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|  | e - NEWS |
| *October 14, 2005* | |

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**1. Liquor Companies Go for the Sexy-and-Youthful Image**

By Margaret Webb Pressler, Staff Writer *- Washington Post*

October 9, 2005; Page F05

As the beer industry fights to reverse its recent declines, the spirits industry is riding high after two decades in the doldrums.

Beer industry executives like to point out that the consumption of spirits is still way off its peak in 1978. "Their growth rate needs to be about 4 percent for the next 14 years to get back to their peak," said Jeff Becker, president of the Beer Institute, an industry trade group.

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|  | [http://media.washingtonpost.com/wp-srv/photo/largerPhoto/images/enlarge_tab.gif](javascript:void(popitup('http://www.washingtonpost.com/wp-srv/photo/postphotos/orb/asection/2005-10-09/index.html?imgId=PH2005100800182&imgUrl=/photo/2005/10/08/PH2005100800182.html',650,850))) [The spirits are willing  --  to adapt products and marketing to new sets of potential consumers.](javascript:void(popitup('http://www.washingtonpost.com/wp-srv/photo/postphotos/orb/asection/2005-10-09/index.html?imgId=PH2005100800182&imgUrl=/photo/2005/10/08/PH2005100800182.html',650,850)))  The spirits are willing -- to adapt products and marketing to new sets of potential consumers. (Absolut Vodka) |

Maybe so, but the liquor industry seems to have done lots right in recent years, especially going after consumers where they drink. Take Johnnie Walker. One of the distiller's approaches, for example, is having sexy women at hip bars serve free tastes of super-premium scotch along with a few bites of rich chocolate dessert. The company calls it "mentoring" a new generation of drinkers.

Spirits makers have also pushed hard to promote their image among women in the wake of HBO's "Sex and the City" series. Bacardi hired Kim Cattrall, one of the stars of the show, to promote its low-calorie rum drink, Island Breeze.

In the ads, the actress is shown with a martini glass, which has become another marketing tool. Finding a natural home in the recently hip martini culture, Bombay Sapphire, a high-end gin, has been holding annual design competitions for martini glasses.

"There is nothing romantic or sophisticated about standing in a fancy restaurant or nightclub holding a light beer," said Frank Coleman, a spokesman for the Distilled Spirits Council, an industry trade group. "For professional women, there's something elegant about spirits glassware."

Not to limit themselves to women, though, liquor companies have likewise courted male consumers aggressively, persuading NASCAR to take liquor sponsorships, for example. Jim Beam bourbon has sponsored several NASCAR teams in the past few years.

And to reach as wide an audience as possible, liquor companies have also pushed more television stations to accept spirits advertising. The number of stations running liquor ads has gone from about 50 five years ago to more than 500, Coleman said.

The ads these companies are running, too, have become considerably sexier and more youthful. And it's working.

"Because of the extensive marketing that's been done by a lot of these premium spirits brands, it's now quite cool and quite trendy to go for those kinds of long drinks," said John Michalik, North American director for the London-based beverage consulting firm Canadean Ltd.

As the beer industry is finding, of course, cool is critical.



**2. Iowa is Setting Example for Sober Drivers**

By Carlos Correa – *KTVO-TV 3*

October 10, 2005

OTTUMWA, IA -- According to the National Highway Traffic Safety Administration Iowa is among two states setting examples for sober driving.

National statistics show the Hawkeye state is now the least likely state for people to die in alcohol-related crashes.

"Drivers are more aware now because the laws have become more stricter,” said Sgt. Rick Klein, Iowa State Patrol.

The recent numbers show less than 30 percent of traffic accidents in Iowa involve alcohol.

Right now the state of Rhode Island leads the nation with 50 percent.

"The Governor’s Traffic Safety Bureau has given us a lot of money in the state patrol to actually enforce alcohol related violations," he said.

According to officials, Iowa is among a few states profiting from its safe roads.

"The combination of the money and extra enforcement has made a huge difference," said Klein.

The government continues to hand out millions of dollars to states that do well in reducing drunken driving.

In 2004, they awarded Iowa with more than 4-point-one million dollars for traffic safety.

"I've seen a lot of effects from the people who have been drinking and driving and who have caused accidents and killed friends, its something they got to live with forever," said Deb Schindler-Grim, alcohol prevention counselor at Ottumwa Regional Health Center.

The National Highway Traffic Safety Administration compiled the data from last year.

They say states with the lowest percentages have tough laws on drunken driving.

The State of Missouri showed to have 40 percent of alcohol-related accidents.



**3. SABMiller Beer Volume Up**

By David Jones

October 11, 2005

Brewing giant SABMiller Plc reported on Wednesday that its worldwide underlying beer volumes rose 5 percent in the six months to end-September 2005, but warned of tough trading for Miller.

The brewer of Miller Lite, Castle and Peroni said in a trading update that the 5 percent beer volume gain came after a 4 percent rise in the year to March 2005, while its trading was in line with its expectations to see continued growth in underlying beer volumes.

But the group warned North American trading was tough for its Miller business, with the United States No. 2 brewer seeing sales to retailers down 0.3 percent in the half-year as U.S. leading brewer Anheuser-Busch fought back.

SABMiller said Miller trading in North America had become "increasingly price-competitive and subject to higher input costs, both of which have affected profitability" in an update ahead of half-year results due in November.

The company, which brews Pilsner Urquell, Nastro Azzurro and Tyskie in Europe, said its 6-month underlying beer volumes there grew 5 percent, with good growth in Poland allied to more moderate growth in most other European countries.

In South Africa, where the group has a 98 percent beer market share, its comparable beer volumes rose almost 3 percent in the six-month period, while its soft drink volumes climbed some 10 percent.

Its Africa and Asia business saw comparable beer volumes up 13 percent driven by China, Mozambique and Tanzania, while beer volumes in Central America were off 7 percent largely due to a beer excise duty increase in El Salvador.

SABMiller is expected to announce the completion of its $7.8 billion takeover of Colombia's Bavaria, South America's second biggest brewer, later on Wednesday to make SABMiller the world's second-largest brewer.

SABMiller shares have risen 22 percent so far this year to close Tuesday at 10.58 pounds helped by a positive reaction to the Bavaria deal, although analysts say there are concerns about heightening competition in South America and the United States.

They say that with 85 percent of profits coming from emerging markets, SABMiller, post Bavaria, will see more strong underlying growth but faces problems as South America's biggest brewer InBev starts to target Bavaria's markets and as Budweiser-brewer Anheuser-Busch heightens pressure on Miller.

SABMiller shares trade at 15.6 times 2006 earnings, in line with the European brewing average, but below the world's biggest brewer, the Belgium-based InBev, at 16.9 times.



**4. Beer Losing Its Fizz Among the Drinking Set**

By Margaret Webb Pressler - *The Washington Post*

October 11, 2005

WASHINGTON - When a huge consumer products company starts slipping in sales or market share, even just a little bit, it can be a sign of a much bigger problem. And that explains why beer executives are on the offensive these days.

Though beer is still the most-quaffed alcoholic beverage in the country by far, it slowly is losing its grip around the marketplace edges: among new drinkers, aging baby boomers and other Americans whose tastes gradually are becoming more sophisticated.

More and more, when people kick back with friends and enjoy a drink, they're not choosing beer.

From 1998 through last year, beer's share of all alcohol servings slipped from 59.6 percent to 58.1 percent, according to Adams Beverage Group, a market research company based in Palm Springs, Calif.

By contrast, consumption of spirits and wine has been inching up for several years, reaching 28.5 percent and 13.4 percent last year.

The beer industry is trying madly to figure out how to reverse this trend, which industry insiders insist is cyclical but which some analysts warn could represent a more long-term change in who drinks what and when.

"Demographic trends are working against the brewers," said Bonnie Herzog, a beverage industry analyst for Citigroup Investment Research.

Younger consumers raised on an ever-growing array of soda flavors and juice drinks, Herzog and others say, are finding the transition into alcohol easier with mixed drinks, which can be sweeter than beer and personalized. Baby boomers, meanwhile, gradually are transitioning from beer to wine and cocktails. And across the board, beer is suffering from a bit of an image problem.

The core consumer of a cold brew is widely thought to be either the football-loving couch potato or anyone with a household income below $45,000 a year.

At the core, what many industry executives say they really need to do right now is make beer cool again. This problem crept up on the beer industry when it wasn't looking. Beer had been so strong for so many years, while wine and spirits wallowed in the doldrums, that it was easy for companies to forget that beer drinkers were not necessarily forever.  
  
"If you told me 15 or 20 years ago that spirits would be growing in the 2 to 3 percent range and beer would be declining, I would've laughed," said John Michalik, North American director for the London-based beverage consulting firm Canadean Ltd.

The result was that after decades of success selling cold ones to baby boomers, the big brewers hardly noticed 10 years ago when boomers' tastes started to change as they approached 50.

"There was a general assumption - that is proving somewhat erroneous - that the baby boomers would continue with the consumption patterns that they established in their youth," said Benj Steinman, editor of Beer Marketer's Insights, an industry trade publication. "Instead, they're doing more like what prior generations did as they got older, and switching their drinking habits to wine and spirits."

Older drinkers always have favored hard liquor and wine, primarily because it's less filling - simply less liquid - for the same effect, Steinman said.

Helping the wine industry, too, has been a run of press supporting the positive health effects of red wine and moderate alcohol consumption in general, he said.



**5. Patience, Passion Mark Constellation's Quest for Vincor**

By Beppi Crosariol - *Canada Globe & Mail*

October 8, 2005

**The challenge: Prevail in a hostile bid for Vincor International to extend Constellation's dominance in the rapidly consolidating wine industry The call: Wait for Vincor to stumble, dangle a hefty stock price premium in front** **of its shareholders and count on the likelihood that no competing bidders will emerge.**

Richard Sands knows the value of patience. During his spare time, the chairman and chief executive officer of Constellation Brands Inc. likes to escape to his woodshop in a tony suburb of Rochester, N.Y., and indulge in his painstaking passion -- carving ornate tables and imposing sculptures out of European sycamore, kokabola, African zebra and other exotic woods.

That patience is serving him well at the office these days, too. In a highly calculated move late last month, the head of the world's largest wine company went public with an unsolicited $31-a-share proposal to buy Mississauga-based Vincor International Inc., Canada's largest wine player. The $1.1-billion offer was rebuffed, despite its 32-per-cent premium to Vincor's share price of $23.40 at the time. Instead, Vincor president and chief executive officer Donald Triggs pledged to shop the company around in search of a better deal.

But Mr. Sands is sitting calmly, confident no competing bidder will emerge.

"We have heard from investment bankers and sell-side analysts, in the U.S. especially, that there doesn't seem to be a lot of interest," he said in an interview this week.

Indeed, Mr. Sands would appear to have good reason for his confidence.

Last year, when his Fairport, N.Y., company bid $1-billion (U.S.) for California's most storied wine producer, Robert Mondavi Corp., no competitors emerged. Ditto for BRL Hardy Ltd., one of Australia's most successful premium producers, which Constellation gulped down for $1.1-billion in 2003.

Those shrewd purchases vaulted Constellation, with more than 200 brands, including non-wine products such as Corona beer, into the No. 1 spot in the rapidly consolidating global wine industry. It was a heady milestone for Mr. Sands, 54, whose father started the business 60 years ago as a bulk-bottler of such blue-collar clichés as the sweet, pink Richard's Wild Irish Rose. "My grandmother drank it until she died when she was 101."

Mr. Sands said he'd had his eyes on Vincor for years, patiently watching as it expanded beyond Canada to scoop up such brands as R.H. Phillips of California, Hogue of Washington State and Goundrey of Australia and emerge as the world's eighth-largest wine company.

Then when Vincor's shares tumbled to a 52-week low after poor results in August, losing almost 30 per cent of their value in a day, Mr. Sands made his move. "There's no question that that was the final trigger," he said.

He credits Paul Hetterich, Constellation's vice-president of business development and corporate strategy, with originally identifying Vincor as a target. "That's his job, to be constantly monitoring the world and looking at opportunities," he said.

The task of weighing the pros and cons of the bid then fell to a team of eight, including Mr. Sands, his younger brother Robert Sands, who is Constellation's president and chief operating officer, and six other executives.

Having earned a PhD in experimental social psychology before plunging into the family booze business, Mr. Sands, a wine connoisseur, considers himself a champion of vigorous debate. "We don't make decision by consensus, we make decisions by trying to bring out all of the different sides of any issue and clashing them against each other. In other words, creating a lot of cognitive conflict and thoughts."

Not every takeover prospect gets the green light, to be sure. The key to winning at the modern global wine game, Mr. Sands says, is to drive more brands through existing distribution channels. This not only improves margins through better economies of scale, it also gives wine suppliers more clout with distributors, so the latter can be persuaded to use their own dollars to market brands. "You're of more importance to them and their consumers," he said.

The executive team ultimately concluded Vincor, despite its lack of "marquee" brands, made a good fit, because Constellation is already the No. 1 player in all the foreign markets where Vincor is an also-ran, Mr. Sands said. A Vincor takeover also would provide Constellation with a healthy stream of cash from the stable Canadian market, he added.

And it's a country Mr. Sands feels some kinship with, too, having spent his adolescent summers at camp Tamakwa in Ontario's Algonquin Park with the likes of Roots retail-chain founder Michael Budman and the late Saturday Night Live star Gilda Radner. For his honeymoon in 1973, the long-haired 21-year-old and his bride paddled the lakes of Ontario and Saskatchewan, toting their canoe atop their Volkswagen bus. These days, Mr. Sands often indulges his wife, six children and their friends with helicopter-skiing expeditions to British Columbia.

A disciplined shopper, Mr. Sands isn't afraid to walk away when a takeover price reaches dizzying heights. He backed away earlier after sparring with France's Pernod-Ricard SA for British-based liquor giant Allied Domecq, maker of Canadian Club whisky and Beefeater gin.

Another reason he's confident no rival white knights will swoop in to joust for Vincor? Half the likely prospects named by analysts in recent days, namely Fortune Brands Inc., Diageo PLC and Pernod-Ricard, are focused on the high-margin, easy-sell spirits side of the business, "and they have a very secondary interest in wine." Meanwhile, most others, such as California's E & J Gallo Winery and France's Castel Freres, have little or no history in making acquisitions. And Foster's Group Ltd. of Australia is still busy digesting its recent buyout of Southcorp., another large Australian wine company.

"We sort of look at the process that [Vincor has] started as a natural process to assess interest," Mr. Sands said. "And we believe it will result in a conclusion that includes us and that at the end of the day we will pay the highest and best price."



**6. Rum's Running**

**By Eric Asimov - *New York Times***

**October 13, 2005**

**Surging in popularity, good rums can be every bit as complex as scotch or cognac, a taste test finds.**

Planter's punch, daiquiri, pina colada, mai tai, swizzle, mojito -- rum drinks all. No spirit connotes lassitude and indolent relaxation like rum, at least nowadays. Decades and centuries ago, rum evoked other images, not nearly so pleasant. Back when the sun never set on the British Empire, it was the shipboard drink of His Majesty's enforcers, the Royal Navy, in the form of a daily ration of grog (one part rum, three parts water, add lemon or lime juice). Before that, in Colonial America, it was a sturdy component of the infamous triangle trade, in which rum, sugar, cash and slaves were among those goods that traveled the route from Europe to Africa and the New World.

Rum's richly evocative history is matched only by the diversity of distinctive styles on the market today. Like single malt Scotch, rum can vary tremendously, depending on where it is produced and by what method. But unlike Scotch, which must come from Scotland, rum, like gin and vodka, can be made anywhere in the world. The single characteristic that unites rums is that they are all distilled from sugar cane, or to be more accurate, the byproducts of the process of making sugar out of sugar cane.

**Sugar base**

But even that is not a precise definition. Most rums use molasses as their base, but many use sugar cane juice instead, especially rums made in French-speaking areas, which are labeled rhum agricole, or agricultural rum. By contrast, molasses-based rums are often referred to as industrial rum, which is often an unfairly pejorative term.

Either way, rum, America's leading spirit in the 18th century, is surging in popularity again. It is now second only to vodka in sales (though by a ratio of more than two to one), according to the Distilled Spirits Council of the United States, a trade group.

Flushed with heat and ready for fantasy, we decided to taste a variety of rums. It was more than just a transporting experience -- it was fascinating, demonstrating that good rums can be every bit as complex as Scotch or Cognac, and that they can be enjoyed neat just as easily as in a cocktail, although sitting on a beach in the tropics, you would hardly want the cabana boy to return with anything that wasn't cold, tart, sweet and fruity.

When it comes to rum, this is a "one brand country" and that brand, of course, is Bacardi. It makes, among other products, the familiar white rum that is perfect for cocktails like the Cuba libre, better known as rum and Coke, or as some cocktail manuals like to put it, Bacardi and Coke. In drinks like that, or like frozen daiquiris, the rum is overwhelmed by the accompaniments, which is fine because these mass-produced rums have little flavor anyway. But while we included two inexpensive Bacardi rums in our tasting of 24 bottles, we were most interested in examining the true flavors of rum. We ruled out two other highly popular categories of rum: those with added flavors like lime, banana or coconut, and spiced rums.

That left us with a narrow swath of rums, as far as sales go, but we still needed to pare our choices. Because rum comes from so many places, no single set of rules guides their production. Our 24 bottles alone included 18 from seven different Caribbean islands, two from Central America, one from South America, one from Louisiana, one from Australia and one from Mauritius in Africa. Some rums are bottled without prior aging. Others are aged in barrels for anywhere from a few months to 15 or 20 years.

They range in color from clear to beige to golden or amber to inky dark, and while it may seem that darker colors correspond with longer aging, that is not true. Many producers achieve a darker color by adding caramel to the rum -- no rules, remember? -- which can also affect the flavor, adding additional sweetness.

**Our tasting**

We decided to eliminate dark rums and limit ourselves to white and amber rums, a distinction that was somewhat arbitrary but not inappropriate for such a libertarian, swashbuckling spirit. As someone who has enjoyed rum but hasn't made a study of it, I expected the amber rums to be much more interesting than the whites. Indeed, the amber rums had a lot of character. Many had a buttery quality along with subtle, complex flavors that included vanilla, banana, smoke and spice. But the whites were a tremendous surprise. The best had a purity of flavor, a distinct sweetness that led me to believe I was actually tasting sugar cane, along with other floral and fruit flavors. The best amber rums, too, conveyed a pure cane quality.

**Tasting notes**

Key to ratings: ({star}) passable; ({star}{star}) good; ({star}{star}{star}) excellent; ({star}{star}{star}{star}) extraordinary.

10 Cane Trinidad Light, $43, {star}{star}{star}1/2, 80 proof; neither white nor amber, but pure, smooth and elegant, with luscious sugar-cane flavor and enticing texture.

Demerara El Dorado, $23, {star}{star}{star}, 12-Year Guyana Amber 80 proof; rich amber color, with aromas of banana and vanilla; pure and subtle.

St. James Royal Amber, Best Value, $17, {star}{star}{star}, Agricole Martinique 90 proof; smooth, rich, floral; lingering flavors, with great personality.

Cane Louisiana White, $24, {star}{star}{star}, 80 proof, vanilla aroma; smooth, with a thick texture and long, lingering flavors.

Mount Gay Eclipse, $18, {star}{star}{star}, Barbados Amber 80 proof; mellow, pure and smooth, with vanilla and butter aromas.

Palo Viejow, $11, {star}{star}1/2, Puerto Rico White 80 proof; pure, smooth and subtle, with rich flavors.

Ron del Barrilito "Three Stars," $27, {star}{star}1/2, Puerto Rico Amber 86 proof; briny, smoky and complex, yet well balanced.

Neisson Agricole, $30, {star}{star}1/2, Martinique White 100 proof; complex aromas, with a delicious natural sweetness.

Plantation Eight-Year, $25, {star}{star}1/2, Jamaica Amber 90 proof; complex and brandylike, with fruit, floral and vanilla flavors.

La Favorite Agricole, $30, {star}{star}, Martinique White 100 proof 1 liter; harsh at first, but becomes smooth; with lime and brine flavors.



**7. Single Glass of Wine Immerses D.C. Driver in Legal Battle**

By Brigid Schulte - *The Washington Post*

October 12, 2005

Debra Bolton had a glass of red wine with dinner. That's what she told the police officer who pulled her over. That's what the Intoxilyzer 5000 breath test indicated -- .03, comfortably below the legal limit.

She had been pulled over in Georgetown about 12:30 a.m. for driving without headlights. She apologized and explained that the parking attendant must have turned off her vehicle's automatic-light feature.

Bolton thought she might get a ticket. Instead, she was handcuffed, searched, arrested, put in a jail cell until 4:30 a.m. and charged with driving under the influence of alcohol.

Bolton, 45, an energy lawyer and single mother of two who lives in Alexandria, had just run into a little-known piece of D.C. law: In the District, a driver can be arrested with as little as .01 blood-alcohol content.

As D.C. police officer Dennis Fair, who arrested Bolton on May 15, put it in an interview recently: "If you get behind the wheel of a car with any measurable amount of alcohol, you will be dealt with in D.C. We have zero tolerance. . . . Anything above .01, we can arrest."

Neither the police department nor the attorney general's office keeps detailed records of how many people with low blood alcohol levels are arrested. But last year, according to police records, 321 people were arrested for driving under the influence with blood alcohol levels below the legal limit of .08. In 2003, 409 people were arrested.

Although low blood alcohol arrests have been made in other states in conjunction with dangerous driving, lawyers, prosecutors and advocates of drunken driving prevention said they knew of no place besides the District that had such a low threshold for routine DUI arrests. In Maryland and Virginia, as in other states, drivers generally are presumed not to be intoxicated if they test below .05. Nationwide, .08 is the legal limit -- meaning a driver is automatically presumed to be intoxicated.

Fair acknowledged that many people aren't aware of the District's policy. "But it is our law," he said. "If you don't know about it, then you're a victim of your own ignorance."

Bolton said she didn't know. But defense lawyers who practice in the District do.

"Even one drink can get you in trouble in D.C.," said Thomas Key, a lawyer who successfully defended a client who had a blood alcohol level of .03. "They might not win a lot of these cases or prosecute them, but they're still arresting people."

Not many people fight the charge, said Richard Lebowitz, another defense lawyer, because the District offers a "diversion program" of counseling for first-time offenders.

"If diversion is offered and accepted, there's a guarantee that the charges will be dropped," Lebowitz said. "If you go to court and try to prove your innocence, it's a coin-flip. So most people choose diversion."

Bolton didn't. She balked at the $400 fee and the 24 hours of class time required to attend the "social drinker" program.

"I think it would have been fine if I'd done something wrong, but I didn't," she said. "I had a glass of wine with dinner."

Instead, she hired a lawyer. In August, after Bolton made several fruitless appearances in D.C. Superior Court, prosecutors dropped the DUI charge. But then she had to battle the D.C. Department of Motor Vehicles, which warned that it would suspend her driving privileges at the end of this month unless she went through an alcohol prevention program.

As Bolton remembers it, it was early morning May 15 and she had barely gone a few hundred yards before she was pulled over on K Street NW. The officer, Fair, asked her whether she realized the headlights on her Acura MDX sport-utility vehicle were off.

"Oh, man, am I going to get a ticket for this?" she remembers saying to him jokingly.

Then he asked her whether she'd had anything to drink.

"Not really," she said. And when he asked her again, more firmly, she answered that she'd had a glass of wine with dinner at Cafe Milano.

He asked her to recite the alphabet. In his report, Fair wrote that he had asked her to start at the letter D and stop at X. Bolton said she thought he had asked her to stop at S and tossed off the alphabet quickly and accurately to S.

As a result, Fair noted in his report that she had "jumbled" it.

Then he asked her to get out of the car.

Fair asked her to walk a straight line and then stand on one foot to the count of 30. He looked into her eyes to check for jerkiness. Bolton, dressed in black silk pants and a pink shirt, took off her pink high heels to be more sure-footed. She said she thought she had aced the tests. "All that yoga really paid off," she thought.

But in the police report, Fair wrote that she swayed as she walked and lost her balance -- which Bolton disputes. He told her she was under arrest.

"Why?" Bolton remembers saying. "I passed all your little tests."

On his report, Fair wrote that Bolton failed 10 indicators of sobriety. But James E. Klaunig, a toxicology expert at Indiana University's medical school who for 12 years oversaw the state's drunken driving testing, said that such a determination was scientifically improbable.

"There's no way possible she failed a test from impairment with a .03" blood alcohol level, Klaunig said. "And reciting the alphabet is not an acceptable way of measuring impairment, according to the National Highway Traffic Safety Administration."

Fair, who said he does not comment on individual arrests, noted in his report that Bolton's attitude was "excited," "carefree" and "cocky."

"I was sort of laughing," Bolton said. "I look back and wonder, was I cocky? Did I have an attitude? Well, yeah, because I was sober, so I thought it was all so ridiculous."

Fair handcuffed her. Bolton said she was terrified. Until then, her only brush with the law had been a ticket for speeding in a 15-mph zone in 2002.

At 1:08 a.m., at the 2nd Police District station, Fair asked Bolton to blow into the Intoxilyzer 5000. It read .03.

"See?" she remembers saying.

He had her breathe into the machine one minute later. Again, .03.

"See?"

But Fair told her D.C. law was on his side.

On the department's Web site, D.C. police explain it this way: "Technically, according to the D.C. Code, the District of Columbia has a zero tolerance for driving under the influence. If a person 21 years of age or older has a blood alcohol concentration of .02 percent [to] .04 percent and extremely bad driving, this person can be placed under arrest for Driving Under the Influence of an alcoholic beverage."

At low levels of alcohol, an arrest comes down to an officer's discretion, said D.C. police Inspector Patrick Burke, former head of the traffic division.

Fair, he said, has 15 years of experience and averages more than 100 drunken driving arrests a year and is well qualified to make the call. In 1998, Fair arrested Marlene Cooke, wife of the late Washington Redskins owner Jack Kent Cooke, for drunken driving after she piloted her Land Rover through Dupont Circle without the headlights on. She refused a breath test but was later convicted.

"I always say the safe bet, if you drive, is not to drink at all," Burke said. "But even looking from a D.C. tourism standpoint, we'd be killing ourselves if we were saying you can't go out and have a glass of wine with dinner. That'd be ridiculous. So we tell people, you have to know your limits."

Bolton sat in a jail cell until 4:30 a.m. As she left, Fair told her he had given her a warning, not a ticket, for driving without headlights. She walked the few blocks to Wisconsin Avenue NW, caught a cab to her car on K Street and drove across the bridge to Virginia. There, she said, she pulled over and cried for 45 minutes.

Since what she refers to as her "unfortunate incarceration," Bolton has spent hours in D.C. Superior Court and at the DMV and $2,000 so far fighting the DUI charge. Her refusal to submit to the 12-week alcohol counseling diversion program has sent her on a "surreal" odyssey.

Twice, after hours of waiting, prosecutors told her that they had lost her file and that she would have to come back.

On Aug. 22, after four court appearances, prosecutors dropped the charge. But she spent all of September battling the DMV to keep her driving privileges from being suspended for three months.

Corey Buffo, the DMV's general counsel, explained that the agency drops its procedures only after a case goes to trial and is dismissed on its merits. "Our burden of proof is lower" than the Superior Court's, he said. "Not enough evidence for them may be enough evidence for us." Yesterday, the DMV decided not to suspend her privileges and issued her a warning instead.

After so many months, Debra Bolton is just glad it's over. "It's lunacy," she said. "I'm all for limits on drinking and driving. Whatever the rules are, I will abide by them. I just didn't know these were the rules."

These days, Bolton goes out to eat in Virginia. And she keeps a yellow sticky note on her steering wheel to remind her to make sure her headlights are on.



**8. Handmade Texas Vodka Wallops the Corporate Products**

By Wes Marshall - *The San Francisco Chronicle*

October 13, 2005

At the 2001 San Francisco World Spirits Competition, the judges awarded a double gold medal to Tito's Handmade Vodka, placing it above 71 other vodkas from around the world, including esteemed labels such as Skyy, Ketel One, Stolichnaya, Belvedere and Chopin. A double gold is presented only when the judges are unanimous in their selection.

Tito's victory was even more delicious because it's a David versus Goliath story. Tito's isn't made by some mega-corporation churning out millions of gallons of vodka. It's handmade in small quantities in a traditional pot still, on a lonely road south of the airport in Austin, Texas.

And perhaps the best part is that this high-quality vodka can be had for just $18 per 750-ml bottle.

Most vodka is produced in giant column stills in plants that resemble petrochemical operations, where huge quantities of liquor pour out of vats into smartly designed bottles, ready for the marketing blitz that will lead consumers to believe the vodka is liquid platinum.

In fact, the largest-selling imported vodkas -- Absolut and Stolichnaya -- are owned by the Swedish and Russian governments, respectively. Both are made from wheat.

Tito's vodka is made by three people, using a pot still -- the same method that small single-malt Scotch makers and French Cognac producers use. This type of still yields much lower levels of refined alcohol, yet it also retains much more flavor.

Instead of wheat, Tito's uses No. 2 yellow corn (the stuff that is not pretty enough for the grocery store), which besides being a boon to consumers who are wheat-sensitive, also lends a mild sweetness to the vodka's aftertaste.

Tito is Burt Butler Beveridge II, 44, but he's gone by "Tito" for years. His last name has given him fits since school days (the most common joke then: "Hey Tito, what are you gonna name your kid? Cold?"), although now it makes a nice fit.

He is a bit taller than 6 feet, tanned and outdoorsy, with a broad smile and restless energy. At a bar in Austin, he orders a Bloody Mary, yet says the best way to try his vodka is with club soda with a twist of lime, on the rocks.

Beveridge spent the first years of his professional life working in the Colombian jungle with oil exploration crews.

"It sounds a lot more romantic than it was," he says. He decided to come home to Texas and look for a new career. He worked with Superfund cleanup crews while making habanero-flavored vodka for his buddies. They advised him to bottle the stuff commercially.

When Beveridge went to the stores to see if any would be interested in carrying the product, no one bit.

"They all told me to make a good martini vodka that women would buy," he says. "All these liquor store owners said the women were the ones who decided which vodka to buy."

Beveridge says the best way to entice women to buy his vodka is to produce one that is smooth enough to drink straight. He developed his new recipe by having friends taste his vodka against the best in the world, all in blind tastings. He kept refining his recipe until his vodka won those tastings every time.

Then he had to figure out how to market it.

"When I first started," he says, "I was grabbing people when they came out of the grocery store in the parking lot and asking them if they drank vodka. If they said yes, I was taking them over to my pickup truck and giving them a hit of Tito's. Most of them ended up going to the liquor store next door to buy my vodka. That's how I started marketing."

Beveridge says he hopes people will search him out so that both sides can save the money that goes into advertising.

"I got my name on the bottle," he says, Bloody Mary in hand. "Does anyone else? Since my name is on it, I want it to be the best. I figure if I can keep the price down by not advertising, and keep making it by hand, then people will find out about me."

What makes Tito's so special?

All vodka makers start with a brew that will ferment. Some make beer-like brews from grains; others simply buy giant vats of sugary extracts from huge food-chemical companies like ADM. Tito's uses No. 2 corn.

Once vodka makers get sufficient alcohol from the fermentation, they throw the brew into a still where the mixture is heated and the more volatile alcohol is distilled from the rest of the mixture. Beveridge explains the process from there:

"The first stuff that comes off is called the heads," he says. "The middle part, the part you want to keep, is the heart. The stuff you leave in the still, the part you don't cook over, you call the tail. It's the art of the distiller, to keep your heads and tails right and get the heart."

Beveridge says this is best done with a pot still rather than the fractionating column stills used by the industry giants. It's all a matter of human touch. The big fractionating columns operate 24 hours a day with a constant feed of brew running through.

A pot still, on the other hand, has a quantity of brew poured in. Then the batch is slowly heated until the volatile alcohols start drifting to the top, where they condense and fall into another tank. Pot stills must be watched closely; the method is too time-consuming for huge distillers.

"We start at room temperature and get rid of the first and last alcohols that don't taste any good. I sell that to a fuel plant," Beveridge says. "I only save the best part, the heart, and then we distill it six times."

When asked to explain, in one sentence, the difference between his vodka and the multinationals', Beveridge says: "Man, they're like guys in white coats, up in some control room looking at (gauge) needles and things, where we're down at the still tasting stuff (so we know when to start and stop it)."

Beveridge says having to make a vast quantity of vodka doesn't allow distillers to properly remove the uglier forms of alcohol.

"They'll end up with methanol, which is the alcohol that, when you drink it, burns your throat," he says. "They also get propanol, which is the stuff that makes you squinch up your face. Ours is pure ethanol. Your taste buds can taste in parts per billion, where the equipment these big distillers use for analysis can only pick up parts per million. So two vodkas may look the same on a gas chromatograph, but theirs may burn and ours won't. That's because theirs has more methanol."

The penalty for using the smaller pot stills and doing everything by hand is that Beveridge can produce only 800 cases a day at the most. Contrast that with Smirnoff, which produces more than 50,000 cases per day, 365 days per year.

Despite the limited production and the fact that Texas law doesn't permit Beveridge to sell direct to consumers, Tito's Handmade Vodka can be purchased in California at Trader Joe's. It can also be ordered from Internet Wines & Spirits (internetwines.com, $22.50 plus shipping from Illinois) and Chambers Street Wines (chambersstwines.com, $20 plus shipping from New York).

As the word spreads on Tito's Handmade Vodka, more shops should be getting in on the secret.



**9. I.C. Council Candidates Tackle Alcohol (Iowa)**

By Steve Nicoles - *KCRG-TV9 News*

October 10, 2005

Cedar Rapids, IA -- Iowa City's primary election is Tuesday.

One of the main issues for council hopefuls is curbing underage drinking.

Underage drinking and binge drinking have been thorny issues in Iowa City for years.

An election brings a renewed focus, but it might not bring a resolution.

Iowa City police issued a dozen tickets to underage drinkers over the weekend.

Some downtown bars allow 19 year olds.

The group 'Citizens for a Healthy and Safe Downtown' wants that to stop.

Jim Clayton is a member of that group.

He said, "The keystone of policy is access to alcohol, and if we have a 21 ordinance we reduce the access to alcohol for underage drinkers."

Bar owners say enforcing a 21 ordinance will not stop what they call the real issue, binge drinking.

Owner of Bo-James, Leah Cohen said, "Excessive drinking knows no age."

Cohen said if 19 and 20 year olds are not allowed in bars, they will move to house parties, which can be more dangerous.

A 20-year-old student died earlier this year after falling over a second story balcony.

He had reportedly been drinking at the apartment and at a bar.

Cohen said, "He was safe at the bar. He wasn't safe at the apartment."

Clayton asked the city council candidates if they would support a 21 ordinance.

Amy Correia and Garry Klein said they would not.

Larry Baker and Rick Dobyns would.

Mitch Rottman and incumbent Mike O'Donnell did not answer.

No matter who moves on from Tuesday's primary, this issue will continue to be a driving force in Iowa City.

Polls for the primary open at 7:00 AM and close at 8:00 PM.

The candidates who do not support an age limit in bars say they would rather focus on other aspects of drinking.

