defamatory is A-B's statement in yesterday's media¹ that Greenpeace has called for a boycott of US farmers and that Greenpeace's stance is a retaliation for A-B's refusal to comply. In a meeting with you on 12 September 2007 our staff asked A-B to source GE free ingredients for its products. This is by no means a call for a boycott or an anti-farmer position. To the contrary, it supports US rice farmers, none of whom are deliberately growing GE rice and most of whom have suffered great losses as a consequence of this contamination scandal. Greenpeace works closely with US farmers and knows they support its call for a GE-free market.

Greenpeace paid you the courtesy of contacting you to discuss the test results prior to making them public. We listened to what you had to say and took that into account. We informed you that the results would be made public and we urged you to make a clear public statement about the extent of the contamination and about what measures your company takes to ensure that the rice and other ingredients used to brew Budweiser is in fact in compliance with all laws in every country in which you do business.

Courts of Justice in Europe and elsewhere have acknowledged the role of NGOs, such as Greenpeace, in society as a critical watchdog and award them the same protection as the press under the universal right to freedom of expression. Greenpeace will not back down under legal threats.

Greenpeace has publicly addressed genuine concerns with A-B's use of GE rice in Budweiser, concerns that are widely held by consumers across the globe. A-B may not like the message, but falsely accusing the messenger of misleading statements and threatening with lawsuits can hardly be called an appropriate response to these concerns.

Greenpeace's requests

We understand Anheuser-Busch's position to be that the GE rice (LL601) found in your Arkansas mill is not a big concern because it is legal in the United States and that you do not export it, or beer brewed with it, to Europe. We take this to be a public acknowledgement that A-B is aware and acknowledges that GE rice is or certainly has been used to brew Budweiser in the US.

We also take it from your various communications that you clearly understand that this GE rice is not approved outside the US so the Budweiser brewed with it could not be sold abroad. The fact that the contamination is detectable is the trigger for action, not the level of the contamination.

You mention current US government approval of the LL601 rice as a justification for allowing it to be used to brew your beer. What we can say on that matter is that the post-contamination sanctioning of this experimental GE rice by the US government is a matter for serious concern. There are fundamental differences in the process of

¹ E.g. http://www.boston.com/business/globe/articles/2007/10/09/greenpeace_genetically_altered_rice_in_budweiser/

producing LL601 rice, as compared to conventional rice and even as compared to other varieties of GE rice, and a full safety assessment is warranted but was not done.

According to the European Food Safety Authority (EFSA), the dossier submitted by Bayer does not contain enough information for any regulatory authority to begin to assess this GE rice. In Europe, GE crops are first reviewed for safety by a scientific body, the EFSA. EFSA has been strongly criticised for being pro-GE, for relying on company-produced data and always giving a positive opinion of GE crops regardless of the data.

We will not reproduce a full critique in this letter but certainly from our perspective the current system for dealing with GMOs in the US is gravely lacking credibility.

Once again Greenpeace urges you to make a clear and public statement giving details of your GE policy and of the IP (Identity Preservation) and testing systems that you have in place to ensure that ALL of your export production is GE-free. For clarity, once you send us that statement Greenpeace will be happy to put it on our website or to link to it on your website.

If A-B is still willing to continue talking about a global commitment to use GE-free ingredients in its beer, then so is Greenpeace. If not, so be it, but let us at least keep the debate as pure as A-B claims its beer to be.

Sincerely,

A handwritten signature in black ink, consisting of a stylized, looped initial followed by a horizontal line extending to the right.

Jasper Teulings

C.c. Tom Wetterer, General Counsel, Greenpeace USA