

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

ABL Insider

A PUBLICATION OF THE AMERICAN BEVERAGE LICENSEES | VOL. 6, NO. 4 | WINTER 12



**PACKAGE
LIQUOR
STORE
MONTH
NOVEMBER**



ABL MEMBERS CELEBRATE THIRD ANNUAL PACKAGE LIQUOR STORE MONTH

**ABL RELEASES
REPORT QUANTIFYING
CONTRIBUTIONS OF
BEVERAGE LICENSEES**

**2012
ECONOMIC
IMPACT
REPORT**



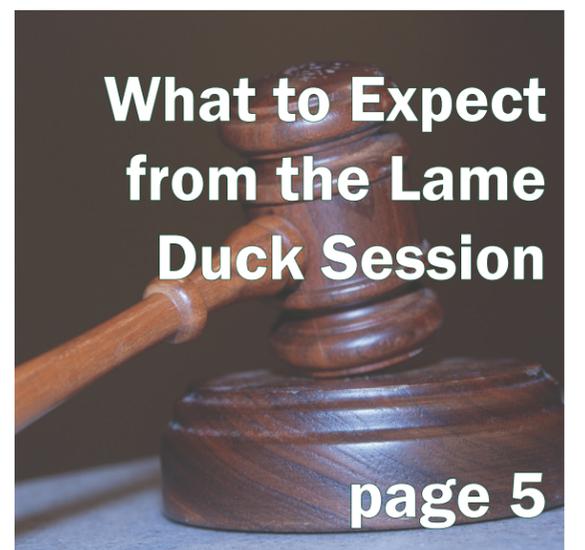
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a word before

Eight Ways to a More Sustainable Holiday & Relief for those Hurt by Hurricane Sandy

The holidays: busy for you, busy for your business. Unfortunately, all that bustle and holiday cheer comes can take a toll on sustainability. But there are some simple steps that you can take for a greener holiday!

Consider recycled or pre-owned holiday decorations. You can usually find them for the same price as disposable paper decorations, but they will last for years to come.

Buy local and buy less. Produce bought locally means you will be supporting small suppliers and the local community, while minimizing your carbon footprint. Establish relationships with the local farmers' market. Check the carbon footprint for your food at www.foodemissions.com

Use LED lights for outdoor and tree lighting. LED (Light Emitting Diode) holiday lights use up to 95% less energy than larger, traditional holiday bulbs and last up to 100,000 hours when used indoors. LED holiday lights use .04 watts per bulb, 10 times less than mini bulbs and 100 times less than traditional holiday bulbs. They cost less to run, too, and here's a bonus: the strand still stays lit if one of the lights goes out!

Get a real tree and recycle it. Real trees are more eco-friendly than artificial, as long as you purchase from a sustainable source. Recycle your tree after Christmas. Even better: Get a potted tree and replant it after Christmas.

Switch to holiday eCards. If you send notes to customers or vendors, eCards are readily available and can be just as personal as paper cards – plus, you'll be saving paper, reducing waste, and won't be adding to mail delivery.

Go battery-free. About 40% of all battery sales occur during the holiday season. The production of batteries takes up a lot of natural resources, and discarded batteries are an environmental hazard. Even rechargeable batteries often find their way into the waste stream eventually.

In the midst of the holiday craziness, make time to give back. Work with local charitable organizations to put together a canned food or clothing donation drop box. When it's over, be sure to tell your customers about their great contribution with a sign or an e-mail notification.

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Relief for Sandy: Following the devastating effects of Hurricane Sandy, one insurance-research firm, Equecat, estimated that insurers would pay \$10 billion in claims for damages or destroyed property.

Areas affected by the severe weather will need assistance through the holidays and beyond, so please keep them in mind. Visit www.redcross.org for more information.

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Getting to Know my ABL Colleagues & Their Issues

Every year when the leaves turn

and the weather dips in October, I start looking forward to the many industry events traditional to the fall season. This past month, I have had the great opportunity to attend several of them, reconnect with old friends and colleagues, and meet plenty of new ones along the way. These events serve as the single best opportunity for me and ABL to learn about what matters to you in your home states, and to get to know you, your members, and the issues that are most important to you as independent beverage licensees.

My own state affiliate, the Maryland State Licensed Beverage Association, hosted our annual meeting October 8 in Annapolis. We elected new officers, discussed the 2013 legislative agenda, and focused on the hard fight we have in our state to keep beverage alcohol out of groceries and chain stores. Maryland has a long tradition of supporting independent

retailers, and we at MSLBA hope to keep that tradition healthy in the long run.

Attending the New Jersey Package LiquorStoreAlliance's fall trade show was a whirlwind adventure in the Garden State. Covering roughly 80,000 square feet, the trade show floor hosted a sold-out show with vendors of all kinds. As to be expected, the NJLSA

was a gracious host, and ABL's Executive Director John Bodnovich and I were impressed by the hard work and effort they made in putting their best foot forward once again.

Special thanks go to NJLSA's President Paul Santelle, NJLSA Treasurer and Con-Conference Chair Juan Carlos Negrin, and NJLSA's Executive Director Joe DeSanctis for welcoming us to their Board of Directors meeting and the show itself.

While I was unable to make it to the Metro Package Store Association's 78th Annual Dinner in New York, ABL's Executive Director John Bodnovich attended what he reports was a truly impressive event featuring more than 600 attendees from throughout the New York City metropolitan area. I know that he enjoyed the unique opportunity to meet with Metro at their signature annual gala, which was attended by several key state legislators from Albany, including special guest of honor New York Senate Majority Leader Dean Skelos and members of the Senate Majority Conference.

Members of New York's other beverage retailer associations, including the New York State Liquors Stores Association, were also in attendance in what was a sincere display of retail tier and industry unity. METRO President Michael Correra and the METRO Board, as well as METRO administrator Margaret Vandervort put on a great dinner and demonstrated the strength of metro-area beverage retailers.

I would be remiss if I didn't mention the hard work of the Wisconsin Tavern League, Alaska CHARR, the Massachusetts Package Store Association, the New York Liquor Store Association, and the many other affiliates who have done great work with events this fall season. I only wish I had been able to attend every one.

In addition to the many state retail association meetings and trade shows, the fall also brought the Distilled Spirits Council of the United States (DISCUS) to historic Mt. Vernon for its annual dinner. While the dinner provides a great opportunity to recognize the father of our country, the event also includes an opportunity for ABL's Executive Committee to sit down and meet with representatives from leading distillers. This meeting included an honest and open conversation about the issues we face as an industry and the importance of working together.

In addition to the tens of thousands of dollars that this year's gala raised for charity, perhaps the most heartening aspect of this year's Mt. Vernon event was the honoring of one of our own as Robert Selby of Kappy's Fine Wines & Spirits was inducted to the George Washington Spirits Society. Bob is a longtime board member of the Massachusetts Package Store Association and Wine & Spirits Guild of America, and I congratulate Bob on this honor and his continued success.

ABL's leadership is always interested to hear and share the accomplishments of our affiliate members. It's a true honor to work with each and every one of you throughout the year, and I look forward to the opportunity to attend another round of affiliate events in the spring. |

“These events serve as the single best opportunity for me and ABL to learn about what matters to you in your home states.”



DISCUS representatives present Robert Selby with his award. Left to right: John McDonnell - COO, Patron Spirits Co. and DISCUS Chairman, Robert Selby - President and CEO of Kappy's Fine Wine and Spirits, and The Honorable Frank Keating.



ABL Members Mapping Out Plans for 2013 State Legislative Sessions

Though we're not yet

finished with 2012, 2013 is knocking on the door as beverage licensees gear up for the holiday season. 2013 promises to be a busy year for all of ABL's affiliates when it comes to addressing legislation in states throughout the country. Even in states where the legislature meets every two years – Montana and Texas come to mind – this year is legislators' and others interested parties' shot to make their public policy mark.

Some states will meet for lengthy sessions while others will only convene for 30 legislative days. Still others will start a legislative marathon in January and will likely still be in session deep into December. In Indiana for example, this year will be the state's "long-session", as opposed to its "short session" in even-numbered years. In Kentucky, the legislature will last just 30 days. But short sessions don't always signify less activity. They often just mean things are more frenzied.

In talking with ABL members, including those who attended the Fall Board of Directors meeting in Chicago in September, to a

person they are all readying to defend their businesses from changes to laws and policies while also going on offense to see if they can't grab back a little ground they may have lost in previous legislative sessions.

Different Laws, Common Issues

ABL

members embrace the 21st amendment and states' rights to determine their own unique beverage alcohol laws. The

regulations that fit the culture in Connecticut may not be preferred by people in Texas, but retailers recognize that each of those states should be allowed to make those decisions and legally categorize those who can sell alcohol and those who cannot. Despite these differences in laws, licensees from different states are facing many similar issues.

During the meeting in September, beverage retailers discussed some of the issues in states where current retail alcohol licensing structures are being questioned or, in some cases, are under outright attack. Independent beverage retailers, most of whom have entered into business under a strict set of rules and guidelines, are concerned that across-the-board changes to licensing proposed by out-of-state corporate interests under the guise of offering greater customer convenience will fundamentally damage locally-owned retail businesses and the jobs they create in their communities.

In Maryland, for example, licensees are concerned about the possibility of expanding the state's licensing to allow chains to access to multiple licenses. Similarly in New Jersey, beverage retailers are monitoring efforts to change the state's two-license law which could significantly undermine the livelihoods of thousands of beverage retailers and the value of their licenses.

While licensing issues are of great concern to off-premise licensees, on-premise retailers have their own concerns when it comes to state legislative action. As smoking bans have become more prevalent, on-premise licensees – who are often single-location owner-operators – are looking to grow their revenue through gaming and small games of chance. The additional revenue streams are often what keep family businesses with razor-thin margins afloat.

They're also faced with the constant threat of changes to liability statutes, Dram Shop legislation and other bills that would antagonize responsible

social drinkers in the name of fighting drunk driving and underage drinking. While ABL member universally oppose drunk driving and underage access to alcohol, they also understand that it takes more than over-simplified policy prescriptions to achieve commonly-shared goals.

Use the ABL Weekly to Keep Track of State Alcohol Legislation

It can be challenging to keep up with legislative developments in your own backyard, much less with those happening across state lines. Nonetheless, it's important to see what similar issues are taking shape in nearby states and legislatures. History has shown that a neighboring state's policies and bills often make it onto your state's legislative agenda in subsequent years.

One way to keep up with state-level alcohol issues and legislation affecting beverage alcohol retailers is by signing up for the *ABL Weekly*, ABL's e-newsletter. We know that most independent beverage retailers are busy in with their businesses and the last thing they need is a barrage of email. That's why every week, ABL collects and condenses all the alcohol industry news that's fit-to-print into an easy-to-read single email.

You may already have read some of the news in the *ABL Weekly* in a variety of other daily news updates and outlets, but what we deliver with the *ABL Weekly* is a focus on retailer-relevant news, a lot of which comes from the states where policy debates are taking place. In addition, you'll be able to track other ABL affiliates actions and exposure in the news as they work in their state legislatures to fight for their members.

If you have yet to sign up to receive the *ABL Weekly*, I encourage you to visit www.ABLUSA.org and sign up for it. As we look to usher in 2013 and the legislative battles it will bring, arm yourself with information so you can better defend your business and your industry. |

“Independent beverage retailers, most of whom have entered into business under a strict set of rules and guidelines, are concerned that across-the-board changes to licensing will fundamentally damage locally-owned retail businesses and the jobs they create.”



Congress Preps for Lame Duck Session and 2013

As legislators and candidates have spread out across the country to campaign for election, the pace of Congressional business in Washington, D.C. has slowed.

But that slow-down is only temporary as members of Congress are expected to return to D.C. after the election for a lame duck session to resolve some important legislative matters and plan for the 113th Congress starting in 2013.

For those keeping score at home, the Presidential contest will have a great impact on the legislative agenda for the lame duck session. Perhaps just as important, however, will be the race to control the Senate. With 53 Democrats and Independents caucusing together in the Senate, the Republicans, who control 47 seats, will need to net 4 seats to take control of the chamber in the 113th Congress. Of those Senate seats up for election, 21 are Democrats, 10 are Republicans and 2 are Independents. In the House, the Democrats would need to net 25 seats to take control of the lower chamber.

Lame Duck Outlook

While a lame-duck agenda will be shaped by the Presidential and Congressional election results, a number of fiscal matters will need to be resolved to automatic spending cuts and the expiration of policies that would have an impact on millions of Americans. Some things to keep in mind and expect from Congress in the time between November 6 and December 31:

- Time – It's not on Congress' side. There just will not be a lot of room on the calendar for Congress to address some of the major budgetary issues before the end of the year. Just seven calendar weeks that includes Thanksgiving and Christmas will likely amount to just four weeks of work-time for Congress. Further shortening that period is the reality that much of that time will be dedicated to planning and organizing for 2013 (more on that in a moment).
- Focus – If past lame duck sessions are any guide, it is safe to assume that those Senators and Representatives who did not win reelection (or are retiring) will be less consistent when it comes to Congressional business, as will their staff members. Normal motivations for voting on bills – political reasons, maintaining party discipline and generally moving legislative business – will be largely discounted for many members. Close votes will likely be the norm, which may keep Congressional leaders from bringing up

controversial legislation.

- Stop-Gap & Short-Term Fixes – To think that the extreme partisanship that has dominated Washington the past year will simply subside on November 7 would be folly. More likely than a grand bargain or compromise will be the passage of a stop-gap budget measure to avoid the dreaded “fiscal cliff,” and some short-term fixes for expiring taxes.

One issue in which ABL will engage during the lame duck session is the estate tax. As the lame duck session approaches, there is already an uptick in activity on the estate tax in the media and the on Capitol Hill. ABL will work with its coalition partners to support those in the House and Senate who seek to maintain the current compromise of a \$5.12 million exemption and a top rate of 35%, indexed to inflation, and including spousal transfer and stepped-up basis. As many ABL members own and operate family small businesses, a return to 2001 levels would shrink the exemption to \$1 million on January 1, 2013, with the top rate rising to 55 percent.

113th Congressional Outlook

Just as with the lame duck session, much depends on what happens in the elections when trying to project what to expect in the 113th Congress next year. However, there are a few issues that will likely come up in 2013. Those include:

- Alcohol Taxes – Every two years, there are those who move to fund initiatives on the backs of the hospitality industry by proposing excise tax increases on alcohol. Given the state of Federal government finances, and if history is any indicator, those proposals will likely come up again in 2013.
- Swipe Fee Reform Repeal Legislation – While there has not been much legislative action to repeal debit card swipe fee reform since the failed Tester/Corker legislation in the spring of 2011, big banks and credit card companies may very well attempt to repeal the Durbin Amendment (and much more of the Wall Street financial reform legislation) in 2013.
- E-Fairness for Internet Sales Tax – A bricks-and-mortar retail issue, there has been a fair amount discussion of this issue in the Senate in 2012. This fight will pit the merchant community against internet and technology interests.

Swipe Fee Settlement Opposed by Merchants

As reported in the ABL Insider fall issue, a proposed settlement in private antitrust litigation was announced on July 13 that would require MasterCard, Visa and large banks to reimburse as many as seven million retailers for interchange fees that averaged around \$0.44 per transaction, and to provide an eight-month fee discount. The settlement would total \$7.25 billion, with \$6.05 billion going directly to retailers and \$1.2 billion accumulated by the temporary swipe fee reduction. Since the announcement of the proposed settlement, a significant number of merchant groups and associations voiced opposition to the settlement for a variety of very sound reasons.

“The proposal put on the table this summer was beyond tweaking, and the update presented today proves that fact. It remains manifestly unfair,” National Retail Federation Senior VP and general counsel Mallory Duncan said. “The settlement still does virtually nothing to protect retailers or their customers from the abuses of the card industry, and it attempts to silence any objections for years to come. Retailers would rather take their chances in court than accept this one-sided swindle written by the card industry for the card industry.”

Of the 13 individual retailers and six trade associations that filed the lawsuit against Visa and Mastercard in 2005, four of the individual companies and all six of the trade associations have rejected the proposal since then. A revised version of the settlement was filed in U.S. District Court in Brooklyn on October 19, with opponents expected to have 30 days to voice their objections to the deal.

Specifically, merchants oppose the settlement because it does little to address high fees. According to the National Retail Federation, “the \$7.25 billion figure represents less than three months' worth of swipe fee collections despite the eight-year period of the lawsuit, and the settlement fails to reform the cartel-like system where Visa and MasterCard set a rigid schedule of swipe fees all banks agree to follow while refusing to negotiate with merchants.” In addition, “retailers would face a long-term ban on future lawsuits over swipe fees, effectively allowing card industry practices to continue unchallenged.” |



Industry Partnerships and Value of Independent Three-tier System Focus of NBWA's 75th Annual Convention

As local businesses

This October, nearly 2,000 members of the beer industry gathered in San Diego to attend the National Beer Wholesalers Association (NBWA) 75th Annual Convention and to celebrate the start of NBWA's 75th year as an association. The meeting was a chance to celebrate NBWA's history and the beer distribution industry's past, but also to continue to make plans for our future.

“Today, that independent system is put at risk by deregulatory efforts including litigation, preemption of state law in favor of federal law, franchise law issues, branch expansion, forced consolidation and self distribution.”

A lot of changes have taken place in the beer industry over the past 75 years. We've seen breweries and brands come and go. We've seen different channels of trade ebb and flow. We've seen consolidation, mergers and acquisition, globalization and localization, and also legislation and litigation. But through it all, the independent three-tier system of alcohol distribution has remained central to our mutual long-term health and allowed the beer industry to grow and flourish.

Today, that independent system is put at risk by deregulatory efforts including litigation, preemption of state law in favor of federal law, franchise law issues, branch expansion, forced consolidation and self distribution. It's important for all segments of the industry to work together to fight any efforts that seek to undermine the independence that is integral to the shared success of our industry.

With more than 2,000 brewers and at least 13,000 labels of beer for consumers to enjoy – it's clear that

today's regulatory system works so well for so many. It balances competing interests within an orderly market with robust inter-brand competition and balances consumer interest in competition with the public's interest in effective alcohol control. While our system can always be improved, I believe that much of the beer industry's growth is because of the independent distribution system and a state-based regulatory system, not in spite of it.

So much of what's special about the beer industry can be attributed to the passion of the people who are part of it and the great relationships between trading partners. That's why industry partnerships took center stage at this year's convention.

As part of the general session program, I moderated a “retailer roundtable” discussion featuring Danny Brager of Nielsen's Beverage Alcohol Team; David Jabour, president of Twin Liquors, a Texas-based independent chain with more than 70 outlets, and past president of American Beverage Licensees (ABL); and Sally Smith, president & CEO of Buffalo Wild Wings, one of the nation's fastest-growing national restaurant chains with more than 840 restaurants in 48 states and two countries. Because of the solid partnership that exists between America's beer distributors and alcohol retailers, this was a great opportunity to discuss how we can join forces to tackle the issues that affect all segments of the alcohol beverage industry and continue to advocate together for a strong, independent three-tier system and issues that are of mutual importance.

Brager spoke of beer's success in the marketplace, citing innovation in the beer category and the vast selection of beer available to consumers in the marketplace today. Smith spoke about beer's contribution to the success of Buffalo Wild Wings and how beer distributors act as valuable partners by offering local support for their national programs and helping train and educate their restaurants' employees about beer. Jabour emphasized the great partnerships that independent retailers enjoy with independent beer distributors, telling attendees, “Our future for the next 75 years is really incumbent upon what we're able to do together... you are the retailer's best friend and vice versa.”

This focus on partnerships was put in perspective by General Stanley McChrystal, former commander of U.S. and International Forces in Afghanistan, who spoke to convention attendees about his insights on leadership and how change requires new ways of thinking. He emphasized the importance of shared consciousness and unity of purpose and how relationships and partnerships are critical to achieving strategic objectives.

NBWA and ABL have proven to be strong partners when it comes to fighting to maintain states' ability to regulate alcohol and other issues of mutual concern. America's beer distributors value the solid relationship we have with America's independent retailers, and we look forward to continuing to work together on many issues as NBWA celebrates its 75th year. Cheers to this successful relationship! |



From left: NBWA President & CEO Craig Purser; Sally Smith, President & CEO of Buffalo Wild Wings; David Jabour, ABL Past President and president of Twin Liquors; Danny Brager, Nielsen's Beverage Alcohol Team



The Fiscal Cliff—What it Means to the Beverage Alcohol Industry

What exactly is the

“fiscal cliff” – also referred to as “Taxmageddon” - and what does it mean to the beverage alcohol industry? To illustrate the potential impact of this impending event, one of my colleagues recently displayed a photograph of a mushroom cloud! Hyperbole aside, the beverage alcohol industry could soon face the fallout from congress’ and the president’s dealmaking to head off a fiscal mushroom cloud.

The factors leading to the cliff have been widely reported. The Bush-era tax cuts will expire at the end of this year. A payroll tax cut passed as part of President Obama’s economic recovery package, and later extended again, will expire at the same time. New taxes and fees under Obamacare will also take effect, while numerous tax provisions expire. Finally, last summer’s budget and deficit reduction negotiations between congress and the president included a

“Promoting our views to congress and the administration will require a singular industry voice across multiple organizations. And we will also need to mobilize a solid grass roots team from across the country, including WSWA and ABL members and their employees.”

kicker: an automatic cut in both domestic and defense spending beginning January 1, 2013.

What are the costs to government and taxpayers? Failure to extend the Bush cuts will lead to an immediate \$221 billion tax increase next year, as reported by the Financial Times. The payroll tax measure will raise taxes by an additional \$95 billion. And, the budget deal spending cuts, known in congressional jargon as “sequestration,” will reduce federal spending by \$109 billion in 2013 alone, hurting federal contractors and their workers. Addressing these items means grappling with overall tax reform—cuts here, reforms there, along with identifying new revenue.

When congress pinpoints these objectives, it is likely they will pursue tax policies that broaden the base of taxpayers, enact some measure of reform and reassess current rates. We may see proposals to lower corporate and personal rates along with an increase in capital gains tax rates, for example.

Also on the table are big ticket items such as changing the tax treatment of pass-through entities, partnerships and S-corporations where shareholders and partners pay personal income tax rates, to the double taxation treatment of C-corporations. We may also see action on estate tax rates impacting family owned firms passed to the next generation. Another challenge is the consideration of repealing “Last In, First Out” (LIFO) inventory accounting rules utilized by many, if not most firms in our sector. Federal excise tax rates on alcohol may also be targeted as part of a tax deal.

WSWA is also carefully monitoring tax treatment for firms structured as S-corporations. Because there are only a small number of wholesaler S-corp firms relative to the number of other companies and taxpayers, there are concerns that industry firms could be seen as a small but rich target. Congress has been known to spread tax increase burdens over a small universe to reduce possible political consequences.

While we still do not know the exact scope of what Congress and the president will do to address the fiscal cliff, we do

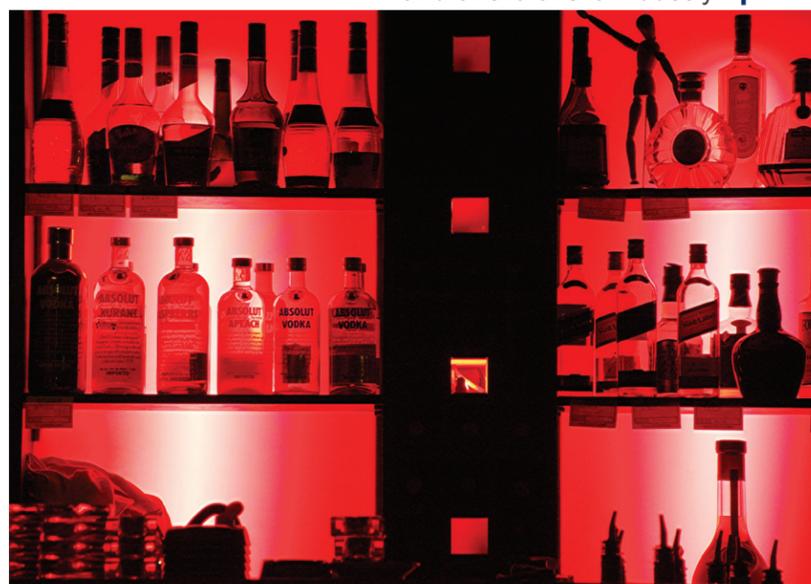
know there are only a few likely scenarios:

- Congress can do nothing, and face the consequences from spending cuts and tax increases;
- It can tackle long-term tax and deficit reform, such as those outlined by the Simpson-Bowles bipartisan commission established by President Obama.
- Or it can enact some type of short term, stop-gap measure designed to buy time.

WSWA and our industry peers are still assessing which of these scenarios is most likely, and it will depend in part on election results, but we are preparing to address all of these—and more. One thing is certain, whichever of course it follows, it is likely the reform and revenue provisions outlined above will be “on the table.”

Promoting our views to congress and the administration will require a singular industry voice across multiple organizations. And we will also need to mobilize a solid grass roots team from across the country, including WSWA and ABL member firms and their employees.

As Congress weighs plans to walk back the economy from the edge of the fiscal cliff, it is essential that our industry remain united. As I said last quarter in my ABL column, what detrimentally affects one tier will ultimately be detrimental to the entire industry. In the days ahead, together we will all work hard to be successful on behalf of our own members—and of the entire industry. |



ABL Members Celebrate Package Liquor Store Month

Third Annual Celebration of Off-Premise Retailers This Year



PACKAGE LIQUOR STORE MONTH

NOVEMBER

For the third consecutive year, American Beverage Licensees (ABL) is celebrating off-premise beverage retailers during Package Liquor Store Month this November. America's independent package liquor stores continue to have a positive impact on their communities by creating a huge number of jobs, offering an unparalleled choice to the consumer, and leading the way when it comes to selling beverage alcohol responsibly.

As the industry continues to evolve and adapt to meet the needs of an ever-changing consumer, these principles remain central to independent beverage alcohol retailers. As we see huge market share growth in local craft beers and distilled spirits, as well as boutique wines, local package liquor stores are uniquely positioned to work with suppliers and small producers to bring those products to market.

Small Business Owners,

As some of the last locally-owned and operated businesses on America's Main Streets, many of these stores are multi-generational family businesses, the backbone of the American economy we have heard debated so much this election season.

These small business operators are highly-contributing members to their communities, giving back, participating in local government, working with law enforcement to guarantee a safe and legal sales operation, and offer a specialized level of service tailored to the customers in their communities.

“We are adults, in the business of selling an adult beverage to other adults,” said Roger Leasor, an ABL Board member and Director of Community and Government Relations for Kentucky’s Liquor Barn package stores.

According to the Retail Merchants Association, for every \$1 spent at local businesses, 45¢ is reinvested locally. Non-local purchases keep, on average 15¢ in the local community, at the very most.

“Off-premise employers alone provide the economy with over 465,000 jobs and \$8 billion dollars in direct economic impact,” said John Bodnovich, ABL’s executive Director. “It’s a testament to the 21st amendment and the three-tier system that the industry continues to provide the products that consumers desire in a responsible manner and in doing so, creates more than 1.4 million jobs.”

Responsible Retailers

Some of the last remaining independent businesses on Main Street, package liquor stores, which in most cases also sell beer and wine, train their employees to conduct safe and responsible face-to-face sales to adult consumers.

“Package liquor store owners believe they owe it to their friends, families, and communities to keep their employees trained and their operations safe,” said ABL President Chuck Ferrar, the owner of Annapolis, Maryland package liquor store Bay Ridge Wine & Spirits.

“Beverage retailers are deeply aware that the products we offer are not like any other in the American marketplace,” Ferrar continued. “We are committed to selling them safely, responsibly, and legally.”

Package liquor store owners also work with law enforcement, the government and their communities to prevent underage access to alcohol. By participating in programs such as We Don’t Serve Teens, independent retailers are working with law enforcement to successfully cut down on underage access.

These measures appear to be working, as 90 percent of underage drinkers did not purchase alcohol themselves the last time they drank. Only seven

percent of the alcohol purchased by youth is from a store or bar that does not ask for identification.

“We are adults, in the business of selling an adult beverage to other adults,” said Roger Leasor, an ABL Board member and Director of Community and Government Relations for Kentucky’s Liquor Barn package stores.

Package Stores Still Face Challenges

Package liquor stores continue an American tradition that began before Prohibition, and ABL and its members stand strong in support of the three-tier system that

As some of the last locally-owned and operated businesses on America’s Main Streets, many of these stores are multi-generational family businesses, the backbone of the American economy we have heard debated so much this election season.

allows Americans greater variety in beverage choices than anywhere in the world. Threats to that system come from all sides, and are something that ABL and its members have advocated against over the last ten years.

“Changing the rules in the middle of the game makes it especially hard to run your business day to day,” said ABL board member Ray Cox. The owner of Elite Beverages in the Indianapolis, Indiana area, Cox is about to open his sixth location. “Usually changes in the statutes adversely affect long standing, good public policy, and at the same time, erode your business”

Additionally, city, county and state governments continue to target the beverage industry with hospitality taxes to fix budget shortfalls. This short-sighted economic strategy hurts the community in the long run. By repeatedly taxing these small business owners, some governments will see the short-term effect of increased taxes, but long-term economic losses as stores lose profit and potentially lay off staff to recuperate the lost revenues.

Beverage retailers are also continually attacked with junk science claims and fear mongering from the new prohibitionists, sometimes called “alcophobes.”

Despite compliance with the rules and regulations of federal, state and local government, as well as cooperative relationships with law enforcement officers and industry regulators, beverage retailers must constantly defend themselves from those who seek to end responsible and legal consumption of alcohol. |

SAVE THE DATE



AMERICAN BEVERAGE LICENSEES



ANNUAL CONFERENCE
JUNE 9-11, 2013
WASHINGTON, DC

Join retail beverage alcohol licensees this June for the 2013 ABL Annual Conference in the nation’s capital. Hear from alcohol industry executives, political leaders and government officials about the economic and political state of the industry and tap into their insights to benefit your business.

Take advantage of the networking opportunities with other members of the retail tier and other industry representatives to share best practices so you can keep the cash register ringing. ABL’s Annual Conference will be held at the Hilton Alexandria Old Town in Alexandria, Virginia. Come join us where the industry comes together!

ABLUSA.ORG/CONFERENCE

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ON TWITTER

REGISTRATION FORM ON PAGE 15

ABL Releases Impact Data at the National, State, and Congressional District Level

Quantifies the value of On- and Off-Premise Beverage Alcohol Licensees



Over the past year, American Beverage Licensees has been working with a firm to develop an independent economic study on the overwhelmingly positive impact that America's beer, wine and spirits retailers have on jobs, taxes and the overall economy.

The *2012 Economic Impact Study of America's Beer, Wine and Spirits Retailers* underscores the significant role that on- and off-premise retail beverage licensees have on the national, state and local economies by providing nearly 1.45 million direct jobs.

"When we look at the collective impact that beverage alcohol retailers have on their communities' economies, and the well-paying jobs they provide, it's evident that America's bars, taverns and package liquor stores are contributing their fair share to revitalize the economy," said John Bodnovich, ABL Executive Director.

"We have been saying for ABL's last ten years that independent, locally-owned and operated small businesses are an essential asset to the economic backbone of cities and towns across the country. Now we have quantifiable proof"

"ABL members and their communities depend on a well-regulated alcohol

marketplace and policies that support local small business and the responsible consumption of beverage alcohol," continued Bodnovich. "What these jobs figures demonstrate is that entrepreneurs and family business owners can realize their dreams while continuing to serve their communities."

While ABL has always known how integral beverage licensees are to the three-tier system of alcohol regulation that delivers to consumers their favorite brands and tens of thousands of beverage choices, this study provides the ability to quantify just how significant their economic impact is through this valuable analysis.

The study also considers the impact of policy changes – in particular those concerning in-vehicle alcohol detection technology and blood alcohol content laws – on beverage retail jobs, businesses and economic output.

The economic impact study's data, which was prepared by John Dunham & Associates, is hosted on an interactive section of the ABL website that can be sorted nationally, by state and to the Congressional district level. Figures specific to jobs, on- or off-premise licensees, and ancillary industries are also broken out within the website version. |

At a Glance

Establishments that sell alcohol in the United States employ as many as **1,449,850** people across the U.S.

They also generate an additional **761,670** jobs in supplier and ancillary industries.

These well-paying jobs average **\$32,170** in wages and benefits.

In **2011** the industry was responsible for as much as **\$184.71** billion in total economic activity throughout the country.

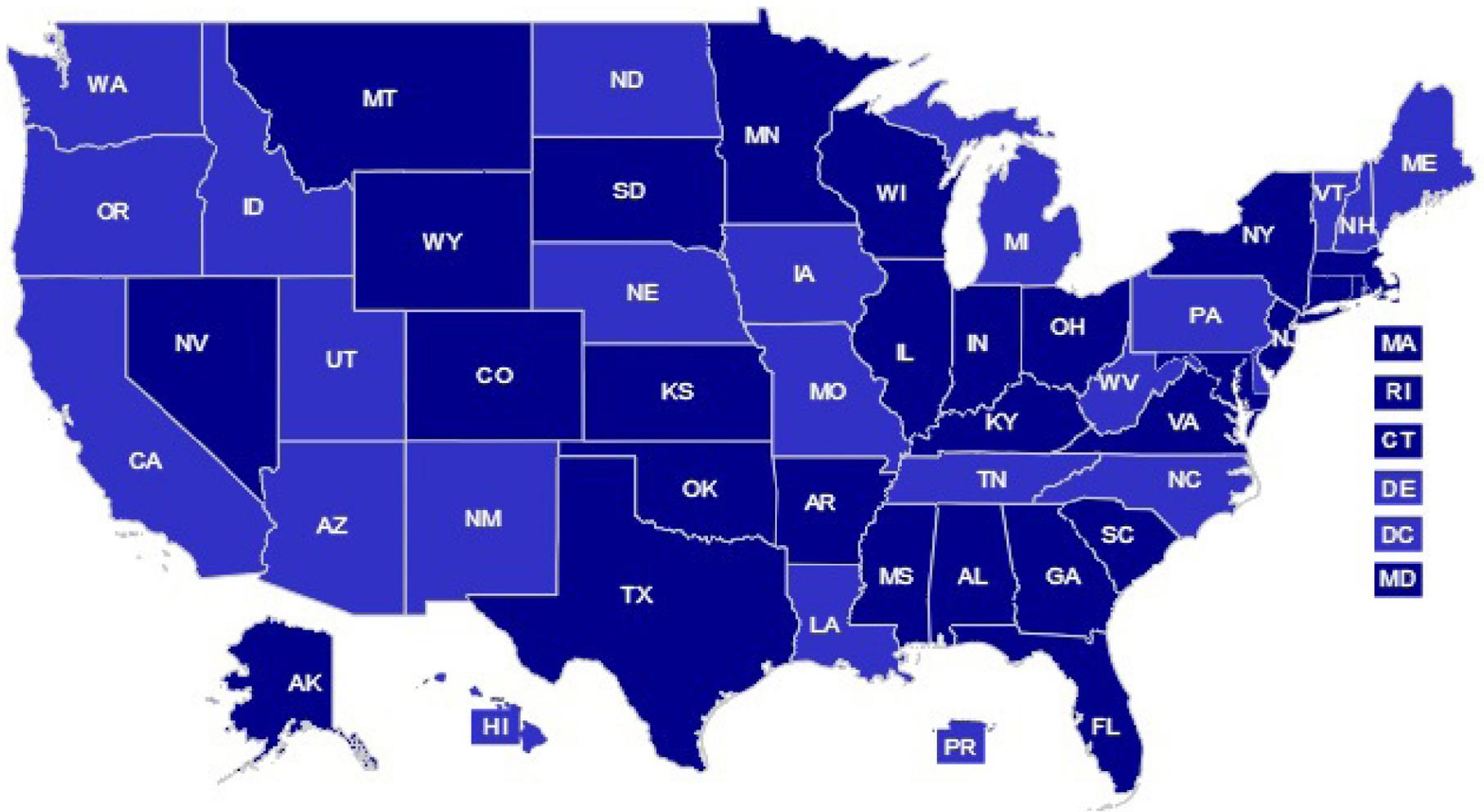
Nationally, the industry and its employees pay over **\$16.30** billion in federal taxes, and **\$14.71** billion in state and local taxes.

The total economic impact of America's beer, wine and spirits retail industry is more than \$184 billion.

The interactive map used to retrieve information from the 2012 Economic Impact Study is available to ABL Members at www.ABLUSA.org/ECON. Please contact your state affiliate to obtain the password.

If you are interested in specific information from the report and are not an ABL member, please contact Rosanne Ferruggia in the ABL office for more information: ferruggia@ablusa.org or 301-656-1494

Economic Impact of ABL's Affiliate Member States



State	Jobs	Wages	Economic Impact	Federal Taxes	State Taxes
Alabama	15,090	\$309,090,900	\$589,661,700	\$123,426,500	\$125,630,500
Alaska	3,270	\$84,103,300	\$178,343,600	\$40,429,100	\$29,448,400
Arkansas	6,910	\$144,275,400	\$186,415,800	\$58,496,200	\$53,520,100
Colorado	30,160	\$738,484,100	\$1,428,983,700	\$289,254,900	\$341,049,300
Connecticut	16,460	\$454,886,800	\$750,079,600	\$196,761,000	\$228,321,100
Florida	110,310	\$2,696,699,400	\$5,077,598,300	\$1,071,716,700	\$1,373,267,000
Georgia	43,730	\$981,063,400	\$1,852,342,500	\$424,583,200	\$491,493,200
Illinois	67,020	\$1,618,746,800	\$2,738,014,500	\$691,080,300	\$781,479,600
Indiana	35,660	\$775,361,100	\$1,376,603,200	\$326,003,200	\$330,586,900
Kansas	13,670	\$283,041,300	\$545,290,100	\$111,188,200	\$113,598,900
Kentucky	14,770	\$300,920,500	\$515,203,600	\$113,366,700	\$120,336,800
Maryland	23,460	\$565,328,500	\$1,216,659,300	\$478,087,700	\$561,453,400
Massachusetts	43,530	\$1,112,804,200	\$1,898,026,800	\$501,916,800	\$597,682,500
Minnesota	30,530	\$654,147,600	\$1,268,538,800	\$292,439,200	\$336,265,800
Mississippi	8,480	\$171,371,000	\$308,735,700	\$67,265,100	\$61,823,800
Montana	5,950	\$117,122,800	\$248,278,500	\$42,364,000	\$49,839,600
Nevada	12,970	\$396,723,400	\$697,046,700	\$150,053,500	\$162,565,700
New Jersey	33,530	\$838,269,600	\$1,712,146,700	\$357,399,800	\$437,794,200
New York	81,270	\$2,175,078,100	\$4,162,598,700	\$1,035,766,600	\$1,057,520,400
Ohio	61,790	\$1,209,564,400	\$2,506,095,100	\$531,290,400	\$551,494,300
Oklahoma	11,160	\$225,988,100	\$514,486,100	\$80,009,500	\$94,050,000
Rhode Island	5,540	\$120,103,700	\$274,997,900	\$46,756,800	\$55,475,200
South Carolina	21,410	\$459,159,500	\$866,155,500	\$175,667,500	\$209,918,400
South Dakota	6,190	\$110,003,100	\$220,202,600	\$39,536,900	\$42,031,000
Texas	92,440	\$2,109,467,100	\$4,208,391,400	\$906,654,900	\$1,010,548,600
Virginia	30,310	\$687,724,300	\$1,298,501,200	\$278,375,600	\$318,492,300
Wisconsin	44,110	\$778,457,600	\$1,761,182,700	\$332,505,800	\$376,581,600
Wyoming	3,410	\$69,215,700	\$155,016,800	\$23,989,700	\$26,135,500
TOTALS	873,130	\$20,187,201,700	\$38,555,597,100	\$8,786,385,800	\$9,938,404,100

New York Announces Marketing Campaign; Privatization in Washington & Alabama; Sunday Sales in Connecticut

Empire State Restaurant and Tavern Association, Metro Package Stores Association and New York State Liquor Stores Association Participate in Wine, Beer & Spirits Summit hosted by Governor Cuomo

At New York's first Wine, Beer and Spirits Summit, Governor Cuomo announced plans for a new marketing campaign to promote state-produced wine, beer, cider and spirits sales and tourism, as well as a series of administrative reforms that will make it easier and less expensive for beverage producers to do business. The Summit was attended by dozens of these producers as well as farmers, industry officials (including representatives of ABL's three New York Affiliated) and tourism experts who discussed with state agency officials and members of the Governor's Cabinet many of the statutory, regulatory and administrative issues facing these New York beer, wine, cider and spirits producers.

At the Summit, business and industry leaders identified a need for New York State to strengthen promotion and tourism efforts targeted at beverage producers. New York lags behind other states in promotional campaigns specifically targeted at increasing tourism and promoting state-produced wine, beer and spirits. To address this, the Governor announced an aggressive promotion and marketing campaign that will include:

- The state will provide \$1 million dollars for a new advertising campaign to promote the industry. The state will increase funding - leveraged on an industry match - by up to \$2 million, bringing the total marketing campaign to \$5 million.

- To help New York's wine, beer and spirits producers penetrate major markets, like New York City's restaurants, the Governor announced a working group led by Secretary to the Governor Larry Schwartz that will coordinate specialized, annual marketing events - similar to Restaurant Week and trade shows - that partner restaurants and hotels across the state with producers of New York-produced wine, beer, spirits, and food.

- The state will aggressively work to find new ways to promote New York State-produced beer, wine, spirits and cider at the annual State Fair.

- The state will also look into ways to ensure that alcoholic beverages sold at New York Racing Association tracks are produced in New York. Beer, wine, and spirits manufacturers and wholesalers raised concerns at the Summit about the number of different state agencies that they must deal with, not only to go into business, but to stay in compliance. These businesses, many of whom are small and do not retain attorneys on a full time basis, do not know what agency they must deal with for a particular issue and therefore can be unnecessarily subject to avoidable fines.

The Governor announced that a one-stop shop will be established within Empire State Development, so the industry has a single point of contact and place to call for all assistance. Designated staff from the agencies involved in regulating manufacturers and licensees, including the State Liquor Authority, Department of Agriculture & Markets, Tax and Finance Department, Labor Department, Department of Energy Conservation, Health Department, and Transportation Department, would coordinate with the one-stop-shop to respond to inquiries,

host educational and training programs, and resolve problems for the licensees.

Although the state has undertaken a series of regulatory reforms to reduce burdens facing businesses and many improvements at the State Liquor Authority, the discussion between Summit attendees revealed additional actions that could be taken to help the industry grow, while keeping in place important protections. The Governor announced a series of regulatory reforms to assist these producers, most of which will be implemented immediately, and he announced that a working group led by Secretary to the Governor Larry Schwartz will be formed to continue to review SLA regulations.

Liquor Theft, Debt Problems as Privatization Settles into Washington State

In the five months since liquor retail was privatized in Washington State, tens of thousands of dollars of liquor have been stolen in what is becoming a growing problem in the state. Seattle City Attorney Jana Jorgenson told KIRO Radio that stores are losing \$500-1000 in product a day. Jorgenson speculates that bars and restaurants, unhappy with higher costs of liquor in the state in privatization, are the main cause of theft of high-end vodkas and whiskey.

Jorgenson would also like the legislature to step in and outline security measures for the liquor retailers, saying, "Some stores are saying, 'Well the losses aren't great enough for corporate to step in and do something yet,'" and the store managers are being prevented from making policy changes on their own.

Those who bid on the existing state

calendar of events

JAN 22, 2013
LICENSED BEVERAGE DEALERS OF SOUTH DAKOTA
ANNUAL HOG ROAST
FT. PIERRE, SD

FEB 13 - 14, 2013
BEVERAGE DYNAMICS
BDLIVE! OFF-PREMISE CONVENTION
DALLAS, TX

FEB 23-26, 2013
WINE AND SPIRITS GUILD OF AMERICA
WINTER MEETING
NEW ORLEANS, LA

MAR 9-11, 2013
AMERICAN BEVERAGE LICENSEES
BOARD OF DIRECTORS MEETING
ATLANTA, GA

MAR 23, 2013
BEVERAGE RETAILERS ALLIANCE OF ILLINOIS
DINNER/DANCE

APR 1-4, 2013
AMERICAN DISTILLING INSTITUTE
SPIRITS CONFERENCE & VENDOR EXPO
DENVER, CO

APR 14-17, 2013
NATIONAL BEER WHOLESALERS OF AMERICA
LEGISLATIVE CONFERENCE
WASHINGTON, DC

APRIL 28, 2013 - APRIL 30, 2013
WINE & SPIRITS WHOLESALERS OF AMERICA
70TH ANNUAL CONVENTION & EXPOSITION
GRANDE LAKES ORLANDO, FL

MAY 1-2, 2013
BEER INSTITUTE
BREWERS DAY
WASHINGTON, DC

MAY 21-22, 2013
BEVERAGE MARKETING
20TH ANNUAL BEVERAGE FORUM

JUN 9-11, 2013
AMERICAN BEVERAGE LICENSEES
ANNUAL CONFERENCE
WASHINGTON, DC

Projected Dates for State Legislatures 2013 Sessions

stores, thereby circumventing the 10,000 square-foot minimum store size, are also feeling a pinch since opening in June. The *Kirkland Reporter* reports that the deadlines put in place by the state for executed lease agreements and inventory purchase left many small business owners cash poor. Since Washington liquor sales underperformed in June and July, many fear going under, and some already have. Prices are also consistently undercut by large, self-distributing retailers.

But not everyone is disappointed in the privatization. The *Seattle Times* reports that California chain store BevMo will open four additional stores in Washington, and *Spokane Journal* reports that Idaho, a control state, has opened an additional location on the border with Washington due to overwhelming demand at the current location.

Alabama Eyes Privatizing Liquor Retail

WHNT in Hunstville reports that State Sen. Arthur Orr is drafting legislation privatizing the retail division of the Alabama Alcohol Beverage Control board. Orr states that this would potentially save taxpayers up to \$50 million per year and end a state monopoly since Prohibition.

Orr told WHNT, "This is something we're going to be looking at and are looking at at the legislative level...Preliminary estimates say that we could save as much as \$40 or \$50 million if we got out of the retail business. Most of the other states have done it." He continued to say that any legislation would not impact enforcement by the ABC, and that the bill would execute limits on the number of liquor stores licensed to operate within a given area.

Three Months into Connecticut Sunday Sales Too Early for Reporting

The *Connecticut Post* reports that in the first three months of Sunday sales in the state of Connecticut, supermarkets have seen a double-digit jump in beer sales compared to the same months last year. Package store owners, however, are reporting that they are seeing the same sales numbers stretched over seven days instead of six.

Carroll Hughes, president of ABL affiliate the Connecticut Package Stores Association, told WCBS 880 that there is not enough information to gauge the impact, saying "You could have a great day. You could have a great week. You could have a phenomenal 4th of July. You can have a great Memorial Day, and then Labor Day, a hurricane comes along or the weather is cold and rainy."

Hughes said that at least nine months would be needed to gauge the full impact of Sunday sales have held on small business retailers.

Oklahoma: State Lawmaker Looking to Ban Beer at Self-Checkout

Oklahoma House Minority Leader Scott Inman has told the *Tulsa World News* that he will pursue legislation banning the use of self-checkout machines for beer sales. He also said he held off on legislation last session at the request of the Oklahoma Grocery Association.

Inman said some minors are scanning sodas, then placing beer into their shopping bags as a means to acquire alcohol. Oklahoma Grocery Association Chairman Keith Kinnamon, a Chandler grocer, said that's a problem of shoplifting, and that the measure would only serve to inconvenience customers.

Inman continued to state that while alcohol is permitted, tobacco cannot be purchased through the self-checkout stands in grocery stores. California passed a similar measure in 2011.

State	Projected Session Dates
Alabama	02/05/13 - 05/20/13
Alaska	01/15/13 - 04/14/13
Arizona	01/14/13 - 04/25/13
Arkansas	01/14/13 - 05/06/13
California	12/03/12 - 09/06/13
Colorado	01/09/13 - 05/08/13
Connecticut	01/09/13 - 06/05/13
Delaware	01/08/13 - 06/30/13
Florida	03/05/13 - 05/03/13
Georgia	01/14/13 - 04/19/13
Hawaii	01/16/13 - 05/03/13
Idaho	01/14/13 - 03/30/13
Illinois	01/09/13 - 05/31/13
Indiana	01/07/13 - 04/29/13
Iowa	01/14/13 - 05/14/13
Kansas	01/14/13 - 04/30/13
Kentucky	01/08/13 - 03/26/13
Louisiana	04/08/13 - 06/06/13
Maine	12/05/12 - 06/19/13
Maryland	01/09/13 - 04/08/13
Massachusetts	01/02/13 - 12/31/13
Michigan	01/09/13 - 12/31/13
Minnesota	01/08/13 - 05/20/13
Mississippi	01/08/13 - 04/07/13
Missouri	01/09/13 - 05/30/13
Montana	01/07/13 - 04/27/13
Nebraska	01/09/13 - 05/31/13
Nevada	02/04/13 - 06/04/13
New Hampshire	01/02/13 - 06/30/13
New Jersey	01/08/13 - 12/31/13
New Mexico	01/15/13 - 03/16/13
New York	01/09/13 - 12/31/13
North Carolina	01/30/13 - 06/14/13
North Dakota	01/14/13 - 05/01/13
Ohio	01/07/13 - 12/31/13
Oklahoma	02/04/13 - 05/31/13
Oregon	02/04/13 - 06/28/13
Pennsylvania	01/01/13 - 12/31/13
Rhode Island	01/01/13 - 06/30/13
South Carolina	01/08/13 - 06/06/13
South Dakota	01/08/13 - 03/25/13
Tennessee	01/08/13 - 05/20/13
Texas	01/08/13 - 05/27/13
Utah	01/28/13 - 03/14/13
Vermont	01/09/13 - 05/10/13
Virginia	01/09/13 - 02/23/13
Washington	01/14/13 - 04/28/13
West Virginia	01/09/13 - 04/14/13
Wisconsin	01/07/13 - 12/31/13
Wyoming	01/08/13 - 03/01/13

Source: MultiState Associates Incorporated

Debit Reform One Year Later; Visa/Mastercard Anti-trust Settlement, and New NBWA Board

Debit Card Reform: One Year Later

One year after reforms were implemented that cut debit card swipe fees paid to the big banks, consumers are seeing savings as merchants hold down prices. On October 1, 2011, rules written by the Federal Reserve went into effect implementing federal legislation that cut debit card swipe fees and limiting price-fixing of swipe fees for debit purchases made with cards issued by big banks. While the rules do not go as far as they could have under the law, these reforms have successfully introduced transparency into a broken system and provide consumers, merchants and an economy in recovery critical relief and protection from excessive hidden fees.

“Tens of thousands of independent beverage retailers have seen a real impact on their bottom line and the ability to pass savings on to their customers,” said John D. Bodnovich, Executive Director of American Beverage Licensees. “And while we believe that’s a good start, it has only addressed part of the problem.”

“Main Street merchants such as bars, taverns, local bottle shops and package stores are still struggling under the weight of hidden fees for low-dollar and credit card transactions. The next step is the reform of credit card swipe fees to make them more transparent and competitive.”

In stark contrast to the doomsday scenarios forecast by big banks and the credit card industry, debit card reform has not harmed smaller, community banks. According to a recent Government Accounting Office report, the estimated 14,300 small banks, credit unions, and savings and loans banks nationwide exempted from the Durbin Amendment requirements have seen their debit swipe fee revenue go up since the new rules were implemented. Meanwhile, big banks covered by debit card reform are reporting pre-recession profits, a FDIC report recently found.

In addition, big banks continue to make a considerable profit on debit transactions. A recent Federal Reserve survey determined that it costs banks an average of four cents to process a debit transaction. Even after debit swipe reform, big banks can still charge merchants 21 cents per transaction.

By comparison, overall retail profit margins are down since the implementation of debit swipe reform, which demonstrates that merchants are passing along savings from debit reform to their customers. A report by Moody’s Investors Services recently concluded that retailers and other merchants operate in highly competitive markets and, as a result, they must keep prices as low as possible to stay in business.

“The obvious benefits of debit card

marketplace competition as a result of these new rules have opened the door for credit swipe fee reform,” said Bodnovich. “Price-fixing in credit card processing fees is still having devastating effects on businesses.”

With the average profit margin for merchants as one to three percent, the two to three percent of each credit card purchase going to the banks, credit card swipe fees remain a debilitating cost to merchants. The inability to negotiate credit card swipe fees – or even know what those fees will be each month – continues to be harmful drain on local small businesses who contribute directly to their communities by providing well-paying jobs and revenue.

Visa, MasterCard Settlement Widely Opposed

In the wake of the proposed antitrust settlement agreement with Visa, MasterCard and large banks, the majority of named plaintiffs have opposed the settlement. The objections raised concern the lack of reform for the illegal anticompetitive practices engaged in by the credit card industry. As reported by PR Newswire, over the last seven years, Visa and Mastercard have \$350 billion in swipe fees by the card companies.

The 10 named plaintiffs were joined by nearly 1,200 small businesses and recognized brands that share the view that the proposed settlement locks in the broken interchange system rather than imposing meaningful reforms. Oral arguments before the court are scheduled for November 9.

Since the settlement was proposed, ABL members have reported being approached by organizations offering to assist them retrieve a portion of the settlement amount. Many of these companies charge large service fees, when this can be done entirely free of charge. If and when a settlement is reached, ABL will assemble resources for members regarding the final outcome.

National Beer Wholesalers Association Board Members

Following their 75th Annual Convention, the National Beer Wholesalers Association (NBWA) has announced the Board of Directors officers for the 2012-2013 term. Bob Archer, president and CEO of Blue Ridge Beverage Company, Inc. in Salem, Virginia, will take the helm as chairman of the Board. Other officers of NBWA’s Board of Directors include:

- Vice Chair Greg Lamantia, member/manager of L & F Distributors, LLC in Texas and New Mexico
- Treasurer Jim Hellman, owner of Preferred Distributors in Sparta, Wisconsin
- Secretary Travis Markstein, executive vice president of Markstein Beverage Co. in San Marcos, California
- Immediate Past Chair Larry Del Papa, president of Del Papa Distributing Co., Inc.,

in Galveston, Texas.

As chair, Archer will help lead the Association as it works to advocate for licensed, independent beer distributors and educate elected officials, regulators, media and the public about the important role of beer distributors and effective state-based alcohol controls.

“Bob has served on NBWA’s Board of Directors since 2003 and has held all elected positions, giving him a full background and working knowledge of the association’s goals and agenda,” said NBWA President & CEO Craig Purser. “His breadth of industry knowledge and experience, coupled with his tremendous service ethic has made him an outstanding advocate on behalf of his fellow beer distributors. I look forward to working closely with Bob to advance the association’s goals in the year ahead.”

ABL welcomes the opportunity to work with our new colleagues, and we encourage you to congratulate those you know.

Anheuser-Busch Companies Maintains Partial Control of Chicago Distributor

As reported by the *Chicago Tribune*, wholesalers sought to force Anheuser-Busch to divest its interest 30% in the Chicago distributor, City Beverage, the subject of legal controversy for several years. The Illinois Liquor Control Commission ruled that maintaining the interest is lawful, despite vague language in the law regarding ownership restrictions across tiers. The ruling went against the findings of the ILCC’s legal division, which recommended revoking the license.

In 2010, the liquor commission blocked Anheuser-Busch’s attempt to purchase City Beverage in its entirety. After a judge ruled that the state’s allowance of self-distribution by microbreweries substantiated claims of discrimination against Anheuser-Busch. The legislature then created a new 2011 law that banned in-state and out-of-state brewers from self-distribution, allowing limited distribution rights to microbreweries.

Based on this new law, three state groups, including ABL affiliates the Illinois Licensed Beverage Association and the Beverage Retailers Alliance of Illinois, argued that it is illegal for Anheuser-Busch to hold an interest in City Beverage. Anheuser-Busch maintained that the legislative changes did not affect its right to maintain its stake in City Beverage.

Dissenting Commissioners wrote that the intent to maintain the three-tier system. While wine and liquor producers are prohibited from owning more than a 5 percent share of a distributor, this is not applied to brewers under the current law. |



NO MATTER WHAT YOUR RIDE THIS HOLIDAY SEASON...

Drink Responsibly.
Drive Responsibly.



Registration Form

2013 ABL Conference

June 9-11, 2013

Hilton Alexandria Old Town | Alexandria, VA

Please complete a separate form for each person registering.

Registrant name Nickname (for badge)

Spouse /guest name (if registering) Nickname (for badge)

Company/Establishment name

Company/Establishment mailing address

City State Zip Code

Phone number Fax number

Email

Congressional district in which your primary business is located

Please list any additional congressional districts in which you have a business

Is this your first time attending an ABL event: (select one) **YES** **NO**

IMPORTANT!
Mail completed registration form(s) with payment to:

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

(NOTE: Payment must accompany registration form; Make checks payable to American Beverage Licensees; fees include all events; Cancellation/refund fee: \$25.00; Contact ABL at (888) 656-3241 with any questions; visit ablusa.org for updates.)

REGISTRATION FEES

- Beverage Retailer Fee: \$199 Industry Member Fee: \$199 Spouse/Guest Fee: \$199
(costs are per person)

HOTEL INFORMATION AND RESERVATIONS

The Hilton Alexandria Old Town is the official hotel for the 2013 ABL Conference. It is located at 1767 King St in Alexandria, VA., 22314. The Hilton will be directly handling all room reservations. Call the Hilton Reservation Office at (800) 445-8667 and identify yourself as an ABL Conference participant. The room rate is \$209++ per night. The hotel is near Reagan National Airport (DCA) and a couple blocks from the King St Station on the Yellow Line of D.C.'s METRO subway system.

ABL encourages you to make hotel reservations early as the room block is limited. The last day to make reservations is Thursday, May 9, 2013.



Located in the historic and vibrant King Street neighborhood, the Hilton Alexandria Old Town hotel is one of the most convenient hotels in Alexandria, VA when visiting Washington, DC. The hotel is just steps away from King Street Metro station and close to Reagan National Airport. Downtown DC attractions and government buildings are minutes away by Metro.

Modern guest rooms and spacious suites provide guests with a relaxing sanctuary including upscale amenities, tasteful decor, flat screen televisions and the Hilton Serenity Bed in every guest room. Stay connected with WiFi available throughout the hotel. Seagar's Restaurant & Lounge offers mouthwatering steak and seafood for lunch and dinner, as well as breakfast each morning.

The Hilton Alexandria Old Town hotel's picturesque location make it the ideal venue for visiting nation's capital region, seeing more of Old Town via the free King Street Trolley or taking the Water Taxi to see more of DC and nearby Georgetown.

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
Glazer's, Inc.
Pernod Ricard USA
Republic National Distributing Co.
Wirtz Beverage Group

SILVER

Constellation Brands
Moet Hennessy USA
Monarch Beverage Company
Patron Spirits Company
Remy Cointreau USA

BRONZE

ATM Network
Luxco
Sidney Frank Importing

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

ABL Insider

A PUBLICATION OF THE AMERICAN BEVERAGE LICENSEES | VOL. 6, NO. 4 | WINTER 12

in this issue



Special Feature:
ABL Releases National Economic Impact Report



Special Feature:
November is Package Liquor Store Month



Important Dates for 2013

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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. |

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