

|  |  |
| --- | --- |
| *www.IowaABD.com* | *Lynn M. Walding, Administrator* |

|  |  |
| --- | --- |
| abdblue.jpg - 2723 Bytes |  e - NEWS |
| *April 21, 2006* |

ADD ATTACHMENT ABOUT IGA SUPREME COURT DECISION

1. [Ruling Means D.M. Must Give Back $157,000 of Fees for Alcohol Licenses](#One)

2. [A Cocktail to Make You Swoon](#Two)

3. [Bordeaux Winemakers Reveal What’s in the Bottle](#Three)

4. [Once-Wary Industry Giants Embrace Internet Advertising](#Four)

5. [Craft Brewers Eye Promoting Distilled Spirits Around U.S.](#Five)

6. [Feds Vow $17 Million for States to Enforce Underage Drinking Laws](#Six)

7. [FTC to Launch ‘Don’t Serve Teens’ Website](#Seven)

8. [Panel to Study Outdoor Smoking](#Eight)

**1. Ruling Means D.M. Must Give Back $157,000 of Fees for Alcohol Licenses**

By William Petroski, Staff Writer – *Des Moines Register*
April 15, 2006

City officials in Des Moines must refund $157,000 because of an Iowa Supreme Court ruling Friday that said the city can't impose additional fees on state alcoholic beverage licenses.

The high court, in an opinion written by Justice Michael Streit, upheld a lower court ruling that favored businesses that had objected to the extra fees. The city had been charging at least an additional $420 annually to bars and restaurants, while grocery and convenience stores were paying a minimum of an additional $320.

Streit wrote that the Iowa Legislature has established a uniform procedure for controlling alcoholic beverage fees. "The Des Moines ordinance conflicts with this statutory scheme," he wrote.

The city had contended the ordinance was valid because under the state's "Home Rule Amendment," the city has the power to determine its own affairs and local government.

However, Streit said, the city's authority is limited by the fact that a city's exercise of power must not be inconsistent with laws approved by the Iowa Legislature.

Jerry Fleagle, president of the Iowa Grocery Industry Association, which brought the suit, said the court's decision Friday was significant because a ruling in favor of Des Moines could have led to other cities imposing similar additional fees.

"We didn't feel that we should be charged twice for the same thing, which in essence was what was happening," he said.

Des Moines City Attorney Bruce Bergman said the city was justified in imposing the extra fee because state fees are so low that the city isn't able to recoup expenses for inspection and enforcement. The state's license fees haven't been raised in decades, he noted.

The state's fee for an alcoholic beverage license for a bar or restaurant in Des Moines is $2,028 annually, and the city's share is $845.

Fees for other alcoholic beverage licenses vary, with the city sometimes getting nothing in reimbursement for its expenses, said Des Moines City Clerk Diane Rauh.

The Des Moines City Council adopted an ordinance in 2003 to begin charging the additional fees. City officials suspended their collections of the fees after a state district court ruled against the city in November 2004.

Bergman said Friday that $157,000 in city fees collected before then will now be reimbursed. He said the refund won't force any cuts in city programs.

**2. A Cocktail to Make You Swoon**

*CNN.com*

**Price for some luxury drinks? $3,000 to ... nearly $90,000**

MASHANTUCKET, Connecticut (AP) -- When Jason Silvestri heard about Foxwoods Resort Casino's new signature cocktail, the police officer almost choked on his Absolut vodka and cranberry juice.



**Bartender Rob Hertlein demonstrates the making of a $3,000 Sapphire martini in Mashantucket, Connecticut.**

"What?" he said. "$3,000?"

Served in a traditional martini glass, the $3,000 Sapphire martini is made with Blue Curacao, Bombay Sapphire Gin, a splash of dry vermouth and is coated with blue sugar on the rim. But it's the accompanying pair of custom-made blue sapphire and diamond earrings, set in a sterling silver pick, that makes the cocktail sweet.

With the unveiling of the four-digit cocktail, the casino's new Mezz Ultra Lounge joins a growing list of bars and restaurants around the world offering pure decadence in a glass.

Luxury trade experts attribute the rising popularity of premium cocktails to a greater number of educated drinkers of all ages and a wider variety of spirits and liqueurs.

"I think people are willing to spend more to have a premium experience so they're buying less but they're buying higher quality," said Brett Anderson, senior vice president and editorial director for the Robb Report, the luxury lifestyle magazine.

Super-expensive drinks, a sort of Louis Vuitton bag for the bar crowd, are a status symbol and a great marketing tool for businesses. "It obviously makes a statement about status and the ability to afford it, but I think it's also a spontaneous, celebratory thing," Anderson said.

The Algonquin Hotel's Blue Bar in New York offers a $10,000 diamond martini, accompanied by a diamond from the hotel jeweler. Only two have been sold since the cocktail debuted in 2004.

And if the cost of that drink doesn't make you stumble, the next one will.

Created for the Robb Report, a magazine that features luxury goods, the Robb cocktail cost $87,600 when it was offered in 2003 at the Rivoli Bar at The Ritz Hotel in London. Now unavailable, the cocktail was made with 22-carat gold leaf Eskalony vodka, Grand Marnier, peach liqueur and topped off with Ritz private label champagne. It came with a custom-made 13.66-carat yellow diamond swizzle stick that doubled as a bracelet.

"To be honest, I haven't heard of anything else as expensive," said Mark Skidmore, a Rivoli bar manager. No one ever purchased the drink, he added.

Cocktails aren't the only drinks that can have a stiff price.

The Prime Steakhouse at Bellagio hotel-casino on the Las Vegas strip offers 50-year-old aged Chivas Royal Scotch that costs $1,050 for an ounce of the extremely rare blended whisky.

Alan Shayne, president of The Scotch Malt Whisky Society in Sunrise, Florida, says there's nothing quite like good whisky -- even if it costs a lot more. His choice: a $300 bottle of Classic Cask 35-year-old rare scotch whisky, blended.

"It is unusually smooth and bursting with flavor," Shayne said. "It's worth the price I pay for that."

As for buying a $3,000 or a $10,000 cocktail, Shayne said there's nothing crazy about it.

"The way I look at it is some people are looking for something unique to spend their money on," he said. "For them, it's worth it."

**3. Bordeaux Winemakers Reveal What’s in the Bottle**
By Vanessa O’Connell – *The Wall Street Journal*April 20, 2006; Page D1

**To Court Casual Drinkers, Labels List Grape Varieties; Merlot 55%, Cabernet 45%**

Wine lovers may notice something unusual on the labels of new releases from Saint-Emilion, Médoc and other Bordeaux areas this spring. Bottles whose labels in the past displayed little more than a fancy crest and a bunch of French regulatory gobbledygook now reveal something else: what's actually in the wine.

CVBG Dourthe-Kressmann recently placed "Sauvignon Blanc" prominently on the label of its Dourthe No. 1 wine, now hitting retail shelves. It previously hadn't disclosed the varietal, or grape type, it uses. Yvon Mau added "Merlot Cabernet" and "Sauvignon Blanc" in large type to the current releases of its Premius wine. [Diageo](http://online.wsj.com/quotes/main.html?type=djn&symbol=deo) PLC's Barton & Guestier will put "Merlot-Cabernet Franc" on the front of its forthcoming gold-label Saint-Emilion.

![[Bordeaux Wines]]()The moves reflect a concerted effort among Bordeaux winemakers -- a group best-known for producing some of the most highly sought after and expensive wines on the planet -- to more fully disclose their varietals. They also reflect an emerging eagerness on the part of French wine producers, which have struggled with declining world-wide market share for years, to reach out to Americans, who are drinking more wine overall -- but generally fewer bottles from France. Indeed, dollar sales of French table wine represent about 11% of dollar sales of all the imported table wine sold in U.S. grocery stores, mass merchandisers and liquor stores, according to the research firm ACNielsen. Today, many Americans base their wine-buying decisions on the type of grape in the wine, rather than the vineyard or region.

For casual wine drinkers, knowing varietal composition makes wine seem less intimidating. It tells them what they can expect, and makes it easy to compare broad categories of wines from around the globe. But for wine producers, there are some risks. Varietals can go in and out of style quickly -- witness the pinot noir craze, and the growing demand for trendy pinot grigio and shiraz. Merlot -- lately fallen from favor with some American oenophiles -- is a vital component in many Bordeaux blends. "The danger of using varietals [to market a wine] is that it makes your product more generic and opens up the possibility that anyone can compete from anywhere in the world," says Michael Quinttus, president of Vintus, an importer of Chateau Margaux and other Bordeaux chateaux wine.

The labeling change affects all Bordeaux wine including that which is regulated under France's Appellation d'Origine Contrôlée, or AOC, a system that lays out strict guidelines. (Any French wine that is marked as a Bordeaux, Saint-Emilion or Médoc is an AOC wine.) The change presents a particular challenge for high-end Bordeaux producers, who need to balance the desire to make their wines seem more accessible with the need to protect their cachet.

"Wine producers need to connect, to make it as simple as possible to shop this category, without making people feel like they have to be a connoisseur just to buy what they like," says Dustin Longstreth, director of strategy at Wallace Church Inc., a brand-identity consultancy in New York.

So-called New World wines -- from Australia, Chile and California -- have long marketed themselves based on their grape varieties, such as chardonnay. But French wines, as well as many Italian and other Old World wine producers, have emphasized the so-called terroir of a wine -- a term that encapsulates a vineyard's soil, geography and climate. For centuries, the French have adhered to the notion that a vineyard's specific site and ecology have more to do with the flavor and character of the wine than the grape variety used.

Producers of Bordeaux AOC wine also traditionally followed strict French wine rules forbidding them from disclosing varietals on labels. The rules, which were a part of French law, were that only wines that happened to be 100% merlot or 100% sauvignon blanc could specify their grapes on the front. Most Bordeaux wines are blends. Created in 1935, France's AOC system also guarantees that when consumers buy a Bordeaux, the grapes came from the Bordeaux region and were treated in a specific way.

Concluding that the existing French rules were too restrictive, some producers are choosing to follow far more lenient standards set forth in 1999 and 2002 by the European Economic Community, a predecessor of the European Union. EEC rules not only allow appellation blends to disclose varietals on front labels, but also allow wines to characterize themselves as say, cabernet, as long as a mere 85% of the wine was made from that grape, according to Le Conseil Interprofessionnel du vin de Bordeaux in France, a group of Bordeaux producers.

![[Wine]]()Maison Sichel is adding "Merlot 55% Cabernet 45%" or "Semillion 65% Sauvignon 35%" to Sirius red and white releases that will hit Michigan, Illinois, Florida, Georgia and other states this summer. The wines sell for about $12. "In the past, it wasn't in the philosophy of the Bordeaux producers to do this. But one has to admit that our AOC system is quite complicated," says James Sichel, export manager for Maison Sichel.

Diageo's Barton & Guestier will clearly indicate varietals on the front next to the appellation of its gold-label wines not just from Bordeaux regions such as Saint-Emilion and Médoc, but also from Chablis, Côtes du Rhône and Pouilly Fuissé. The changes take effect with its gold-label wines that will be released to stores in the coming months. Yvon Mau, a Bordeaux wine specialist with roots that go back more than a century, added varietal information to newly released wines under its key brand Premius, but only for bottles sold in English-speaking countries.

Jean-Francois Mau, president of Yvon Mau, and other Bordeaux producers say that today there are two distinct, and increasingly divergent, markets in wine: the high-end niche market in which Bordeaux remains a clear leader with its highly respected appellations and its grands crus classés; and a $15-and-under "premium" wine market which is increasingly dominated by New World brands.

In this $15-and-under sector, "Bordeaux is no longer a player," says Mr. Mau, whose company has distribution contracts with around 30 chateaux. "We have come to the conclusion that the appellation contrôlée is no longer perceived as a priority for consumers of the premium wine category."

Although the new marketing efforts largely concern $15-and-under wines, even chateau wines in the $16 to $19 price range are revealing new information about their blends. One of the top-selling chateau-bottled wines in the U.S., Chateau Greysac changed its back label several years ago to list its grapes. The 2001 vintage, now on store shelves, says Greysac is first a "well-balanced wine which reflects the planting of its vineyard -- 50% cabernet sauvignon, 40% merlot and 10% cabernet franc."

**4. Once-Wary Industry Giants Embrace Internet Advertising**

By Kevin J. Delaey – *Wall Street Journal*

April 17, 2006; Page A1

**Packaged-Goods Companies Boost Online Spending: Sites Retail Sales Pitches, Pepsi Employs a Floating Yoda**

In their pursuit of advertising dollars, Internet companies are winning some important converts: the consumer packaged-goods companies that sell everything from cookies and cola to skin cream and soap.

After years of cautiously experimenting with Web marketing, powerhouse advertisers like [General Mills](http://online.wsj.com/quotes/main.html?type=djn&symbol=gis) Inc. and [Kraft Foods](http://online.wsj.com/quotes/main.html?type=djn&symbol=krt) Inc. are cranking up online spending and increasing the range of brands they promote on the Web. General Mills, maker of Cheerios and Betty Crocker baking mixes, expects to nearly double online-ad spending in the current fiscal year. Kraft, home of Jell-O and Kool-Aid, plans to double its number of online-ad campaigns in 2006 and to increase the number of brands it advertises on the Internet by at least half.

The shift underlines the Internet's threat to traditional media such as television and print magazines. It suggests that the boom in Internet advertising that has already fueled rapid revenue growth in recent years at [Google](http://online.wsj.com/quotes/main.html?type=djn&symbol=goog) Inc., [Yahoo](http://online.wsj.com/quotes/main.html?type=djn&symbol=yhoo) Inc. and other companies could continue as still other groups of more traditional advertisers step up online spending.

The packaged-goods companies say their customers are spending more time online and using the Web in new ways, such as watching TV shows and other video. "Our job is to invest in where consumers are engaging with media," says John Galloway, vice president of sports, media and interactive marketing at [PepsiCo](http://online.wsj.com/quotes/main.html?type=djn&symbol=PEP) Inc.'s Pepsi-Cola North America unit. At his division, online spending is expected to rise to between 5% and 10% of the overall ad budget in 2006, from 1% five years ago.

![[Bigger Buy]]()Providers of consumer packaged goods accounted for more than 11% of the $145 billion in U.S. ad spending in 2005, according to research firm TNS Media Intelligence. But they spent just 1.6% of their ad dollars online last year, on average, compared with an overall average of 5.8% of total ad spending for U.S. advertisers, says TNS. These advertisers have been the most challenging targets for Internet companies, says Wenda Harris Millard, chief sales officer at Yahoo. That company has overcome some of their resistance by wielding new tools to show that Web ads can increase consumer spending.

U.S. consumers go to the Web for about 15% of the time they spend with all media, according to another research firm, Knowledge Networks Inc. in Menlo Park, Calif. Some Internet executives believe Web spending will echo the patterns set in earlier years with broadcast and cable TV, which both saw sharp growth in advertising once they reached a critical level of consumer adoption.

Others caution against extrapolating too much from recent jumps in online-ad spending by packaged-goods companies. Those companies generally avoid radical changes in the marketing techniques they have fine-tuned over decades, industry executives say. Wary of taking risks with their biggest money makers, managers of brands with big ad budgets have spent less aggressively online than their counterparts at smaller brands, and "it's unclear if and when this will change," says Jon Swallen, senior vice president for research at TNS.

So far, growth in online ad spending has been driven largely by industries like personal computers and financial services. These businesses can link consumers directly to sites where they can buy goods or services online. Spending by such companies helped drive online ad revenue up by about 30% to an estimated $12.5 billion last year from $9.6 billion in 2004, according to the Interactive Advertising Bureau and PricewaterhouseCoopers LLP.

Packaged goods such as beer, toothpaste and paper towels, in contrast, tend not to be sold online. Partly for that reason, even during the Internet frenzy at the end of the 1990s, packaged-goods companies generally didn't spend much to advertise on the Web. The collapse of the online-advertising market in 2001 made marketing on the Internet seem even less compelling.

When online advertising did start to rebound, it was driven largely by search-related ads, not the display-type ads that typified the previous cycle of Internet marketing. Search ads, which appear when consumers enter related keywords into search engines, weren't an obvious fit for packaged-goods companies, because consumers generally don't search the Web for information on items like paper towels.

Another obstacle: It was still hard to prove that online ads led consumers to buy packaged goods offline in stores. The packaged goods companies for years had used complex systems for measuring sales boosts from advertising in traditional media, such as TV and print publications. Without the equivalent for the Internet, online ads were a much tougher sell.

By 2002, Yahoo realized it needed to overhaul its sales approach to packaged-goods companies. The Sunnyvale, Calif., company began developing a way to prove to potential advertisers that online ads contributed to offline sales.

Working with research firm ACNielsen, Yahoo in June 2002 began testing a service called Consumer Direct that allowed advertisers to see the impact of specific Internet ads on sales. ACNielsen, a unit of [VNU](http://online.wsj.com/quotes/main.html?type=djn&symbol=38987.ae) NV, has approximately 125,000 U.S. families who participate in its Homescan service by recording items they bring home from the store. About 36,000 of them have agreed to let Yahoo monitor what they do on its site as well.

With the ACNielsen data, Yahoo can track when the display of an online ad leads to an offline purchase. It can also give advertisers other useful information, such as whether consumers previously had been heavy users of competing products.

Pepsi North America, one of the first Consumer Direct customers, has used the tracking service five times since 2002. Last year the company used Consumer Direct to monitor and target its "Call Upon Yoda" promotion with a Star Wars theme. In one ad, a green, pointy-eared Yoda character floated across Yahoo's home page to land in a small box near the upper right corner. Users who clicked on the ad box were taken to a Pepsi site, where they were given a chance to win a $100,000 prize.

Using Consumer Direct data, Pepsi was able to place its ads on areas of Yahoo's site most frequented by heavy buyers of 12-packs and 24-packs of soda, its target for the promotion. Pepsi concluded that sales to that group rose in double-digit percentages as a result of the ads, says Pepsi's Mr. Galloway.

Other Internet companies also began offering tracking services. Kraft was another early user of Consumer Direct, and later enrolled its Jell-O brand in a three-month study conducted with [Microsoft](http://online.wsj.com/quotes/main.html?type=djn&symbol=msft) Corp.'s MSN Internet unit in 2003 and 2004. The study showed about 8% higher purchases by consumers who had seen the online ads compared with those who hadn't.

"The watershed moment was definitely when you could say there was a positive sales increase," says Kathy Olvany-Riordan, Kraft's vice president of global digital and consumer relationship marketing.

**Striking Contrast**

For Internet executives, the contrast in customer interest is striking. After she arrived at Microsoft in 2001, "I couldn't get an appointment with a Johnson & Johnson, a Procter & Gamble," says Joanne Bradford, corporate vice president of global sales and marketing at Microsoft. Now, she says, "I'm battling to give them as much of my time as they want." Ms. Bradford says ad revenue from packaged-goods companies at MSN is currently more than double the level of a year earlier. She predicts growth will continue to surge.

Packaged-goods companies now spend the majority of their ad dollars on TV. But the rapid spread of home broadband access, to more than 60% of U.S. Internet users today, has made it easier for people to watch video programming online. Use of online video has exploded in the past six months -- from downloads of TV shows such as "The Office" through Apple's iTunes store to user-generated shorts on YouTube's site.

Kraft now devotes just a third of its ad budget to broadcast TV, down from roughly two-thirds five years ago. Kraft executives, like officials at other packaged-goods companies, declined to provide specific totals and breakdowns for ad spending. But they said Internet advertising has been a beneficiary of the shift away from TV.

So far, the increased spending online has had a limited effect on advertising budgets for other media. Spending on TV and radio by packaged-goods companies fell slightly last year from 2004, according to TNS.

Unilever, whose brands include Dove soap and Hellmann's mayonnaise, has cut its global TV budget to about 65% of total ad spending from about 85% in 2001, while shifting the balance to online and to other areas.

One of Europe's biggest packaged-goods companies, Unilever was among the few in its industry to move aggressively into Internet marketing in the late 1990s. But it had trouble detecting an impact on sales, and by 2001 it had slashed the Internet's share of its ad budget.

Unilever began ramping up online spending again after getting positive results for its Suave shampoo, using Yahoo's Consumer Direct service, and participating in other research that suggested online ads for Dove boosted offline sales.

![[Media World]]()Unilever planned to spend about 4% of its 2005 U.S. ad budget online, a Unilever marketing executive said last year, up from about 1% in 2001. The company now declines to comment on any such breakdown. Noreen Simmons, director of strategic media planning at Unilever's U.S. division, says she expects online-ad spending will grow further in 2006 from 2005.

"We all recognize our consumers are online and we all continue to share the sense that the effectiveness of a traditional 30-second television ad is continuing to erode," says Ms. Simmons. With online ads, "we see our own positive results."

**Leading the Charge**

Unilever's Axe brand, a range of personal-care products targeted at young men, is leading its online charge. The Axe division spends the majority of its ad dollars on the Internet -- a shift from 2002, when Unilever launched the Axe brand and spent the majority of its ad budget on television. "Ultimately it comes down to where the consumer is," says Kevin George, a Unilever general manager for deodorants.

Besides advertising on sites for young people such as Heavy.com and MySpace, Axe commissioned an online game centered on techniques for picking up women called "Mojo Master." One Axe ad on Heavy.com promoted a cable-TV program produced by Axe about a fictional secret society called The Order of the Serpentine. The large ad showed a young man in a bathrobe with ghost-like women clutching at his legs. It took consumers who clicked on it to a site for the show that heavily promotes Axe's Snake Peel shower scrub.

The explosion of online video is also prompting [Anheuser-Busch](http://online.wsj.com/quotes/main.html?type=djn&symbol=BUD) Inc. to advertise more online. The company spends about 60% of its ad dollars on TV. But Tony Ponturo, its vice president for global media and sports marketing, believes much of consumer video viewing could shift to the Web.

Three years ago, Anheuser-Busch's online ads were essentially limited to the sites of sports it already sponsored, such as Nascar. At the urging of company president August Busch IV last year, marketing executives looked more seriously at the Web. Research they consulted showed that their target 21- to 34-year-old consumers spent about six hours a week online, compared with just 10 minutes a week a decade ago.

Now the maker of Budweiser beer advertises on more than 25 sites, from Yahoo and [Time Warner](http://online.wsj.com/quotes/main.html?type=djn&symbol=TWX) Inc.'s AOL to niche sites including Flavorpill, an arts-and-culture site aimed at urban residents. Anheuser-Busch this summer is sponsoring World Cup soccer content, including video highlights, on Univision Communications Inc.'s site and signed on as a major sponsor for CBS SportsLine's fantasy football season later this year.

Online ads this year will account for about 5% of Anheuser-Busch's ad spending, double the portion in 2005, and Mr. Ponturo says it will rise again next year.

**5. Craft Brewers Eye Promoting Distilled Spirits Around U.S.**

Source: *Inside Bay Area*

EVER FEEL like a stranger in a strange land? I did last weekend at an amazing gathering. Many of the participants came from the world of craft beer, people like Fritz Maytag, proprietor of Anchor Brewing, and Bill Owens, who founded Buffalo Bill's in Hayward.

But the subject wasn't craft beer. It was distilled spirits: gin, whiskey, vodka. The location was Distillery No. 209, located on Pier 50, in the shadow of AT&T Park. The occasion was the third annual American Distilling Institute Conference, drawing well over 100 distillers and people interested in distilling from around the country.

Owens says he got interested in distilling, when his brewer from Buffalo Bill's left to work with distiller Jorg Rupf at St. George Spirits, in Alameda. He toured America looking for legal pot stills, then founded the American Distilling Institute.

At St. George, Rupf makes increasingly famous Hangar One Vodka, with infused fruit flavors like Mandarin Blossom and Citron, as well as St. George Single Malt Whiskey, products that have turned the American distillery business on its ear. Giant companies are flooding the market with copycat vodkas.

But, insiders say, just inhale the intense aroma of Hangar One, then try an industrial vodka. There's no comparison.

We're talking about pot stills here — sleeker, larger versions of those illegal, backwoods stills celebrated in the old folk classic, "Copper Kettle":

"Get you a copper kettle/And get you a copper coil — You just lay there by the juniper/ While the moon is high/And watch them jugs a-fillin/In the pale moonlight —"

In the case of whiskey, as I understand it, a fermented, grain mash is washed, the liquid placed in the pot, which is heated. The aromatic, alcoholic vapor that rises is collected and becomes whiskey.

Owens says there are at least 72 licensed pot stills in America; he counts 16 in California, mostly in Northern California. The list includes Anchor, which has been making Old Potrero, a stunning rye whiskey on the first legal whiskey pot still in America in modern times. Anchor now makes a gin, too.

Maytag says that distilling makes sense for a brewer. "Whiskey is distilled beer. without the hops, obviously," he says. "You make a mash and you ferment it and instead of drinking it down as beer, you distill it."

He says large distillers have become a bit modern, using shortcuts and conveniences of production, taking a toll on the sense of history and tradition, just like what happened in the brewing business. Now Maytag and other pot distillers, like craft brewers before them, are trying to set things right.

Distillery No. 209 was founded by Leslie Rudd, owner of Edge Hill winery in St. Helena, who discovered a vine-covered building on the property with a weathered sign proclaiming it Registered Distillery No. 209. The building was too small for a new pot still, so Rudd chose to relocate to San Francisco. Distillery No. 209 technical director Arne Hillesland, a Silicon Valley high tech worker turned distilling alchemist, standing in front of the 25-foot-high pot still, says the trick in making gin, is the botanicals.

Gin must contain juniper berries. But the other ingredients vary widely. Hillesland says his botanicals include an unusual dried orange peel imported from Italy and coriander. Botanicals go into bags that are steeped like teabags in pure grain alcohol.

The liquid is heated, the alcohol and its essential oils and flavors rise up the column and become Distillery No. 209 gin.

None of these products are cheap. Distillery No. 209 gin costs about $35 a 750 ml bottle; Anchor Junipero Gin, about $30. Hangar One Vodka, about $35. Old Potrero costs about $60.

<http://www.insidebayarea.com/ci_3701731?source=rss>

**6. Feds Vow $17 Million for States to Enforce Underage Drinking Laws**

**Source: *Department of Justice***

April 14, 2006

The Department of Justice is awarding more than $17 million to 50 states and the District of Columbia to enforce state and local underage drinking laws.

The awards are made through the Enforcing Underage Drinking Laws program in the DOJ's Office of Justice , which supports activities in law enforcement, public education programs and innovative methods for reaching youth.

"Families, communities and law enforcement must work together to stop the effects of underage drinking," said Regina B. Schofield, assistant attorney general for the Office of Justice Programs.

"These awards fund initiatives to assist youth in preventing alcohol and substance abuse by strong enforcement of laws and zero tolerance for those who provide alcohol to minors. In addition, prevention programs will assist youths and their families with developing alternatives to drinking."

EUDL is the only federal initiative directed exclusively toward preventing underage drinking. The program consists of $350,000 block grants to each state and the District of Columbia.

Although EUDL funding supports a wide range of activities, most states focus on enforcement. These states report a strong emphasis on compliance checks of retail alcohol outlets to reduce sales to minors. Other enforcement activities include crackdowns on false identification, programs to reduce the provision of alcohol to minors by older youth or adults, party patrols to prevent access to alcohol at large youth gatherings, cops-in-shops programs to deter minors' attempts to purchase alcohol, and youth-focused campaigns to enforce impaired driving laws.

Additionally, other states report establishing keg registration ordinances to deter the rental or purchase of beer kegs for use by minors.

EUDL says its funding also has helped states promote community awareness of underage drinking, encourage changes in norms regarding underage drinking, and develop organizational structures and relationships to support coordinated efforts.

In 1998, Congress first appropriated funding to encourage the enforcement of underage drinking laws throughout the country.


# 7. FTC to Launch ‘Don’t Serve Teens’ Website

*Beverage News Daily*

April 19, 2006

The Federal Trade Commission is “on the verge of unveiling www.dontserveteens.gov, a website that seeks to pull together a lot of information on underage drinking," a senior FTC official said yesterday.

The announcement, by Janet Evans, who oversees alcohol issues at the agency, came during a discussion of social norming at this year’s Responsible Retailing Forum in Washington.

“Responsible alcohol policy must address how teens get alcohol,” she said, adding that the 21-year-old legal purchase age is a social norm.  “Teenagers’ beliefs about the appropriateness of drinking changed after” Congress used federal highway funds to induce all states to increase the age to 21 some 21 years ago.  During the Vietnam era, many states had reduced the drinking age to 18.

“Telling teens what to do is a non-starter,” Evans said.  “But we believe messages to responsible adults can work.”

We want to help give parents the strength to say ‘No’,” she said.  Evans added that some parents cite European practices in defending giving alcohol to underage persons.  “The idea that because Europe doesn’t have a legal drinking age means that Europe doesn’t have an alcohol problem is a myth,” she said.

**8. Panel to Study Outdoor Smoking**

By Emileigh Barnes - *The Daily Iowan*

**April 19, 2006**

Lighting up outside the Becker Communication Studies Building, Andy Whitmore proclaimed smoking on the UI premises as his legal right - frustrated the university would even consider smoking bans around campus.

"Ban junk food," the UI junior said, poised on a metal bench, cigarette in hand. "There are too many fat kids."

The cinema and comparative-literature major is just one of many students who say they may cause a stink - if officials try to impede on their habit.

 A special task force, appointed by UI President David Skorton, is reviewing current smoking policies. If a campuswide ban is approved, the university will become the first campus in the Big Ten with such a policy.

Two forums, the first of which is scheduled from for noon today in 166 IMU, will help the group gain insight into the UI community's feelings about possible regulations. Both supporters and those in opposition are invited to attend.

The group will focus on two areas, including the current exceptions to smoking inside UI buildings. "Bona fide" artistic performances, some University Apartments, and two smoking rooms in the Iowa House are currently the only indoor smoking oases on the UI campus.

The committee is considering restrictions on outdoor university property.

Several UI faculty members have expressed discontent with smokers whose haze leaks into air vents and entryways when they light up by building entrances.

"You walk through this hallway of smoke to get into the building, and there's no way to avoid it," said Catherine Ringen, a linguistics professor and Faculty Council member. "And that's not unique to the EPB."

Steve McGuire, another Faculty Council member, said he couldn't find an entrance to a building devoid of the secondhand fog.

Renouncing the possibility of a campuswide ban as unfeasible, say some Faculty Council members who suggest the task force restrict smoking to certain building entrances, impose a no-smoking perimeter around buildings, or build physical barriers in front of air-intake areas.

"People might claim they don't like people smoking close to buildings, but if they don't want people smoking close to buildings, they shouldn't put ashtrays close to entrances," Whitmore said.

The open forums will not discuss the health-sciences colleges or UI Hospitals and Clinics. The UIHC has already begun to implement a smoking ban, and, after July 1, lighting up will be completely prohibited on hospitals and clinics premises. The health-sciences deans are moving forward with a similar plan.

<http://www.dailyiowan.com/media/storage/paper599/news/2006/04/19/Metro/Panel.To.Study.Outdoor.Smoking-1860747.shtml?norewrite200604191231&sourcedomain=www.dailyiowan.com&mkey=433542>

