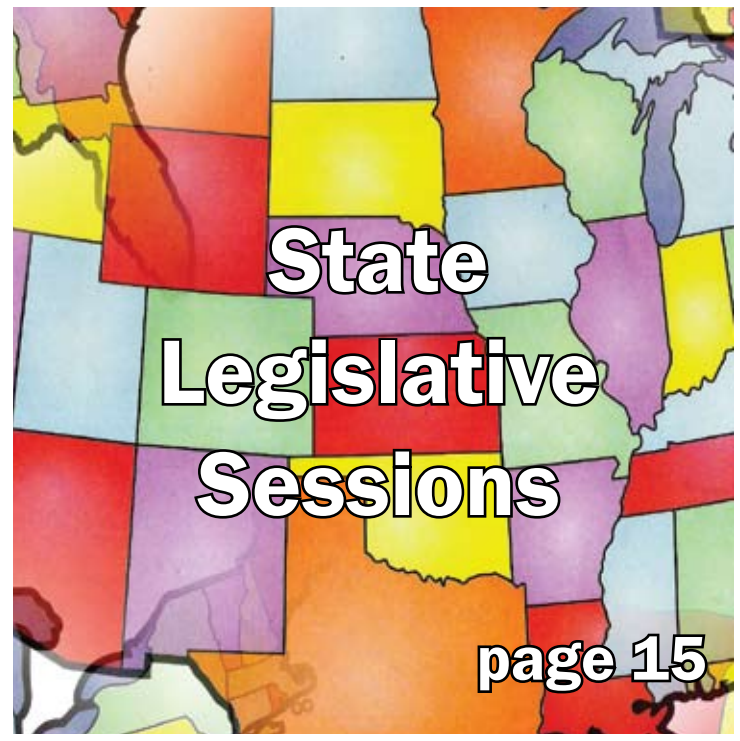
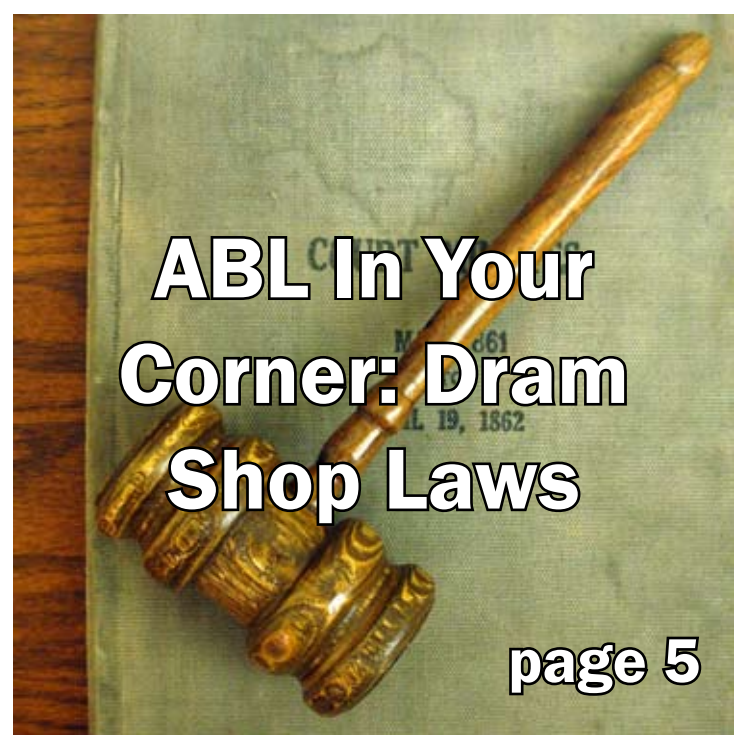
THE VOICE OF AMERICA'S BEER, WINE & SPIRITS RETAILERS

ABL Insider

A PUBLICATION OF THE AMERICAN BEVERAGE LICENSEES | VOL. 6, NO. 1 | SPRING 12





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a word before

Sky Ranch Foundation Donates to Colorado Equine Therapy Program

Sky Ranch Foundation and the Medicine Horse Program (MHP) have announced a $20,000 donation to MHP's HopeFoalTM Project in memory of Harry Wiles, American Beverage Licensees' former Executive Director. This award-winning program partners rescued foals with depressed and anxious teens in the community of Boulder, Colorado. The teens work with trained therapists and horse handlers to help gentle the foals.

This donation comes from funds contributed to Sky Ranch Foundation in memory of Harry G. Wiles (1945-2010) by his friends, ABL members and the hospitality industry. A native of Boulder, Colorado, Wiles knew how horses can help kids, and was an avid supporter of the western lifestyle and horseback riding.

"ABL is so pleased that the Sky Ranch Foundation leadership put so much time and effort into identifying and supporting the Medicine Horse Program, with which Harry would have been proud to be associated," said John Bodnovich, ABL's Executive Director. "The program has an important mission and we are grateful that these funds raised in Harry's name are going to such a good cause."

For over 11 years, non-profit organization Medicine Horse Program has been dedicated to enhancing the quality of life of adolescents, families, and adults through unique equine-assisted experiences. MHP and the HopeFoalTM Project provide group and individual therapy sessions that focus on healing.

"We are thrilled to have the financial support from the Sky Ranch Foundation," says Kathy Johnson, Executive Director of Medicine Horse Program. "We have more children in need than ever before." Noting the increased cost of expenses, Ms. Johnson noted, "We need these generous donations to provide the quality of services for which we are nationally renowned." |

To learn more about the Medicine Horse Program and the HopeFoalTM Project, visit their website at www.medicinehorse.org.

Published by:

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contents

BY CHUCK FERRAR, PRESIDENT
AMERICAN BEVERAGE LICENSEES

Ten Years Strong and We Continue to Grow

Ten years ago, on and off-premise retailers across the country joined together to face the issues that affect all of us. We realized that standing as one allowed the newly-minted American Beverage Licensees a much more powerful lobby in Washington and a better understanding of the issues across the states. It made our grassroots efforts stronger and bolstered our numbers in the long run.

After a decade together, this marriage of small business owners from across the country has grown into a well-respected organization, and the only one that specifically represents the interests of the independent retailer of beverage alcohol. That's something to be proud of, and I am glad to be your President as we celebrate this momentous anniversary.

Our founding year, 2002, was not an easy year for us, and neither is 2012. Both years faced a tough economy in a country divided by politics. Coming together with you has given me a rich understanding of the issues, and I know that there are many coming up in the next year.

We each face our own battles in our states, but we learn from each other how best to win them from one another.

Every last one of us feels the effect of taxes, be they federal or state. Now we are faced with the reality that local and county governments are hoping to pad their budgets by taxing us, too, or taxing us more than they already do. It's happening in Illinois, Pennsylvania, Arizona, and back in my home state of Maryland, where we just had a tax increase this year. I am incredibly proud of our colleagues in Alaska, whose hard work and effort turned the tide on this last fall. Their efforts prove that when we work together on these issues, we can win them, and not by any small effort.

The federal transportation bill is another issue that will affect all of us, regardless of whether we are on-or off-premise retailers. We are facing an unfunded mandate for ignition interlocks that completely ignores the discretion of the judiciary system. We have all been working hard for years to be good citizens and responsible retailers, and the effects of that have been seen. Drunk driving levels have consistently dropped over the last several years, and the good work that we and the states are doing will only be minimized by these misguided requirements. Technology cannot solve the problems of recidivism, and we need to acknowledge that and put our resources toward a long-term solution.

The word "privatization" means something different in every state, and we are talking about that issue, as well. With Sunday sales, smoking bans, and many other issues that we are affected by, I know that the ABL board and staff are working hard to ensure we have a level playing field, whether that is with the big chain sellers, grocers, bordering states and counties, or other industries.

That's why the ballot initiative that passed in Washington state this past November are so dismaying. The independent retailer, like us, was completely overlooked in this multi-million dollar campaign by big box retailers. It's exactly that kind of unfairness in the marketplace that we are trying prevent as we move forward with our efforts.

We each face our own battles in our states, but we learn from one another how best to win them. I do hope you will take some time to read the article in this issue about Alaska's victory against excise taxes and the Washington Update. To go even further, there is more information in the member's only section of www.ABLUSA.org, the password for which is available through your state affiliate. This is what we will face in the next decade of ABL's life, and I'm just glad that you all will be there to face it with me!

ABL members learned from industry experts and each other at the 9th Annual ABL Convention in Milwaukee in June 2011.

BY JOHN D. BODNOVICH, EXECUTIVE DIRECTOR
AMERICAN BEVERAGE LICENSEES

As State Legislative Sessions Rev Up, Independent Beverage Retailers Keep Their Dukes Up

The Who once sang,
"Meet the news boss, same as the old boss."

It's a similar tune every January as legislators descend on state capitals across the country and legislative sessions kick into full gear. New battles often resemble old ones but with a new wrinkle, and many of the faces are the same.

In a few states, beverage retailers don't have to spend too much time in their state capitals this year as their legislatures meet once every two years. Montana, Nevada, North Dakota and Texas state legislative bodies are not open for business in 2012, but that also means upcoming 2013 sessions are all the more critical for both those in the beverage alcohol industry and those who make the laws.

Beverage retailers continue to stick to what they know: grassroots activism and getting engaged in the fight with their local representatives.

But for most beverage retailers, this time of year brings not-so-equal parts trepidation and opportunity, unfortunately with more of the former than the latter. The last few years have been especially tough as states have dealt with record budget deficits and have been challenged to identify spending to cut while also increasing revenue. And unlike the federal government, every state but Vermont has a balanced budget amendment; a constitutional obligation to balance their state budget each and every year.

The good news is that with a modest uptick in the economy relative to the last few years, and what some experts suggest is the start of the recovery from the "Great Recession," state governments in some places are a little less cash-strapped, but by no means flush, with reserves.

The seemingly-unending search for the revenue to quench the desire for services while meeting the public's demands for low taxes has led many states to turn to consider securing additional forms of revenue from slot and/or video poker machines. Despite what could potentially be a windfall for many taverns and bars, the battle over legalized gaming in licensed establishments has taken on complex and varying forms in many states, and has proven harder to implement than it might first appear. As they say, politics makes strange bedfellows, and that is certainly the case when it comes to gaming issues.

We're also still operating in a political environment that has recently been shaped by a massive federal healthcare mandate; public frustration with government overreach as evidenced by the rise of the Tea party movement; and attempts in statehouses and state legislatures to rewrite labor and collective bargaining policy with an eye toward helping the business community.

Still, despite the turmoil of walk-outs, recalls and the unfortunate descent into incivility that can occasionally grip a state legislature during an intense debate, beverage retailers continue to stick to what they know: grassroots activism and getting engaged in the fight with their local representatives.

I had the opportunity this year to visit with Maryland beverage retailers at the Maryland State Licensed Beverage Association's annual opening day legislative reception in Annapolis. The event was coordinated to give each of the MSLBA members in attendance the opportunity and tools to meet with multiple members of the General Assembly and Senate. Prior to the reception, MSLBA members met with their Board of Directors and lobbyists to discuss beverage alcohol and small business issues that will arise during the legislative body's three-month session. It's this sort of coordination and the willingness of so many beverage retailers to take a day away from their store or bar to meet with legislators that gives the retail tier of the industry such a powerful presence.

Maryland retailers in Annapolis are not alone in their efforts to meet with legislators this winter, as other state beverage retail organizations have been hosting their own legislative events. In South Dakota, members of the Retail Licensed Beverage Dealers of South Dakota host their Annual Hog Roast in Pierre for state lawmakers to mix with beverage licensees.

In Madison, the Tavern League of Wisconsin hosts one of the more robust and well-attended legislative days where hundreds of well-prepared tavern owners storm the capitol to remind those in office that they're paying attention. Meanwhile up north in Alaska, Alaska CHARR will host its own Legislative Summit with its members converging on the state capital of Juneau in February.

At ABL, we remain focused on the issues at the federal level that can have an impact on beverage retailers. But we also recognize that thanks to the 21st Amendment and three-tier system, much of the policy that affects our members is decided in their state capitals. That's why we work to connect our affiliates, including their leaders, lobbyists and retailers, with one another so that they may share information that will help in their fights.

After all, today's legislation in one state is often tomorrow's policy debate in another. It's important that we use all of our resources to help arm our affiliates with a network they can turn to when looking out for allies and information.

BY STEPHEN K. TALPINS AND H. JACEY KAPS

Reducing Liability from Dram Shop and Social Host Laws

Stephen Talpins is the Co-Founder, Chairman of the Board and Chief Executive Officer of the National Partnership on Alcohol Misuse and Crime (NPAMC), an inclusive non-profit public-private partnership that is committed to identifying, developing, and promoting criminal justice programs that improve public safety, reduce recidivism and change lives for offenders who misuse alcohol. He earned a B.S. in Speech Communications from Northwestern University and his JD from the University of Miami School of Law,.

Jacey Kaps, an active trial attorney, focuses on the representation of the domestic retail, restaurant and lodging sectors. He also consults with the retail, restaurant and lodging sectors in overall litigation management and alternative dispute resolution programs. One of the founding members of the Florida Retail Federation Chairman's Circle, he is a graduate of McGill University in Montreal with a degree in History with first class honors and received his JD from Nova Southeastern University.

Dram Shop Liability in the Real World

Dram shop laws impose liability on commercial establishments that provide alcoholic beverages to certain adults (usually those who are "visibly intoxicated" or "known habitual addicts") or underage drinkers. These laws can dramatically impact an establishment's bottom line. Researchers from Washington State University's School of Hospitality Business Management recently examined 246 dram shop cases from across the country tried to verdict between 1992 and 2008 in order to assess the risk environment for hospitality operations. They identified 167 cases where licensees were sued for improper service. Many of these cases involved car crashes that resulted in catastrophic injuries or death. Researchers found that verdicts routinely exceeded $100,000 and often were well above $1,000,000.

Most cases arising under dram shop and social host laws are fairly straight forward. However, sometimes well-intentioned establishments and hosts create additional unexpected liabilities through the actions they take to address problem drinkers. For example, licensees typically evict or remove patrons who are underage, become belligerent or endanger themselves or others. In several jurisdictions people have attempted to hold licensees liable for evicting intoxicated patrons.

Responsible licensees routinely monitor their customers' drinking. Can they be held accountable if they do so negligently? The answer appears to be "no" but is less than clear. When possible, establishments also should avoid engaging in seemingly innocuous activities that could be construed or argued as bad faith, like rotating sales staff, (plaintiffs may argue that rotating sales staff prevents anyone from effectively monitoring a patron's drinking or determining whether they are "visibly intoxicated").

Underage drinkers have tested the mettle of responsible licensees since the minimum drinking age was established and pose additional challenges. Twenty years ago enforcement was lax and enterprising youth borrowed (or bought) a friend's license, removed the laminate, replaced the picture with their own, and were "good to go." Today, officials enforce the law much more vigorously and underage drinkers buy almost perfect (and even "too perfect") fakes that cannot always be identified through visual inspection. Consequently, several companies have developed readers to verify licenses. Business owners should educate themselves about the new technology and consider investing in it.

Practitioners also should take advantage of the numerous national organizations that provide excellent resources on licensee liability, including the American Beverage Licensees (www.ablusa.org), Responsible Hospitality Institute (www.rhiweb.org) and the Responsible Retailing Forum (www.rrforum.org).

Following these suggestions reduces risk, promotes customer/guest and public safety, and facilitates the defense if someone is harmed. |

Reducing the Risk of Liability

Licensees are subject to significant and varied forms of liability. They can protect themselves by developing, implementing and enforcing appropriate policies, obtaining comprehensive insurance and vending responsibly. Licensees should:

- Become familiar with the laws, regulations and standards of care for their respective states and follow them;
- Develop relationships with state and local regulators. Regulators can help licensees understand their obligations, identify problems and improve policies;
- Obtain state certification as a responsible vendor where available;
- Draft written policies and follow them. A good policy should highlight the establishment's commitment to safe and responsible service, establish responsible business practices, describe service policies and procedures, identify the people responsible for implementing them, establish a "chain of command," and specify penalties for violations;
- Provide training to staff by certified trainers. Staff should attend regular updates to ensure that they know how to identify intoxicated customers, avoid over-serving, understand the importance of responsible service and remain current with the law. Staff should be taught how to detect false or altered identification and to refrain from over-pouring. Staff should be tested to ensure that they understand all issues, solutions and procedures. To achieve the best results, establishments should partner with independent outside providers, including private companies and/or non-profit organizations, which can ensure that licensees meet industry standards.
- Supervise and monitor employee compliance with policies and procedures. Licensees should hire outside monitors who pose as customers (also known as "shoppers" or "spotters") to audit employee compliance;
- Include compliance with responsible service policies in employee evaluations and otherwise hold employees accountable. This sends a strong message to the employees, improves compliance and demonstrates good faith (which can reduce liability, especially in jurisdictions where punitive damages are available);
- Maintain appropriate staffing;
- Prohibit employees from drinking alcoholic beverages while working (and from arriving for work under the influence of alcohol);
- Avoid engaging in behaviors that encourage overindulgence or overservice. For example, they may encourage eating and the consumption of non-alcoholic beverages, limit happy hours, provide slower service for those who appear to be getting intoxicated, and prohibit contests that aware prizes to staff who serve the most alcohol;
- Require that anyone who appears to be under the age of 30 produce proper proof of age;
- Refuse service to known habitual drunkards and visibly intoxicated patrons;
- Remove customers who become belligerent or drunk, but do not facilitate or encourage them to drive away (licensees should offer to call them a cab);
- Encourage designated drivers, post signs advertising their willingness to call taxis, and otherwise promote safe transportation alternatives for customers who should not drive;
- Document and track all incidents. This is important primarily for two reasons. First, many people learn more from failures than successes. By analyzing incidents, establishments and staff can better appreciate the dangers of improper service and reduce the likelihood of repeated mistakes. Second, contrary to what some would have the public believe, the vast majority of establishments have few incidents. Documentation showing that an establishment has few, if any, problems with over-service can be invaluable to the defense at trial;
- Publicize responsible business practices to customers and members of the community; and
- Obtain and maintain proper insurance. |

BY CRAIG WOLF, PRESIDENT & CEO
WINE AND SPIRITS WHOLESALERS OF AMERICA

Regulating Privatization

Privatizing state-controlled alcohol sales and distribution is often presented as a painless way to get government out of the alcohol business and as a solution to local fiscal woes. Privatization advocates also promise increased efficiencies and greater variety and selection. Opponents of privatization argue that prices and taxes will invariably rise and that there will be less control over alcohol distribution and sales.

When government gets out of the business of alcohol, it shouldn't get out of the business of governance.

Whatever your views may be on the subject of privatization, there is a substantial difference between privatization and deregulation. Both reduce governmental involvement, but with significant differences. Privatization takes governmental control of an industry out of the hands of the state. Deregulation reduces government's oversight of an industry. Deregulation in certain industries may not be problematic, but deregulation in the beverage alcohol industry brings with it a host of negative consequences.

WSWA and its members have taken no position on the issue of privatization in and of itself. But we are opposed to privatization being used to deregulate the distribution and sale of alcohol. Getting government out of the alcohol business shouldn't mean leaving the businesses that engage in the trade ungoverned. That approach is not good for anyone. It can have unintended consequence on consumers, the retail trade, distributors, suppliers and on society as a whole. Those states that consider privatization must be careful to ensure that the regulations that benefit and protect communities are not discarded as a result of that process.

Washington State's Initiative 1183 was a blatant deregulatory ploy financed by Costco and other big box retailers under the guise of privatization. The provisions of the initiative impact negatively so many areas the full ramifications can't be fully predicted.

Initiative 1183 was designed to dismantle Washington's regulations for selling alcohol and replace it with a system that disadvantages small and independent retailers without regard for public safety. Costco wrote the initiative and poured millions into paid TV ads and slick mailers to buy voter's ballots. The underlying agenda was clear: deregulation of the three-tier system and takeover of the entire chain of alcohol distribution from supplier to retailer.

WSWA opposed I-1183 because the initiative was fundamentally detrimental to the three-tier distribution system which has benefited suppliers, wholesalers, retailers and consumers in the U.S. –and at the same time ensure product integrity and social responsibility. WSWA didn't oppose privatization in that initiative. We opposed deregulation.

Initiative 1183's implications go far beyond Washington state. If one listens to the rumors, the questions confronting us today are how much is Costco willing to spend in Oregon, Idaho, Virginia, or Pennsylvania, and who might they align with?

Control states considering initiatives to change their alcohol laws should watch closely what happens in Washington state –where businesses and the jobs of thousands of Washingtonians will be negatively impacted –and then fashion laws that maintain or strengthen their regulatory and enforcement functions – rather than sell them to the highest bidder. All sectors of the alcohol industry must also be consulted and involved so that practical and effective measures are implemented for the greater good. When government gets out of the business of alcohol, it shouldn't get out of the business of governance. |

BY CRAIG PURSER, PRESIDENT / CEO
NATIONAL BEER WHOLESALERS ASSOCIATION

Costco Finally Gets What It Wants ... Could Your State Be Next?

What's next?

Many eyes are keeping a close watch on Costco to see what the retailer's next move will be. Costco executives have publicly stated that they would consider expanding their deregulatory battles to other states. Of course this comes after Washington state voters passed ballot initiative 1183 (I-1183) in November with 59% of the vote.

It is unfortunate that one big box retailer, Costco, can spend $23 million in one state on one election to implement policy that benefits only one company, itself. Over the past several years, Costco has spent nearly $40 million trying to change state laws in the state legislature, in court and at the ballot box. This time, unfortunately, Costco got what it wanted after spending a record amount of money on a ballot initiative. This policy and this process are bad for the public, and they are bad for independent businesses trying to compete, grow and employ people. It's not good for independent retailers, craft brewers, small wine and spirits producers, working men and women and countless others that opposed this bad policy proposal.

"It's not good for independent retailers, craft brewers, small wine and spirits producers, working men and women and countless others that opposed this bad policy proposal."

But the new law now has many from every tier of the industry concerned about the long-term impact it will have in the state. Since I-1183 passed, the news out of Washington has included reports of "buyer's remorse," with small retailers worried about their ability to compete with large retailers that will be able to sell liquor and craft suppliers voicing concern over whether those large retail chains will carry their products. Others outside Washington fear a ripple effect and the possibility of a similar campaign heading to their state.

Along with the American Beverage Licensees (ABL) and the Wine and Spirits Wholesalers of America, the National Beer Wholesalers Association (NBWA) was proud to stand with the Protect Our Communities Coalition – composed of first responders, public health groups, religious communities, labor organizations and others – in opposing this harmful initiative. While Washington state voters were convinced that I-1183 was ostensibly about privatization of liquor sales and "getting Washington state out of the liquor business," in reality, the initiative is much more sweeping.

This ballot question did not specifically include beer, yet it remains bad policy for beer distributors, brewers of all sizes, independent retailers, consumers and the public. Costco has managed to change state alcohol law in its home state to its advantage and to the detriment of countless other groups. Those who opposed the measure understand that provisions of I-1183 will dismantle the underpinnings of the state's effective alcohol regulatory system and eliminate the level playing field that has served consumers and the public so well.

If I-1183 stands, state-owned liquor stores will shut down, and only retail stores that are 10,000 square feet or larger will be able to obtain liquor licenses – a troubling and discriminatory distinction for smaller retailers like ABL members. This prohibition ultimately hurts consumer because it is the small retail stores that promote and support the tremendous choice and variety of craft beer, wines and distilled spirits that are available in the market today. Other changes brought by the initiative include wineries and distilleries being permitted to sell directly to retailers and the removal of bans on retail-to-retail sales, volume discounts and central warehousing for wine.

The new law does not allow grocery stores to sell liquor until June 1, when the state will have to get rid of its stock and allow private businesses to take over. However, two lawsuits have already been filed in Washington in the hope of blocking the implementation of I-1183. One was filed by two unions representing the state employees who will lose jobs when the measure goes into effect. The second was filed on behalf of a resident who leases commercial space to the Washington State Liquor Control Board for a store that will close in May; a businessman who runs two Red Apple groceries; and the Washington Association of Substance Abuse and Violence Prevention. Both lawsuits contend that I-1183 violates the state Constitution's prohibition on ballot initiatives that addresses multiple subjects.

It is unlikely that a decision on the constitutionality of the initiative will be made before this spring. In the meantime, NBWA will continue to monitor developments in Washington and keep an eye out for any similar deregulatory battles in other states. While the future of I-1183 is uncertain, NBWA's commitment to safeguarding an effective alcohol regulatory system is stronger than ever. In the face of unprecedented challenges, it is important for ABL members to increase interaction with state beer wholesaler associations in addition to ABL. It is critical that distributors and retailers work together to preserve the integrity of a system that has served all market participants, consumers and the public well for nearly 80 years. |

ABL Convention June 10-12, 2012 Las Vegas, NV

Meet the 2012 Top Shelf Award Honoree:

Bennett Glazer

Bennett Glazer

ABL is pleased to announce that Bennett Glazer, CEO of Glazer's, Inc., has been selected as the 2012 ABL Top Shelf Award honoree. Mr. Glazer oversees one of the country's largest distributors of beverage alcohol products, Glazer's Distributors.

The ABL Top Shelf Award recognizes those members of the beverage alcohol industry who have demonstrated excellence over their career and have a successful history of positive influence on their communities. The award will be presented to Mr. Glazer at the 10th Annual ABL Convention on June 12, 2012 in Las Vegas, Nevada.

"We are delighted to honor Bennett Glazer with the 2012 Top Shelf Award," said John Bodnovich, ABL's Executive Director. "As a strong supporter of the three-tier system, we appreciate Glazer's dedication to working with retailers to effectively serve customers. Their commitment to corporate responsibility and community involvement reflects the best of our great industry."

As the CEO of one of the largest wine and spirits distributors in the country, Mr. Glazer cultivates vendor relationships, new business development and formulates company strategy. Glazer's is a thirteen-state distributor in the Midwest and Southwest U.S., with over 6,000 employees, 900 beverage suppliers, and over 30,000 customers. The firm is an industry leader in supply chain management, category management, and educating its employees and customers on how to grow the beverage category. With revenues of $3 billion, Glazer's has over 40 branch operations in its thirteen states.

Like many of America's independent beverage retailers, Glazer's is a multi-generational, family-owned business. Originally founded by Mr. Glazer's grandparents as a soda company, Glazer's expanded to include beverage alcohol at the repeal of prohibition.

"The industry has been good to our family and good to our employees, and we consider the people in the industry to be a part of our family. The relationships we have built, and the friends we have made, they are what we appreciate the most," said Glazer on how the family business has grown.

In addition to his more than 30 year career in the beverage alcohol industry, Mr. Glazer has distinguished himself as a leader in his community through his consistent support of the Dallas community through charitable giving and support for local and national organizations, including Meals on Wheels, Habitat for Humanity, the American Cancer Society and the Junior League of Dallas.

Mr. Glazer is part of the 3rd generation of his family to lead the Glazer's company. He is the son of Nolan and Frances Glazer, and became the 4th family member to assume the CEO role in 1996. He has been a longtime member of the board of the Wine and Spirits Wholesalers of America (WSWA), and received their Lifetime Leadership Award in 2006. In 2007, Glazer also received the George Washington Spirits Society Award. |

A Highlight from Our Programming:

Ginger Johnson Marketing Beer to Women

Do you know what women want from you? Growing this latent and explosively beneficial market share can make the difference between surviving and thriving, especially when you focus on the female beer buyer – the other fifty percent. Developing and serving the female consumer is the answer to your future.

In this session, you will learn how to encourage your female customers to try beer, return over and over, and talk about it with other women (and men) to increase the spread. Based on the information provided by hundreds of female consumers and buyers, you will receive relevant, pertinent, and timely intelligence to assist you in accurately and efficiently marketing and selling your beer to the female consumer.

It's all about the education and customer experience, and the workshop will cover both facets for both on-premise and off-premise concerns. You will be able to take this immediately usable information back to your establishments to drive sales and learn how to better market to women.

Leading the workshop is Ginger Johnson, a beer enthusiast and businessperson with a creative bent. She has been listening to and talking with women all across the US for over three years, conducting research and education to improve the marketing of beer to women. Ginger believes in the power of the beer community to change and improve the world and her goal is to shift culture. Her fresh perspective, singular, often irreverent and open-minded style in assisting others yields plentiful results.

Ginger's company, Women Enjoying Beer (WEB), partners with a wide range of engaged, open minded, and passionate people like brewers and consumers, to authentically and accurately develop and serve the female beer drinker. The qualitative research uncovers the reasons behind decision making related to values, ideas, and emotion. WEB also works with women directly to encourage their beer enthusiasm.

You can connect with Ginger and WEB on Twitter (@womenenjoybeer) and Facebook (www.facebook.com/WomenEnjoyingBeer). |

Ginger Johnson

Don't forget!

The ABL Convention is on Twitter!
@ABLConvention
#ABL12

Some of our 2012 Sponsored Events

NABI
NATIONAL ASSOCIATION OF BEVERAGE IMPORTERS INC.

Opening Night Reception sponsored by NABI

A signature event at the ABL Convention, the National Association of Beverage Importers (NABI) and its member companies will host an Opening Night Reception at this year's convention.

MillerCoors™

Annual MillerCoors Luncheon

MillerCoors will once again host a luncheon at this year's convention. A long-time sponsor of the convention and strong supporter of ABL, MillerCoors will showcase its popular brands.

BROWN-FORMAN

Brown-Forman Retailer of the Year Awards

Brown-Forman will continue to support the Retailer of the Year Award, representing the best in retailing from each affiliate.

DISTILLED SPIRITS COUNCIL OF THE UNITED STATES

ABL Top Shelf Award Reception and Dinner

For the sixth straight year, the Distilled Spirits Council of the United States (DISCUS) will sponsor the reception at the Top Shelf Award Banquet, which will feature beverage products from each of DISCUS' 13 member companies.

Southern Wine & Spirits
Dedicated to Sales & Service

Tour of Southern Wine & Spirits of Nevada

In 2002 Southern Wine & Spirits of Nevada moved their Las Vegas facility to a new state-of-the-art 425,000 square foot warehouse, training, educational and entertainment facility. The new home to Southern Wine & Spirit houses two sophisticated in-house educational institutions - which collectively offer complete beverage training for Southern Wine & Spirits of Nevada sales staff as well as for hotel, resort, casino and off-premise sales and hospitality management executives in Las Vegas and the entire state.

Accomodations

Monte Carlo Resort and Casino

After two years exploring the country's production of bourbon in Louisville and beer in Milwaukee, the ABL convention will return to the Monte Carlo Resort and Casino in Las Vegas for its tenth anniversary.

An AAA Four Diamond Award-winning resort and casino, the Monte Carlo is Las Vegas' ultimate getaway in the heart of the Las Vegas Strip. With nine dining options and twelve lounges, the Monte Carlo will offer opportunities for fun and relaxation between great conference events. As the Gateway to CityCenter, the Monte Carlo provides easy access to the best dining, gaming, entertainment and 500,000 square feet of shopping right from the hotel.

Attendees may make a reservation by calling the Room Reservations Department at 1-800-311-8999 and identifying themselves as part of the ABL-2012 Convention.

Rate Per Night:
Sunday to Thursday $60.00++
Friday and Saturday $130.00++
++ Does not include taxes and fees

Registration Form

NAME _____ GUEST NAME _____

COMPANY/ESTABLISHMENT _____

ADDRESS _____

CITY _____ STATE _____ ZIP _____

DAYTIME PHONE _____ FAX _____

EMAIL _____

This is my first time attending the ABL Convention: (select one) **YES** **NO**

MAIL THIS FORM WITH YOUR PAYMENT BY CHECK TODAY!

American Beverage Licensees (ABL)
5101 River Road,
Suite 108
Bethesda, MD 20816

Payment

ABL Member Convention Registration Fee (Per Person)
$250 x _____ = $ _____

ABL Non-Member Convention Registration Fee (Per Person)
$275 x _____ = $ _____

- Fee Includes All Events, Seminars/Sessions and Hospitality Events
- CANCELLATION/REFUND FEE: $25.00 PER PERSON
- Call ABL at 1-888-656-3241with any questions
- Visit www.ablusa.org for updates

The Tax Man Cometh

The Trend Toward Excise Tax Increases Continues

Throughout the country, as independent retailers are struggling against large corporations, a struggling economy, and an already-heavy tax burden, states and local governments are angling for a bigger piece of the beverage alcohol industry through increased excise taxes. The trend is moving across the country, but it is not a foregone conclusion that attempts to raise taxes will be successful.

Cook County raised their taxes by 50% in November, 2011. The fourth time that taxes have been raised since 2005, Chicago already the highest tax rate on beverage alcohol in the country before the latest increase. Despite the opposition of the Illinois Beverage Retailers, the Beverage Retailers of Illinois, ABL, and other members of the hospitality industry, the council approved the measure just one week after its proposal, and without hearing from industry representatives. Originally expected to earn $30 million, the expectation is now an additional $11 million income for the cash-strapped county each year.

In many places all over the country, state and local governments are attempting to balance their budgets on the backs of beverage alcohol retailers. A proposed July 2012 ballot initiative would increase state beverage alcohol taxes in Arizona, and retailers are squaring off with social health advocates to determine what constitutes a fair treatment of retailers. The proposed tax hike's supporters claim they could raise as much as $100 million for anti-alcohol treatment programs and community programs for teens.

In Pennsylvania, the Pennsylvania League of Cities and Municipalities recommended that the state grant local governments the ability to raise excise taxes on beverage alcohol. For each bottle of liquor in the state of Pennsylvania, 61% of the purchase price goes to five separate taxes before any proposed increases. The measure is opposed by ABL, the Pennsylvania Restaurant Association, the Pennsylvania Tavern Association, and the Distilled Spirits Council, which have formed the Pennsylvania Hospitality Jobs Coalition.

Just last year, the state of Maryland passed a tax increase, requiring retailers to change their tax rate to 9% at the start of the busy July 4th holiday weekend. The tax has proven confusing for some on-premise retailers, as the new rate applies to all parts of a bundled alcohol-inclusive event, including brunches, pairings, or New Year's Eve parties.

ABL is proud to be working with our retailers across the country to fight unfair taxation of the beverage alcohol industry.

Fighting the Local Tax in Alaska

Not all proposals end in victory, however, and the Alaska Cabaret, Hotel, Restaurant and Retailers Association (Alaska CHARR) proved just that. Already with one of the highest state tax rates, Alaskan cities have not, thus far, created their own excise taxes on beverage alcohol. But last year, the Seward City Council decided to impose a local excise 8% tax at the retail level for alcohol sales at both on and off-premise retailers. Despite hearing from industry members in opposition to the tax, they passed the ordinance.

Alaska CHARR worked through the local system to stop the implementation of the tax. They hit the streets with a petition for an initiative to appear on the ballot turning back the tax. Alaska CHARR was thrilled to find out their petition was signed by more people than voted in the last city election, and this was just an attempt to get the repeal onto the ballot. Seeing the response, the City Council delayed the implementation until after the election to see what would happen.

After raising about $28,000 for the initiative campaign, Alaska CHARR and their partners began a grassroots effort to defeat the measure, finding support from both local and national groups. Alaska CHARR purchased radio and newspaper ads in the local media, but also used their strongest resource, their members, to get out the message. Their retailers displayed table tents and signage at their establishments, while their staff members wore t-shirts opposing the tax.

The initiative was voted down by the people at an overwhelming margin: Nearly 70% of voters were in opposition.

$30,000,000

more expensive.

Tell the County Board not to COOK up a new alcohol tax.

Call: (312) 443-5500

A grassroots anti-tax campaign ABL, Beverage Retailers of Illinois and the Illinois Beverage Retailers Association. If you are facing a tax hike in your state or local government, please contact ABL.

"This sends a message to every small town that if you try to single out the alcohol industry for a tax, we will fight you on it, and the public is with us," says Dale Fox, President & CEO of Alaska CHARR. He continued, "What that does is, by having a strong showing in one area, the example is made. We don't expect other towns to try to pass something similar."

A complex structure of taxation like this and many others hurts the industry, and certainly creates an unlevel playing field for small business owners. To keep our three-tier system strong, we need strong retailers who continue to offer the variety that already allows Americans the greatest choice in purchasing in the world. We also need responsible retailers watching out for our communities.

ABL is proud to be working with our retailers across the country to fight unfair taxation of the beverage alcohol industry. Tax issues on the state and local level are frequently mentioned in the *ABL Weekly*, which is e-mailed every Friday afternoon. If you have not signed up for our weekly news roundup, you can do so at www.ABLUSA.org.

To learn more about taxation, how ABL can help you fight your campaign, and what has worked well in other states, feel free to reach out to staff or e-mail us at info@ablusa.org. |

BY DR. PETER CRESSY, PRESIDENT & CEO
DISTILLED SPIRITS COUNCIL OF THE UNITED STATES

Population-Based Controls Do Not Work

The hospitality industry is recovering from the 2008-2009 recession at a moderate pace, and thanks to all of you, the distilled spirits sector had a very solid year. In fact, spirits volumes are up nearly 3%, and spirits revenues are up nearly 5% as the spirits sector continues to take back market share. This is a strong indication that consumers have embraced the cocktail and spirits culture and are purchasing more premium brands. While vodka and tequila continue their substantial growth, bourbon, single malt Scotch and Irish whisky are also doing very well. Most importantly, both on- and off-premise retailers have shared in this improved market situation.

Increasing taxes to raise prices is ineffective according to numerous studies on reducing the harmful use of alcohol.

Both our nation's economy as well as our industry's economic recovery remain somewhat fragile. It is imperative that we guard against policies and proposals that would impede this recovery. Unfortunately, misguided advocacy groups are becoming more vocal in their efforts to promote "population-based controls" as a means of restricting alcohol sales and consumption. Population-based strategies result in government policies that punish all alcohol consumers under a theory that this is the best way to target the minority of those who are alcohol abusers. These policies are not appropriate or effective in a developed, educated marketplace such as the United States and result in programs that waste taxpayers' money, eliminate jobs in the hospitality sector, and are unfair to the huge majority of our customers who drink responsibly. The most popular examples of these population-based controls include tax increases which lead to higher prices; bans on advertising and marketing; and excessive restrictions on market access.

In recent years the cooperation between all segments and tiers of the alcohol industry in pushing back against this common threat has increased significantly and made our grassroots political efforts much more effective at both the state and federal levels. In 2011 we faced serious tax threats across the nation, several of which were particularly well coordinated. Although we worked closely and had numerous victories in defeating taxes in 21 states, three tax increases were ultimately enacted in Maryland, Connecticut and Cook County, Illinois. The loss in Cook County is particularly significant because it follows recent tax increases imposed by the Chicago city council as well as the state legislature. We believe this new tax will severely impact and delay economic recovery in the Chicago area.

The loss in Chicago also points out the danger of increased municipal tax threats. Municipal taxes are particularly hard to defeat because they are often disguised as fees to provide revenue for services "related to alcohol abuse." To be more effective in these fights and to push back with credibility, it is useful to have a few basic facts at our finger tips. Fortunately, clear cut evidence and science are on our side. Here are three key talking points to use in our grassroots efforts.

Increasing taxes to raise prices is ineffective according to numerous studies on reducing the harmful use of alcohol. While jobs are lost and small businesses and responsible consumers suffer, there is no reduction in consumption by those who choose to abuse our products.

Severe restrictions on advertising and marketing have no impact on reducing the harmful use of alcohol or underage drinking. Alcohol advertising has increased dramatically over the last twenty years, but data show conclusively that there has been no increase in per capita consumption. In fact, underage drinking in all three categories tracked by the federal government (among 8th, 10th and 12th graders) has dropped significantly during the same period. Advertising and marketing of beer, wine and spirits are subject to strict self-imposed codes of conduct. In a free and open society such as the U.S., self-regulated codes are far more effective and stricter than anything the government could impose in light of freedoms offered by the First Amendment.

Excessive restrictions on market access, such as curtailing licenses and restricting hours of sale have not proven to be effective and have had a severe impact on hospitality industry jobs. Real world data developed by comparing Control States and Open States makes this clear. In social responsibility categories tracked by the federal government regarding underage drinking, drunk driving and alcohol related mortality, there is no difference in effectiveness between Control states and Open States even though Control State systems have far fewer off-premise outlets.

In short, population-based controls do not work and should not be used as an excuse to raise taxes, curtail advertising or restrict access. Our industry has long been dedicated to social responsibility. Population-based controls simply impede growth and eliminate employment opportunities within the hospitality sector. Bloomberg reported recently that restaurants, bars and other food services added 230,400 jobs in America in 2011 - more than any other industry. The hospitality industry is the second largest private employer in the United States. By working together in our grassroots efforts and utilizing these few basic facts to counter bad science and bad policy, we can continue to grow our businesses responsibly and serve our deserving customers well. |

Transportation Bill on the Calendar, House and Senate Update

Transportation Bill on the Calendar for Early 2012

Though the approaches being taken to reauthorizing the transportation bill – historically a six-year bill funding transportation programs across the country – differ quite a bit in the Democrat-controlled Senate and the Republican-controlled House, gears continue to grind as Committee chairs and leadership seek to pass legislation before the 2012 election season gets too closer.

SENATE

The Senate wrapped up 2011 with three bills considered to be works-in-progress in three different committees. The Environment and Public Works (EPW) Committee passed the Moving Ahead for Progress in the 21st Century (MAP-21) Act (S.1813) out of Committee unanimously in November. It would be a two-year reauthorization of transportation projects. The bill does not call for alcohol-related sanctions on states that do not already have ignition interlock laws on the books. However, some members of the committee have signaled that they intend to make floor amendments of that nature when the bill comes to the floor of the Senate.

In December, the Senate Commerce, Science and Transportation Committee, on a party-line vote, approved the Motor Vehicle and Highway Safety Improvement Act of 2011 (S. 1449), which is likely to be part of the final transportation bill package. This bill contains incentives for states to adopt ignition interlock laws, though no sanctions on those that do not adopt such laws.

It also calls for funding the Driver Alcohol Detection System for Safety (DADSS), which previously was included as part of the Research of Alcohol Detection Systems for Stopping Alcohol-related Fatalities Everywhere (ROADS SAFE) Act (S.510), which would authorize $12 million out of existing annual funding for five years for the DADSS program. The funds would be used to explore the feasibility, potential benefits and public policy challenges associated with using in-vehicle technology to prevent drunk driving.

The Senate Finance Committee is also grappling with bridging a $12 billion gap in financing the $109 billion two-year cost of the Senate bill.

HOUSE

On the House side, Transportation and Infrastructure Chairman John Mica (R-FL) postponed the Committee's work on a six-year surface transportation package in November until 2012. With the current bill set to expire at the end of March, Mica argued in late 2011 that there would be plenty of time to finalize a House bill before the March deadline.

Chairman Mica has pushed for a five to six-year reauthorization, with funding levels in line with the previous six-year reauthorization. That would be three years longer than the Senate would prefer. Both chambers (and parties) view the legislation as a "jobs bill" and would eagerly claim credit for its passage in an election year, though the funding difference remains an obstacle. It is still unclear if sanctions will be included in the bill, or if the Committee's GOP and fiscally conservative majority will sign off on including the DADSS program.

Provided that a House bill passes, the differences between Senate and House versions will be worked out in a conference committee.

ABL Joins Family Business Estate Tax Coalition

In keeping with its longstanding position calling for the permanent repeal of the estate tax, as referred to as the "death tax", ABL has joined the Family Business Estate Tax Coalition (FBETC).

The FBETC is a grassroots coalition of over 50 national family-owned business organizations dedicated to the full, permanent repeal of the estate tax. For many family-owned businesses to keep operating after the death of the owner, they must plan for the estate tax. Planning costs associated with the estate tax are a drain on business resources, taking money away from day to day operations and business investment.

Under current federal law, property transferred at death is taxed when the value of the property exceeds the estate tax exemption. In 2010, the FBETC supported the estate tax provisions in the Middle Class Tax Relief Act of 2010 that the President signed into law. The current law provides an exemption of $5 million with a top tax rate of 35 percent per spouse, indexed for inflation, for 2011 and 2012.

Should Congress fail to act this year, the top estate tax rate will increase to 55 percent with a $1 million exemption per married couple.

Because permanent repeal of the estate tax may not be achievable in this Congress, the FBETC supports permanently extending current law with a 35 percent top tax rate and $5 million exemption. Such an extension will bring the certainty that businesses need to plan for the future.

For more information about the FBETC, please visit www.estatetaxrelief.org.

Alcohol and Tobacco Tax and Trade Bureau (TTB) to be Split Up?

In a year when election year politics are coloring a lot of decisions, President Barack Obama has indicated his intentions to consolidate government agencies with what he views as overlapping missions. As reported by multiple sources, the administration is considering the feasibility of dividing the responsibilities of the *continued >*

The DOJ on Online Gambling, 75th Anniversary of the Repeal of Prohibition

Alcohol and Tobacco Tax and Trade Bureau between the Internal Revenue Service (IRS) and the Food and Drug Administration (FDA).

As stated in reports by the National Alcohol Beverage Control Association, the Office of Management and Budget is considering a plan in which the IRS would take over the TTB's tax collection role and the FDA would handle other tasks including approving labeling, testing and other similar public safety functions.

While beverage retailers have limited interaction with the TTB since the repeal of the Special Occupational Tax (SOT), there is some concern about what impact the dissolution of the TTB would have on industry partners, and the shift of alcohol industry regulation to two agencies with little experience dealing with alcohol issues.

The move, if it were to occur, would provide the administration with an example of cutting the size of government, though it is uncertain what cuts would actually be realized.

In recent years, the Obama administration has floated the idea of instituting new TTB "user fees" on industry members – producers, importers, wholesalers and retailers – to cover the TTB's annual budget. No such proposal has ever gained traction.

With DOJ Ruling, States May Enter Online Gaming Business

Following a recent decision by the U.S. Department of Justice (DoJ), many states are now considering legalizing and regulating Internet gaming. Be it online poker or other forms of gaming, the ruling by the DoJ reverses the federal government's position against many types of Internet gambling. The decision opens up another potential revenue stream for many states searching to fill budget gaps.

Prior to the decision, states had been wary of violating existing federal law, specifically the 1961 federal Wire Act. However, with the legal opinion released by the DoJ, stating that selling state lottery tickets online does not violate federal law since it does not include sports betting, the door was opened for wider online gaming activities by states.

It remains uncertain just how much untapped revenue exists in the form of online gaming licensing and taxes, but it's safe to say that leaders in states across the country are optimistic. Currently, states collect nearly $18 billion a year from legal lotteries, which exist in 43 states.

Even if the amount of revenue from online gaming does not come close to that figure, the additional funds would be a welcome shot in the arm to state treasuries. The American Gaming Association, a casino industry trade group, has estimated that legalizing online poker would generate roughly $2 billion a year in new tax revenues.

In many states, beverage retailers are already pushing for expanded gaming, including pull-tabs, small games of chance, slots, video poker and other electronic gaming machines, though limited to licensed establishments.

75 Years After Prohibition

December 5, 2011 marked the seventy-eighth anniversary of the repeal of America's failed thirteen-year experiment called Prohibition, and licensed beverage retailers continue to uphold their long-standing legacy that began before Prohibition and has continued to flourish under the three-tier system established following the ratification of the Twenty-first Amendment in 1933.

"On Repeal Day, it's important to both remember the dark days of Prohibition and celebrate the establishment of our vibrant, diverse and well-balanced industry based on a three-tier system that has served Americans to great success over the last seventy-eight years," said John D. Bodnovich, ABL's Executive Director.

Local taverns and package liquor stores have played an important role in the development of American hospitality and the country's communities. Now they hold an important role in the American economy providing an untold number of people with their first job. Many of these businesses continue to be family-owned and operated just as they have been since the repeal of Prohibition.

Just as with their businesses, beverage licensees' participation in trade associations at the national level also extends back to the repeal of Prohibition. The National Liquor Stores Association was formed in 1935, just 15 months after the repeal of Prohibition. Its on-premise sibling, the Associated Tavern Owners of America, was founded just 11 years later in 1946.

Despite the failings of the "noble experiment" of Prohibition and the rightful place that beverage alcohol has held in American culture for hundreds of years, beverage licensees continue to guard against the return of Prohibition in any form. That means supporting sensible drunk driving policy that does not make it illegal to have a glass of wine at dinner, a beer at a barbeque or a cocktail at happy hour and then drive home.

It also means fighting tax increases that penalize middle class and lower-income Americans and their ability to enjoy their favorite beverage alcohol products; providing unparalleled education, customer service, and access to tens of thousands of beer, wine and spirits products; supporting locally-owned bars, taverns and package liquor stores and the people they employee; and making sure that the views of those who seek to marginalize the good work of the hospitality industry are sufficiently debunked.

"Beverage retailers often view themselves as the last line of defense for the hospitality industry and are proud to man that post," said Bodnovich. "They are the last in the industry to handle beverage alcohol products and can have a great influence on how those products are used. But they also have the most to lose when the responsible use of beer, wine and spirits is under attack. As we become further removed from the Prohibition era, it becomes increasingly important to remind ourselves, our friends and neighbors just what a terrible mistake it was so that we never make it again." |

Green Corner

10 Bright Ideas for Saving on Your Energy Bill

If your business has plenty of natural light, use it! Try to rely on natural sunlight from 11:00AM - 2PM. And you'll save $30 a year for each bulb you swap for a CFL or LED.

Consider plugging your office electronics into a power strip that can be easily switched off for machines that will be idle for more than two hours, as PCs can still draw electricity when off but still plugged into the outlet.

Insulation is a cost-effective way to see results on electric and gas bills. Make sure your building has adequate insulation, particularly a problem with recent construction. Visit Energystar.gov to see how you can increase efficiency.

Caulk the windows and apply weather stripping to doors.

Change air filters monthly. Fans work harder the dirtier the filters, thus consuming more electricity.

Adjusting the thermostat set point. One degree on a thermostat can save 2% every bill. Programmable thermostats are available at reasonable prices (many under $50) and make this one less step to remember when closing.

Fans, either ceiling fans or tabletop fans, use far less electricity than the air conditioning unit.

Clean your coils: When refrigeration or air conditioning parts get dusty, they are less efficient.

Although manufacturers set water heater thermostats to 140°F, most uses usually only require them set at 120°F. For each 10°F reduction, you can save 3%–5%.

Be mindful and turn off what you aren't using. Watch your energy consumption throughout the month, and watch your bill drop with some simple adjustments!

state issues update

Connecticut: Sunday Sales On the Docket

Proposals by Connecticut Governor Dannel Malloy to permit the sale of alcohol on Sundays are being met with opposition by package stores in Connecticut, led by the Connecticut Package Stores Association. In addition to the Sunday sales, the Governor proposes that the stores be permitted to sell alcohol until 10:00 p.m. and that on-premise retailers be allowed to stay open an additional hour.

"Additional days and hours of sale will not return revenue and instead spread sales out over seven days on what normally occurs over six days," the association's site says. They also continue to express concerns that the overhead associated with small stores staying open more hours will actually be detrimental to their costs. "Stores sell six days a week, 72 hours a week. If a person cannot obtain alcohol in this time, availability is not the problem," says CPSA.

The state expects that the measure will raise an additional $3.5-5 million of revenue without tax increases. CPSA counters that the increase will actually be closer to $100,000, as sales would not increase, but redistribute from six days to seven days with a slight increase.

Georgia: Sunday Sales Sluggish

In November, Georgia voters overturned the ban on Sunday sales that had stood in the state since prohibition. What has happened for package stores since then has been... nothing. As reported by the *Savannah Morning News* this past January, package store owners have not seen a volume of sales that covers the overhead for being open a seventh day. In some areas, the package store owners have come together to agree that they will not be open on Sunday, to insure no one has an unfair advantage.

Georgia grocers permitted to sell wine and beer may be seeing sales of those who are shopping in their stores, but the quantity of sales is not known at this time.

New York: Governor Opposes Wine in Grocery Stores

New York Governor Andrew Cuomo has spoken in opposition of selling wine in grocery stores, or "WIGS" as it is also called. After indicating late last year that he was not in support of the measure, the Governor has recently stated that he is in direct opposition to the proposal because of the affect that it would have on small business in the state.

"I think it would be disruptive to many stores, mom-and-pop shops," he said. "I don't think the benefit outweighs the cost."

WIGS supporters argue that the benefit would be approximately $300 million of revenue to the state through the sale of licensing to grocery stores. Wegman's, a large regional grocery chain, has spent at least $3 million in an attempt to pass WIGS legislation. At the start of the 2012 state legislative session, the WIGS bill was reintroduced without amendment from previous versions, despite the Governor's opposition.

ABL affiliates in New York state have worked hard to protect the interest of independent retailers in the state, have applauded the Governor's opposition, and continue to do so to defeat the latest introduction of the WIGS bill. The New York Liquor Store Association also continues the fight through their successful Last Store on Main Street campaign. For more information, visit www.LastMainStreetStore.com.

Ohio: State Transfers Control of Liquor Profits to Private Nonprofit

Ohio Governor John Kasich has announced that officials will transfer the rights to the state's wholesale liquor business to a new private job-creation entity, JobsOhio. The 25-year deal is reportedly worth $1.4 billion.

Under the agreement, the private entity will issue bonds backed by future liquor sales. JobsOhio will pay the state a lump sum and annual payments, while using the proceeds from the liquor sales to fund incentives for economic growth and employment retention in Ohio.

The deal between the state budget and commerce departments is the first of its kind. If successful, states may look to the model as a method of capitalizing on the growing proceeds from liquor sales in control states.

Washington: Surge of Interest in the State by Chain Stores since I-1183

The state of Washington's controversial Ballot Initiative 1183 that passed this November has spurred an interest in the state from national chains.

Total Wine & More, a Maryland-based chain of self-described "wine superstores," has announced they will open two locations in Spokane. The Total Wine & More stores are usually larger than 20,000 square feet, well beyond the required 10,000 feet of square footage mandated by I-1183.

Not all are happy about that square footage requirement, including the burgeoning craft distilleries that have flourished in Washington state. The small, locally-based store that would typically carry their new and untested products was cut out of the liquor retailing process through the initiative.

"The craft distilleries are the most ill-affected by 1183," as David Lusby told the Seattle Times. Lusby is the sales manager of Vinum Wine Importing and Distributing in Seattle, and continued, "Under the previous system, they were guaranteed distribution through the state, and under 1183 they're not."

In the end, I-1183 may cost consumers the variety they value and the state a lucrative new industry that has just been gaining momentum the last several years. |

calendar of events

MAR 5-7, 2012
NATIONAL ALCOHOL BEVERAGE CONTROL ASSOCIATION 19TH ANNUAL LEGAL SYMPOSIUM
ALEXANDRIA, VA

MAR 10-12, 2012
AMERICAN BEVERAGE LICENSEES SPRING BOARD OF DIRECTORS MEETING
ARLINGTON, VA

MAR 12-14, 2012
NIGHT CLUB AND BAR CONVENTION LAS VEGAS, NV

MAR 17, 2012: ST. PATRICK'S DAY

MAR 22, 2012
M. SHANKEN COMMUNICATIONS 36TH ANNUAL IMPACT MARKETING SEMINAR
NEW YORK, NY

MAR 24-28, 2012
NATIONAL BEER WHOLESALERS OF AMERICA LEGISLATIVE CONFERENCE
WASHINGTON, D.C.

APR 2-5, 2012
WINE AND SPIRITS WHOLESALERS OF AMERICA 69TH ANNUAL CONVENTION & EXPOSITION
LAS VEGAS, NV

APR 8, 2012: EASTER

APR 11-12, 2012
RESPONSIBLE RETAILING FORUM 10TH ANNUAL RR FORUM
BOSTON, MA

MAY 2-3, 2012
LICENSED BEVERAGE DEALERS OF SOUTH DAKOTA SPIRNG MEETING
CHAMBLERIN, SD

MAY 14-20, 2012
AMERICAN CRAFT BEER WEEK
WWW.CRAFTBEER.COM

JUNE 4, 2012
ILLINOIS LICENSED BEVERAGE ASSOCIATION ANNUAL GOLF OUTING
AUBURN, IL

JUNE 10-12, 2012
AMERICAN BEVERAGE LICENSEES 10TH ANNUAL CONVENTION
LAS VEGAS, NV

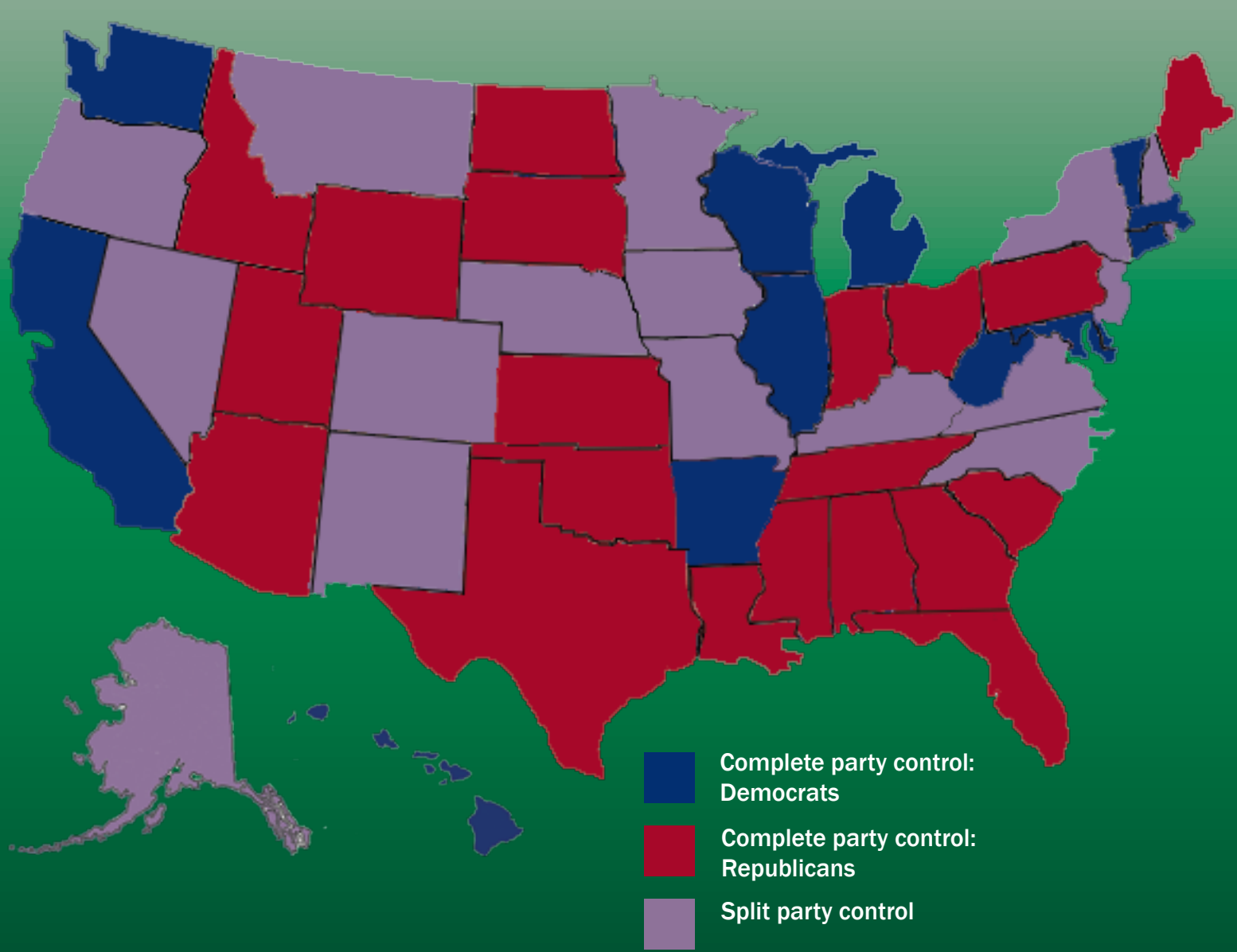
JUNE 9-12, 2012
AMERICAN BEVERAGE LICENSEES 10TH ANNUAL CONVENTION
LAS VEGAS, NV

state legislatures

As we look toward the 2012 legislative calendars in each state, you might find this summary of each state's party breakdown and projected session dates useful.

State	Governor	Next Election	State Senate				State House				Projected Session Dates	Carryover (2011-2012)
			Dem	Rep	Oth	Vac	Dem	Rep	Oth	Vac		
Alabama	Robert Bentley	2014	12	22	1		40	65			02/07/12 - 05/25/12	no
Alaska	Sean Parnell	2014	10	10			16	24			01/17/12 - 04/15/12	yes
Arizona	Jan Brewer	2014 (L)	9	21			20	40			01/09/12 - 04/17/12	no
Arkansas	Mike Beebe	2014 (L)	20	15			54	46			02/13/12 - 03/13/12	no
California	Jerry Brown	2014	25	15			52	28			01/04/12 - 08/31/12	yes
Colorado	John Hickenlooper	2014	20	15			32	33			01/11/12 - 05/09/12	no
Connecticut	Dan Malloy	2014	22	14			98	52		1	02/08/12 - 05/09/12	no
Delaware	Jack Markell	2012	14	7			26	15			01/10/12 - 06/30/12	yes
Florida	Rick Scott	2014	12	28			39	81			01/10/12 - 03/09/12	no
Georgia	Nathan Deal	2014	20	36			63	116	1		01/09/12 - 04/13/12	yes
Hawaii	Neil Abercrombie	2014	24	1			43	8			01/18/12 - 05/04/12	yes
Idaho	Butch Otter	2014	7	28			13	57			01/09/12 - 04/27/12	no
Illinois	Pat Quinn	2014	35	24			64	54			01/11/12 - 05/25/12	yes
Indiana	Mitch Daniels	2012 (L)	13	37			40	59		1	01/04/12 - 03/14/12	no
Iowa	Terry Branstad	2014	26	24			40	60			01/09/12 - 04/17/12	yes
Kansas	Sam Brownback	2014	8	32			33	92			01/09/12 - 04/30/12	yes
Kentucky	Steve Beshear	2015 (L)	15	22	1		59	41			01/03/12 - 04/09/12	no
Louisiana	Bobby Jindal	2015 (L)	15	24			45	58	2		03/12/12 - 06/04/12	no
Maine	Paul LePage	2014	14	19	1	1	72	78	1		01/04/12 - 04/02/12	yes
Maryland	Martin O'Malley	2014 (L)	35	12			98	43			01/11/12 - 04/09/12	no
Massachusetts	Deval Patrick	2014	36	4			127	32			01/04/12 - 07/31/12	yes
Michigan	Rick Snyder	2014	12	26			47	62		1	01/11/12 - 12/31/12	yes
Minnesota	Mark Dayton	2014	30	37			61	72		1	01/24/12 - 05/21/12	yes
Mississippi	Phil Bryant	2015	21	31			58	64			01/03/12 - 05/05/12	no
Missouri	Jay Nixon	2012	8	26			56	106	1		01/04/12 - 05/30/12	no
Montana	Brian Schweitzer	2012 (L)	22	28			32	68			no regular 2012 session	no
Nebraska	Dave Heineman	2014 (L)			49						01/04/12 - 04/12/12	yes
Nevada	Brian Sandoval	2014	11	10			26	16			no regular 2012 session	no
New Hampshire	John Lynch	2012	5	19			104	294		2	01/04/12 - 07/01/12	yes
New Jersey	Chris Christie	2013	24	16			48	32			01/10/12 - 12/31/12	no
New Mexico	Susana Martinez	2014	27	14		1	36	33	1		01/17/12 - 02/16/12	no
New York	Andrew Cuomo	2014	30	32			96	49	1	4	01/04/12 - 12/31/12	yes
North Carolina	Beverly Perdue	2012	19	31			52	68			05/16/12 - 06/29/12	yes
North Dakota	Jack Dalrymple	2012	12	35			25	69			no regular 2012 session	no
Ohio	John Kasich	2014	10	23			40	59			01/03/12 - 12/31/12	yes
Oklahoma	Mary Fallin	2014	15	31		2	31	69		1	02/06/12 - 05/25/12	yes
Oregon	John Kitzhaber	2014	16	14			30	30			02/01/12 - 03/06/12	no
Pennsylvania	Tom Corbett	2014	20	30			91	112			01/03/12 - 11/30/12	yes
Rhode Island	Lincoln Chafee	2014	29	8	1		65	10			01/03/12 - 06/22/12	no
South Carolina	Nikki Haley	2014	19	27			48	76			01/10/12 - 06/07/12	yes
South Dakota	Dennis Daugaard	2014	5	30			19	50	1		01/10/12 - 03/19/12	no
Tennessee	Bill Haslam	2014	13	20			34	64	1		01/10/12 - 05/24/12	yes
Texas	Rick Perry	2014	12	19			49	101			no regular 2012 session	no
Utah	Gary Herbert	2012	7	22			17	58			01/23/12 - 03/08/12	no
Vermont	Peter Shumlin	2012	20	8	2		94	48	8		01/03/12 - 05/24/12	yes
Virginia	Bob McDonnell	2013 (L)	20	20			32	67	1		01/11/12 - 03/10/12	no
Washington	Christine Gregoire	2012	27	22			56	42			01/09/12 - 03/08/12	yes
West Virginia	Earl Ray Tomblin	2012	28	6			65	35			01/11/12 - 03/10/12	yes
Wisconsin	Scott Walker	2014	16	17			39	59	1		01/17/12 - 05/23/12	yes
Wyoming	Matt Mead	2014	4	26			10	50			02/13/12 - 03/09/12	no

State by State: Party Control



American Beverage Licensees
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Bethesda, MD 20816
(888) 656-3241
www.ablusa.org

American Beverage Licensees
is the preeminent national trade association for retail alcohol beverage license holders across the United States. Its members, who number nearly 20,000, are comprised of on-premise and off-premise retailers who annually help infuse billions of dollars into the American economy. ABL represents the interests of American small business owners and a historical part of the American way of life. Many members are independent, family owned operators who assure that beverage alcohol is sold and consumed responsibly by adults. |

ABL Insider

A PUBLICATION OF THE AMERICAN BEVERAGE LICENSEES | VOL. 6, NO. 1 | SPRING 12

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associate members

ABL maintains a robust Associate Membership roster, with membership support coming from all levels of the beverage alcohol industry.

DIAMOND
Beer Institute
Diageo
National Beer Wholesalers Association
Wine & Spirits Wholesalers of America

PLATINUM
Bacardi USA
Beam, Inc.
Distilled Spirits Council of the United States

GOLD
Brown Forman
Castle Brands
Charmer-Sunbelt Group
Pernod Ricard USA
Republic National Distributing Co.
Wirtz Beverage Group

SILVER
Constellation Brands
Moet Hennessy USA
Monarch Beverage Company
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ATM Network
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affiliate members

ALABAMA
Alabama Beverage Licensees Association
ALASKA
Alaska CHARR
Anchorage CHARR
ARKANSAS
Arkansas Beverage Retailers Association
COLORADO
Colorado Licensed Beverage Association
CONNECTICUT
Connecticut Package Stores Association
FLORIDA
Retail Beverage Council of the Florida Retail Federation
GEORGIA
Georgia Alcohol Dealers Association

ILLINOIS
Beverage Retailers Alliance of Illinois
Illinois Licensed Beverage Association
INDIANA
Indiana Association of Beverage Retailers
Indiana Licensed Beverage Association
KANSAS
Kansas Licensed Beverage Association
KENTUCKY
Kentucky Association of Beverage Retailers
Kentucky Licensed Beverage Association
MARYLAND
Maryland State Licensed Beverage Association
MASSACHUSETTS
Massachusetts Package Stores Association

MINNESOTA
Tavern League of Minnesota
MISSISSIPPI
Mississippi Hospitality Beverage Association
MONTANA
Montana Tavern Association
NEVADA
Nevada Tavern Owners Association
NEW JERSEY
New Jersey Liquor Stores Alliance
NEW YORK
Empire State Restaurant & Tavern Association
Metropolitan Package Store Association
New York State Liquor Stores Association
OHIO
Ohio Licensed Beverage Association

OKLAHOMA
Retail Liquor Association of Oklahoma
RHODE ISLAND
Rhode Island Liquor Stores Association
SOUTH CAROLINA
ABC Stores of South Carolina
SOUTH DAKOTA
Licensed Beverage Dealers of South Dakota
TEXAS
Texas Package Stores Association
VIRGINIA
Virginia Licensed Beverage Association
WISCONSIN
Tavern League of Wisconsin
WYOMING
Wyoming State Liquor Association
WINE & SPIRITS GUILD OF AMERICA