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**[I. NATIONAL NEWS.](#I)**

**1. Absolut Vodka Looks for a Buyer**

By Jeremy Mullman – *AdAge.com*

December 15, 2006

**Swedish Government to Sell Brand's Parent Company**

CHICAGO (AdAge.com) -- Absolut Vodka is now officially up for sale.

The Swedish government said yesterday that it plans to sell six state-owned companies, including Vin & Spirit, the parent company to several brands including Absolut -- the world's fifth-largest spirit brand -- and Cruzan Rum.



The Swedish government wants to sell off the parent company that owns Absolut.

**'Will take time'**

"State ownership should only exist if there is a motive for it," Enterprise and Energy Minister Maud Olofsson said. "That's why we have chosen these six companies, because we don't think there is such a motive. ... We have started the process today, but it will take time."

The sale of V&S, valued by some Wall Street analysts at more than $4 billion, has been a hot topic ever since a center-right coalition took control of the Swedish government earlier this year.

Fortune Brands' Beam Wine & Spirits has been frequently mentioned as the most likely suitor for V&S, because it lacks a major vodka brand of its own and also because it already imports and distributes Absolut in the U.S. through a joint venture with V&S.

**Then there's A-B**

Another major marketer frequently linked to V&S is No. 1 U.S. brewer Anheuser-Busch Cos., which has frequently signaled its desire to enter a premium-spirits market growing much faster than the domestic-beer business it dominates. Recent communications between A-B executives and distributors have hinted at an imminent move into the space, although it remains unclear whether it would be in the form of a major acquisition or through the development of smaller brands such as A&B's recently introduced Jekyll & Hyde spirits.

Anheuser-Busch declined to comment; a spokeswoman for Beam was not immediately available for comment.

<http://adage.com/article?article_id=113824>



**2. Anheuser-Busch Board OKs $100M Stock Buyback Plan**

***Dow Jones Newswires***

December 20, 2006

Anheuser-Busch Cos. (BUD) said Wednesday it has approved a 100 million-share repurchase program.

The St. Louis-based beer maker, which has 15 million shares remaining on its previous stock buyback authorization, said it plans to repurchase up to $2.5 billion in stock in 2007.

Anheuser-Busch also reaffirmed its long-term earnings-per-share growth target of 7% to 10%.

The company added that it has approved a more aggressive leverage target, cutting its cash-flow-to-debt target to a range of 25% to 30% from its previous range of 30% to 40%.

"The more aggressive leverage target will enable Anheuser-Busch to use its balance sheet more efficiently to support existing operations, acquisitions, dividend growth and share repurchasing, while maintaining substantial financial flexibility," said August A. Busch IV, president and chief executive, in a statement.



**3. MADD Cuts Ties With Miss Teen USA**

*Associated Press*

December 21, 2006

Miss USA may have kept her crown, but the fallout over her confessed underage drinking has snared a fellow beauty contestant.

Mothers Against Drunk Driving said Wednesday it was severing ties with Miss Teen USA Katie Blair because it was "disappointed" by news reports that she had been spotted partying with Miss USA Tara Conner in New York clubs.

"We do not feel, at this time, that Ms. Blair can be an effective spokesperson on underage drinking and will not ask her to represent MADD in future initiatives," said Heidi Castle, a spokeswoman for MADD, in a statement.

A message left for a representative of Blair, an 18-year-old from Billings, Mont., wasn't returned Wednesday.

Donald Trump - owner of the Miss Universe Organization, which includes Miss Teen USA and Miss USA - said Tuesday at a news conference in New York that he would allow Conner to keep her title if she settled down and entered alcohol rehab.

She had tearfully admitted drinking as a minor at New York nightclubs. She turned 21 on Monday.

Miss Universe Organization spokeswoman Lark-Marie Anton said Blair's crown also was safe. Anton said the organization respected "MADD's decision as much as we respect their work. We look forward to working with them in the future."

The hubbub also seems to have poisoned relations between two celebrities - Rosie O'Donnell and Trump.

O'Donnell, co-host of ABC's "The View," said on Wednesday's show that Trump's news conference with Conner had annoyed her "on a multitude of levels."

"Left the first wife, had an affair, left the second wife, had an affair. Had kids both times, but he's the moral compass for 20-year-olds in America," the comedian and actress said to roars of audience laughter. "Donald, sit and spin, my friend."

Trump lashed back at O'Donnell on the entertainment show, "The Insider," criticizing everything from her looks to her former television talk show and magazine.

"Rosie attacks me personally? I know her fairly well because her show failed. She didn't retire. She didn't get the ratings! Her magazine called Rosie was a total disaster," he said.

"She's out of her mind. I will probably sue Rosie for a number of reasons. I'm worth a lot of money. She's doesn't tell the facts," added.



**4. Youth Exposure to Alcohol Ads Increasing: Study**

By *Healthday.com*

December 20, 2006

Youth exposure to alcohol ads on U.S. television increased 41 percent from 2001 to 2005, says a study released Wednesday by the Center on Alcohol Marketing and Youth (CAMY) at Georgetown University in Washington, D.C.

Most of this growth can be traced to increased alcohol advertising on cable television, particularly by makers of distilled sprits, the study said. Among the findings, overall spending on televised alcohol ads jumped by 32 percent ($780 million to more than $1 billion) and the number of ads increased by 34 percent from 2001 to 2005. In addition, it showed that television programs popular with teens are filled with alcohol ads. In 2005, more than 1,300 alcohol ads were shown on 14 of the 15 programs with the largest teen audiences.

"More spending on television, especially on cable, translates into kids seeing more and more alcohol ads," David Jernigan, executive director of CAMY, said in a prepared statement. "Twenty state attorneys general and the Institute of Medicine have said the alcohol industry needs to do a better job of shielding our kids from its advertising.



**5. Fortune's Spirits Rise**

By Gene G. Marcial - *Business Week Online*

December 15, 2006

Shares of Fortune Brands (NYSE:FO - News) have vaulted from 68 in June to 82.77 on Dec. 13 despite concerns that a housing slump might crimp 2007 earnings. Also seen as a drag is its "consumer conglomerate" image.

Some 57% of sales come from home and hardware, 30% from liquor and wine, and 13% from golf gear. Formerly American Brands, the company spun off its Gallaher Group (NYSE:GLH - News) tobacco unit in 1994 and changed its name to Fortune Brands.

Now some pros say Fortune may split in two.

Spirits, led by No. 1 bourbon Jim Beam, and golf, including Titleist golf balls and Footjoy golf shoes, will form one entity.

Home and hardware, including Moen faucets, Therma-Tru fiberglass doors, and Master Lock, will be spun off to shareholders.

A Fortune spokesman said the "breadth and balance of the company has delivered consistently strong results and shareholder value." But Mario Gabelli, whose firm owns 500,000 shares, says a split "is one way to unlock the value in the spirits operation." Gabelli figures the Street would give a pure spirits/wine entity a high price-earnings ratio equal to that of Constellation Brands (NYSE:STZ - News) or Brown-Forman (NYSE:BF-B - News).

Gabelli says $3 of Fortune's estimated 2007 earnings of $5.75 a share comes from its spirits unit. Liquor accounts for 34% of profits, while home generates 56%, and golf 15%. Gabelli puts Fortune's intrinsic value at 110. Gregory Gieber of A.G. Edwards, who rates Fortune "buy/aggressive," says spirits "has a lot of upside potential" whose value isn't yet reflected in the stock. Fortune acquired 25 brands from Allied Domecq (NYSE:AED - News). last year. Gieber has a 12-month stock price target of 93.



**6. Which Restaurant Wine Promotions Really Work?**

Source: *Wines & Vines*

December 14, 2006

**Table-tent recommendations for high-margin wines can promote overall sales**

Ithaca, N.Y.- A 12-week study conducted by Brian Wansink, Ph.D., director of the Cornell University Food and Brand Lab, and other researchers demonstrates the effects of various table-tent wine promotions on restaurant sales of wine, other beverages and food.

Among the conclusions:

More recommendations equal more wine sales. Promoting five wines increased sales of the promoted wines by 39%, without "cannibalizing" other wine sales.

Suggested wine and food pairings are effective, but only in small doses. More than three wine recommendations "and people give up," according to study co-author Collin Payne, Ph.D., a research psychologist at Cornell.

Tasting portions sell: Two-ounce tasting portions increased sales by 18-47%.

Promotions can cannibalize: Between 69-87% in sales of promoted wines came from other wines that patrons would have ordered anyway. The authors recommend promoting higher-margin wines, mid-priced or above, and avoiding margin-cutting price promotions.

Authored by Wansink, Payne, Glenn Cordua, Ph.D., founder and director of the Wine and Spirits Institute at the University of Houston, Ed Blair, professor and chair of marketing at the University of Houston and Stephanie Geiger, a Ph.D. candidate of University of Houston, the report "Wine Promotions in Restaurants: Do Beverage Sales Contribute or Cannibalize?" suggests, "Given the 200 to 300% margins on restaurant wine sales, we believe that restaurateurs would like to know how on-site promotions might increase wine sales."

The right promotion, the authors write, "Could also help a novice wine drinker to make a more confident, satisfying wine selection," and reduce the financial and social risks of ordering wine. As suggested in the highlights above, some promotions are more profitable than others, and some may actually decrease overall sales. A table-tent promotion of five wines increased wine sales of promoted wines more than promotions recommending a single wine or three, spurring a 39% increase for the five featured wines, a 12% increase in overall sales and a 4% increase in total restaurant sales.

Table-tents promoting wine and food pairing, on the other hand, showed that pairing five wines with five foods "significantly decreased wine sales by 11% and all other wine sales by 14%," perhaps because the excessive choices confused diners.

Conversely, in promotions of single $2 tastes and a $10 flight of five different wines, the study found "the more, the merrier." The single tasting promotion increased subsequent sales of full glasses by 18.2%, but when five tastes were offered, the total increase in sales for all five wines grew an astonishing 47.3% week on week. This would seem the preferred promotion method, but, the authors cautioned, it could be a logistical hassle for restaurant managers. "Proper waiter education is necessary to prevent overpouring and to control costs." They suggested starting with the single-taste program and working up the full, most profitable plan.

The study took place in two restaurants of the Texas chain, Rockfish Seaood Grill, 22 miles apart in Houston. Management helped select five relatively new or unfamiliar wines, and the test promotions ran in alternate weeks at each.



**7. Anheuser-Busch Ends Nascar Busch Series Pact**

*Dow Jones Newswires*

December 19, 2006

NEW YORK (Dow Jones)--Anheuser-Busch Cos. (BUD) has confirmed it will end its decades-long sponsorship of the Nascar Busch series next year.

The St. Louis company had sponsored the second-division stock-car racing series since 1982 with its Budweiser brand, but switched to its Busch brand in 1984.

Anheuser-Busch continues to sponsor Nascar events, but decided to withdraw from the title sponsorship as part of an overall reassessment of its Nascar marketing, said Tony Ponturo, Anheuser-Busch's vice president of global media and sports marketing.

The company didn't release any numbers, but A.G. Edwards leisure analyst Tim Conder said Anheuser-Busch was likely paying between $11.5 million to $13 million a year for the series.

Nascar estimates the series sponsorship is worth more than $100 million in brand exposure, with about 1.7 million households tuning in for the race this past year.

Busch series viewership in 2006 was up 22% from 2003, Giangola said, though down slightly from 2005, a record year for the race, Nascar said.

However, the sport as a whole has begun to mature, and sponsors could be concerned that a declining viewership is part of a longer-term trend, Conder said. Sponsorship payments to Nascar were climbing on average about 17% a year, but have more recently grown closer to 3%.

"We still value (the sport) as a very good media property, but it's not growing at the rate it was," Conder said. "Nascar as a whole has hit a mature phase."

Nascar and its media partner, Walt Disney Co.'s (DIS) ESPN, will search for a new sponsor for the series, Nascar Director of Business Communications Andrew Giangola said.

The Busch series airs on Saturdays from locations across the U.S. and Mexico, and is second in terms of viewership only to the Nascar Nextel Series, which airs Sunday. The Busch series is considered a proving ground for drivers who wish participate in the first-division Nextel race.

The Busch series has been growing faster than the Nextel series, which might bring more interest from potential sponsors, Conder added.

The new sponsor would likely be a consumer a brand, as the whole sport is built on consumer-oriented products, he said.

Anheuser-Busch shares closed Tuesday at $47.90, down 0.3%.



**8. Alcohol Sellers Decry ‘Dry’ Ordinances**

By Shannon McCaffrey - *Associated Press*

December 20, 2006

**Bummed over 'blue laws'**

MARIETTA, Ga. - With both Christmas Eve and New Year's Eve falling on a Sunday this year, revelers in many states will have to stock up a day early if they want to celebrate at home by raising a glass of champagne or some well-aged scotch.

Many states still have Sunday "blue laws" that restrict the sale of alcohol on the day of rest at liquor stores and supermarkets.

Georgia, Connecticut and Indiana ban the Sunday sale of any alcohol for off-premises consumption. Other states, such as Minnesota, Oklahoma and Utah, permit the sale of only weaker, low-alcohol beer Sundays. Alabama, Arkansas, Illinois, Kentucky, Kansas and South Carolina are among the states that allow local communities to make their own Sunday rules.

"It's a total pain," said 54-year-old Kent Brooks, of Alpharetta, in suburban Atlanta. "I hate being told what I can and can't do by the government. They should keep their nose out of my happy-hour habits."

In most places around the country, restaurants and bars can serve alcohol Sundays, though some are required by local ordinances to close at midnight.

In recent weeks some local governments, such as the Atlanta suburb of Suwanee, have passed one-time exemptions so that bars and restaurants will not have to hustle customers out the door before the closing strains of "Auld Lang Syne."

Beer, wine and liquor store owners complain that Sunday restrictions are hurting sales on what is typically their busiest day of the year, New Year's Eve. Christmas Eve is often a close second.

In Minnesota, which permits the sale of only low-alcohol beer Sundays, a spokesman for Gov. Tim Pawlenty downplayed the inconvenience. Party hosts will simply have to buy their alcohol ahead of time - "just like every Super Bowl Sunday," Brian McClung said.

In some places, the Sunday liquor laws have been loosened for the holidays. In Omaha, Neb., the city council voted to allow stores to begin selling beer and wine as early as 6 a.m. Christmas Eve and New Year's Eve. Normally, the stores there do not open until noon.

Blue laws date to the colonial era and supposedly got their name from the blue paper they were printed on. Many states have scaled back or eliminated the laws.



**9. Sunday Holidays Loosen Alcohol Laws**

**By Emily Bazar, *USA Today***

**December 19, 2006**

Some communities that restrict Sunday alcohol sales will make it easier for revelers to toast the New Year.

Omaha; Paducah, Ky.; and Monroe, La., are among the cities that have liberalized their alcohol regulations this year for New Year's Eve and, in some cases, Christmas Eve. Both fall on Sundays.

Prodded by restaurants, bars and convenience stores, local leaders say they didn't want businesses to suffer on what can be one of the year's most lucrative party nights.

"It's one of their biggest sales days," says Monroe city councilman Arthur Gilmore.

Normally, Monroe allows only beer and wine sales on Sunday and only in restaurants, Gilmore says. Last week, though, the council passed an ordinance allowing bars, liquor stores and other establishments - including restaurants - to sell any kind of alcohol from 6 p.m. to 2 a.m. on New Year's Eve and into New Year's Day, whenever New Year's Eve falls on Sunday.

Restrictions on Sunday alcohol sales vary nationwide. Some states allow cities and counties to establish their own policies.

Thirteen states had Sunday bans in place in 2005 forbidding the sale of hard liquor for off-premises consumption, says Steven Schmidt, a vice president at the National Alcohol Beverage Control Association. Though most states allow alcohol sales at bars and restaurants on Sunday, a majority places restrictions on when it can be served, he says.

Many of these regulations have their roots in "blue laws," which date back to the Colonial era and were enacted to restrict working, shopping, drinking and other activities on the Sabbath.

Their modern incarnations were adopted after the Prohibition, says James Mosher of the Pacific Institute for Research and Evaluation, which conducts research on alcohol policy for the federal government.

Paducah passed a New Year's Eve ordinance last week that will allow more establishments to serve alcohol for a longer period, says city manager Jim Zumwalt.

Commissioner Robert Coleman was one of two who voted against the proposal. He says he's worried about public safety, adding that the police department advised against the change.

"It will create problems for them - drunk drivers," he says. "That is not good for the general public."

Coleman says his office fielded more than 100 calls on the issue. "A majority of my calls were from churchgoing people who called the Sabbath a holy day," he says.

In Omaha, the city council voted Dec. 5 to allow businesses that apply for a special permit to begin selling any alcoholic beverage at 6 a.m. on Christmas Eve and New Year's Eve this year, says city clerk Buster Brown. They're normally not allowed to start selling those drinks until noon on Sundays.

The council liked the idea so much that it voted Tuesday to allow beer and wine sales from 6 a.m. to noon all Sundays, he says.

"This allows businesses more flexibility in their hours of operation and what they sell," Brown says.



**10. Beyond Animal Magnetism - The Lesson of Critter Labels: Drinkers Judge Wine by What's on the Bottle**

By Jon Bonné, Wine Editor - *San Francisco Chronicle*

December 15, 2006

Three Blind Moose, Four Emus, Funky Llamas. A menagerie of critter labels on wines has emerged in the past three years, all hoping to emulate the success of a certain Yellow Tailed marsupial. In 2005, these wines locked up $605 million in sales, and average sales of 77 new animal labels launched since 2003 more than doubled those of their non-critter rivals, according to ACNielsen. So, it seems, what's on the label does make a difference.

Now there are whispers that animal magnetism is beginning to lose its pull with consumers. Could it be the era of the Technicolor kangaroo is on the wane?

Constellation Brands, the world's largest wine company -- which has reaped its share of profits from critter wines -- has started speaking not in terms of an animal category but instead of "adventure labels," which lump emus and moose together with such brands as Twin Fin, which features surfboards and a convertible on the beach.

After South African wine producer Golden Kaan (owned in part by Germany's Racke, one of Yellow Tail's European distributors) put the matter to focus groups, they rebuffed the elephants and meerkats, electing for a simple gold reproduction of the African continent on its $9 bottles of Cabernet Sauvignon and Sauvignon Blanc.

"We have more options than just to copy a successful brand and just put animals on the label," says Marian Kopp, Golden Kaan's president.

There are lessons to derive from the Critter Years: Shoppers now have more interesting brand options than the same old leaves and flowers or Creeks and Canyons and Mountains. At worst, the critters are relentlessly generic wines -- the easy-drinking end product of a global wine glut. At best, they're interesting bottles aided by a bit of marketing legerdemain. Either way, they have played a key role in changing the rules of the business. Wine is finally being thought of as a style industry; drinkers view their wine choices as an extension of their personal aesthetics.

In 2004 and 2005, Constellation commissioned a massive study to identify types of wine drinkers. While women formed the backbone of such categories as Enthusiasts and Satisfied Sippers (and essentially keep the wine industry in business) a notable exception were the Image Seekers -- predominantly male, average age 35 -- who buy prestigious bottles when they're out to impress, but guzzle down the critters and other offbeat brands at home. Labels, then, are simply a barometer of a changing wine culture, one that is finally leaving behind its inferiority complex about what's both in and on the bottle. In large part, we've reached that point because the laid-back branding has been paired with a conscious approach to make approachable, easy-drinking wines.

"People will buy a brand for the first time because it has an interesting label," says Leslie Joseph, vice president of consumer research and consumer affairs for Constellation Wines U.S. "And then if what's in the bottle is good -- it meets their expectations -- they'll come back and buy it a second and third time."

Don't underestimate the significance of the user-friendly label. For well over a century, the templates were set by France: either Bordeaux's stately drawings of chateaus, somber serif fonts and gold leaf, or Burgundy's stark minimalism, tailored to proclaim the pedigree of such grand cru vineyards as Mazis-Chambertin or La Tache.

California's early efforts were mostly functional, with early pioneers like Beaulieu Vineyard essentially aping the French model. Then in the 1960s and early '70s, pioneers like Robert Mondavi and Clos du Val tried to bridge the gap -- visually -- between Napa and the Medoc. Mondavi's early labels, for instance, mimicked Bordeaux's formal type and had images of the winery front and center, but the layout was sparsely New World, and his Mission-style facility was an icon of California's arrival on the wine scene.

By the 1980s, as newcomers began to crowd the shelves, many wineries realized they needed something more to differentiate themselves. When artist Bob Nugent devised the artist collection labels for Joe Benziger's Imagery series in 1985, the plan was to leave all the text off the front, providing a blank display for original commissioned works by noted artists -- a gambit to draw in the shopper and make the bottle itself a conversation piece.

"We wanted them to be inquisitive," says Nugent, who still curates labels for Benziger's Imagery Estate Winery, "to say, 'Oh, that's interesting, what's this?' And take it off the shelf and read so they were holding the work of art in their hand."

The Critter Effect essentially works on the same principle. But it has left some of California's label pioneers skeptical. Bonny Doon owner Randall Grahm, who with designer Chuck House is responsible for such iconic labels as Le Cigare Volant (with its now-famous UFO), dismisses the animal mania as a "cynical exercise," the triumph of marketing over wine.

"Frankly, I find it quite sickening and I feel quite guilty for my part for whatever role I played in leading everyone down this path," Grahm says. "I don't now think that labels should be stuffy, but it's like we've missed the point ... Now the packaging is more important than the wine itself."

Nor are winemaking superstars immune to the trend, with packagingbecoming a booster for fame. It's another lesson applied from fashion: The more collectible the product, the more iconic it must be. Christian Louboutin fans can spot his shoes' lacquered red bottoms at 50 paces; wine is no different. Collectors may turn their noses up at frogs and dogs, but anyone uncorking a bottle of Helen Turley's outrageously hard-to-get Marcassin Chardonnay or Pinot Noir -- complete with its stylized wild boar -- would be quite happy if the next table identified (enviously) what they're drinking.

The message has hit home in the Old World too. France still turns out enough script on its labels to employ an army of calligraphers, and appellations still rule the roost. But forward-thinking vintners like Catherine and Pierre Breton in the Loire Valley, with their Mondrian-like color blocks, are leading the way with sleek postmodern labels. Spain has largely traded out its baroque designs for stark minimalism and Aussie-quality names. (Red Guitar, anyone?) As Debbie Zachareas, wine director and co-owner of Bacar and Ferry Plaza Wine Merchant, puts it: "I think it's almost more a necessity to have a good package now."

Animal labels drove that message home, and last year brought success for the critters. Among the top 10 new wine brands tracked by the research firm Information Resources Inc. were Monkey Bay, 3 Blind Moose and Four Emus. But atop the list was ... Twin Fin. And among IRI's broader list of 30 top brands, Little Penguin and Smoking Loon were interspersed with established, less cutesy options: Chateau Ste. Michelle, Beringer and Italy's Cavit. Is it that the animals are beginning to clutter the aisle? Can you tell Blue Marlin from Blue Fish?

"I think people will probably ramp back the number of labels they put out there with animals on them," predicts Ben Dollard, president of Constellation's Pacific Wine Partners, which produces both Twin Fin and Four Emus.

It may be that we don't need an animal to catch our eye in the supermarket aisle anymore, suggests Liz Thach, a professor of wine business and management at Sonoma State University, because a broader new visual language for wine has emerged. Bright colors, eye-catching fonts, memorably quirky names -- the palette of tools is broad.

Perhaps it works, then, for Don Sebastiani & Sons to pitch Screw Kappa Napa to drinkers under 30, or for Gallo to bridge the Gallic gap by slapping a Red Bicyclette-riding chap on French table wine. But as younger drinkers become savvy and willing to spend a few dollars extra, quirky doesn't cut it. "The $12 to $15 range is really hot now, and so they're looking for a little more sophistication," Thach says.

In fact, the biggest challenge may be for established wineries to ignore the ever-growing menagerie. One who has is Ridge Vineyards in Cupertino. Though its stark, sans serif labels offer the bare essentials, you can't possibly mistake a Ridge label for anything else, which is a big reason why it has remained essentially unchanged since 1962.

Winemaker Paul Draper inherited the look when he joined the winery in 1969. "We've loved it so much that we can't consider seriously changing it," he says.



**[II. IOWA NEWS.](#II)**

**11. D.M. Council Moves Toward Easing Under-21 Bar Rule**

By Jason Clayworth, Staff Writer – *Des Moines Register*

December 19, 2006

The Des Moines City Council on Monday approved the first reading of an ordinance allowing people younger than 21 to remain until 11:30 p.m. in music venues where alcohol is served.

Advocates of the plan applauded the vote.

"A lot of bands will just go right over this town because they know it's a problem" that young people are prohibited from many of the shows, said Andrew "Ace" Amis, who helps promote live music in Des Moines.

Des Moines' current law forbids the under-21 crowd from staying past 9 p.m. at bars and clubs with a liquor license.

The ordinance met resistance earlier this year after police issued tickets to people under 21 during a check. After those tickets, young people and some owners of music venues held public meetings to address the issue.

The proposed ordinance has a 12-month sunset provision that will allow the city to evaluate the program and revoke its leniency toward youth if too many problems arise.

Under the proposed ordinance, designated music venues would be exempt from the current ordinance. Those venues must meet certain criteria. For example, each must book at least 150 live performances a year and have a stage.

J.C. Wilson, owner of the House of Bricks, 525 E. Locust St., helped the city's music commission make recommendations about how to proceed with the ordinance.

The ordinance will help bring more live music to Des Moines, which will help the city's goal to create a more lively and exciting downtown, Wilson said.

The House of Bricks already requires people who consume alcohol to show identification and wear a brightly colored paper bracelet to distinguish themselves from minors. Underage drinking attempts are rare, he said.

"If the kids truly want to drink, they go to somebody's home where they're not chaperoned," Wilson said. "We have to protect our business. We don't play around with that one bad apple."

Councilman Michael Kiernan, who last year helped start the city's music commission, said safeguards are written into the ordinance. Designated venues must provide security and provide the police department with event schedules.

"I think what we're doing is creating a much safer environment that we have more regulation over," Kiernan said.

Less than a dozen businesses will be eligible to become designated music venues, said Police Sgt. Todd Dykstra.

The council is expected to complete two more readings of the ordinance during public meetings in January before the law is in place.

<http://www.desmoinesregister.com/apps/pbcs.dll/article?AID=/20061219/NEWS05/612190385/1001/NEWS>



**12. Officials: 3 Businesses Fined for Underage Sales**

*Des Moines Register*

December 18, 2006

West Des Moines, IA -- Authorities say three West Des Moines businesses have been fined $500 each for selling alcohol to underage customers:

King & I Thai Cuisine, 1821 22nd St., Suite 103

West Des Moines Marriott, 1250 74th St.

Waterfront Seafood Market, 2900 University Ave.



**13. D.M. Hospitals Push for Stricter Ban on Smoking**

By Jason Clayworth – *Des Moines Register*

December 18, 2006

Des Moines hospitals want city leaders to extend a smoking ban so employees, patients and visitors can no longer light up legally on sidewalks, streets or adjacent public properties.

The idea will be discussed at a public meeting today as part of a proposal to ban smoking in public parking garages in Des Moines. If approved, violators will face fines and possible jail time.

Six Des Moines hospitals banned smoking on their properties, effective July 1. Smoking is even disallowed in cars parked outside the hospitals, although officials acknowledge they do not routinely enforce that rule.

Employees, who can be fired for violations, often walk off the hospital grounds to light up. Some even smoke on the streets between parked cars.

Several smokers interviewed near Des Moines hospitals say a city ban broader than what hospitals already have in place would tip the balance between public health and individual rights. Most declined to be identified, saying they feared reprisals from employers.

Penny Hymbaugh, a radiology student at Iowa Methodist Medical Center, said hospitals have a right to ban smoking on their grounds, but city leaders should be careful not to snuff out fairness.

"I definitely believe in non-smokers' rights, but sometimes they go too far," Hymbaugh said as she smoked a cigarette on a sidewalk across from the hospital. "I think it's going to be an ongoing battle."  
  
"We actually feel like kids out hiding behind the bleachers in high school," said one smoker, whose interview can be heard at DesMoinesRegister.com. It's "like we're doing something criminal. It's kind of ridiculous," she said.

City Councilwoman Christine Hensley last month proposed a smoking ban in all city parking garages. Hensley has said nonsmokers should not be exposed to secondhand smoke as they walk from their cars into the city's skywalks.

Groups such as the American Lung Association of Iowa and the city's parking advisory committee have already endorsed the idea.

The council will discuss such a ban today and is expected to forward the idea to the city manager and legal department before an official vote next year.

Local health care officials have asked for a ban similar to one enacted in Sioux City, where smokers are prohibited from lighting up within 20 feet of any health facilities designated as tobacco-free. The ordinance was passed about two years ago and, though rarely enforced, carries a fine of up to $625 and 30 days in jail.

One of that city's largest medical facilities, Mercy Medical Center, also provides a smoking area on the grounds and allows employees to smoke in their parked cars.

"Smokers are people, and there are people who smoke," said Mercy spokeswoman Amy Slevin. "We're trying to be respectful of everybody but provide an environment that's healthiest for most people."  
  
Sioux City police have written no known tickets for smoking violations, a city attorney said.

Hospital officials have encountered very few problems, Slevin added.

The Des Moines hospitals that banned smoking last summer - Mercy Medical Center, Mercy Capitol, Iowa Methodist Medical Center, Iowa Lutheran Hospital, Blank Children's Hospital and Broadlawns Medical Center - issued a joint press release last month in support of a tougher ordinance. Among the reasons: to help protect adjacent property owners.

City Councilman Tom Vlassis, a former smoker, said a smoking ban around health care facilities would probably be unenforceable.

"The police have so much to do now, and asking them to stop because a guy on the street is smoking a cigarette? I think that would be difficult," he said.

<http://www.desmoinesregister.com/apps/pbcs.dll/article?AID=2006612180337>



**14. Garage Smoking Ban Moves Forward**

By Jason Clayworth, Staff Writer – *Des Moines Register*

December 19, 2006

The Des Moines City Council on Monday moved a step closer to banning smoking in public garages.

The council, however, declined to take action on another idea proposed by smoking opponents that would have prohibited smoking on public property within 20 feet of health care facilities. That idea, council members said, was too restrictive.

"My sense is we have a problem right now" with smoking in public parking ramps, "and we need to deal with it," Councilwoman Christine Hensley said.

Hensley has said nonsmokers should not be exposed to secondhand smoke as they walk from their vehicles into the city's skywalks.

Groups such as the American Lung Association of Iowa and the city's parking advisory committee have endorsed the idea.

The council on Monday asked City Manager Rick Clark and the city's legal team to write an ordinance to ban smoking in the garages. That ordinance will probably come back for council approval Jan. 22, City Attorney Bruce Bergman said. Councilman Tom Vlassis, a former smoker, cast the only no vote. He said more public debate is needed.

Six Des Moines hospitals have banned smoking on their properties, effective July 1. Employees can be fired for violations.

"Pretty soon, smokers will be classified in the same category as sex offenders and have to abide by the 2,000-foot law," resident Kelli Soyer wrote Monday in an e-mail to Vlassis.



**15. Bar Owners Question Proposed Fire Code**

By Hieu Pham – *Iowa City Press-Citizen*

December 18, 2006

Some Iowa City bar owners say they are not sold on the Iowa City Fire Department's latest fire safety initiative.

"I think there are better ways of doing it," said Bo-James owner Leah Cohen, referring to a new fire safety proposal that calls for sprinkler and voice alarm systems for drinking and eating establishments throughout the city.

According to the proposal, sprinklers would be required for bars, nightclubs, restaurants, taverns and banquet halls with occupancies of 100 and more. Voice alarm systems would be installed in businesses with amplified sound equipment and occupancies of 200. The proposal also calls for owners to widen entryways.

Codes now require sprinkler systems for places with occupancies of 300 people and do not include voice alarm systems.

The Board of Appeals is expected to consider the proposals on Jan. 18 before forwarding them to the City Council.

Cohen said the fire hazards for smaller bars occupied on lower or upper levels are not being addressed. Small enough to bypass the requirement, those bars pose as much of a threat, if not greater, for a fire, she said.

"Those upper and lower level bars with stairways present dangerous situations, especially when packed," she said.

But Cohen's greatest concern is the voice alarm systems, which she said have not been tested in Iowa and could be dangerously misused.

When triggered by sprinklers, voice alarms would turn on lights, shut off music and inform patrons of exits in a pre-recorded message or by the responsible party present, city building inspector Tim Hennes said.

However, Cohen is skeptical and wonders what would happen if a drunken prankster managed to take control of the system. She said the manual override component of the voice alarms is a "tremendous liability."

"I'm not willing to be the test market for that," she said.

Iowa City fire inspector Steve Stimmel said the proposals are part of the 2006 version of the International Fire Code, which is used in 42 states across the United States. The code is updated every three years.

Although supportive of the proposal, Bryan Flynn, owner of Joe's Place, said the $25,000 to $30,000 price tag of sprinkler systems is a cost not all businesses can afford.

"The thing is, a lot of this is a knee-jerk reaction to a few incidents that have happened around the nation in the last few years," Flynn said. "But I think the probability is a lot of these situations are from neglect and from a few bars that didn't have the right procedures in line."

The most recent local incident occurred in 2003, when a fire at the former Easy Place Chinese Restaurant spread to Joe's Place.

Rebecca Neades, vice president and director of public policy for the Iowa City Chamber of Commerce, said people should not forget the proposals are not exclusive to bars.

"We want to know that the code changes being proposed are meeting the intended purposes," she said.

On Jan. 4, the chamber will host a meeting with member businesses to talk about the proposal. The organization represents about 1,000 members.

Enforcement measures of fire codes have increased substantially this year and bars arguably have seen the greatest changes as a result. Fines for over-occupancy have nearly tripled, and the fire department requires crowd control managers as part of several initiatives to prevent fires.

But when it takes only a matter of seconds before a fire becomes deadly, fire officials say Iowa City bars, especially those downtown, should not take the chance.

If enacted, changes would start downtown and in the northern business district and then expand. If approved, the new code would become effective in July 2007. Businesses would have five years to meet the code requirement.

<http://www.press-citizen.com/apps/pbcs.dll/article?AID=/20061218/NEWS01/612180315/1079/NEWS>



**16. C.R. Studies How to Shelter Intoxicated Homeless**

*Associated Press*   
December 21, 2006

As chilly rains sweep the state, some homeless shelters in the Cedar Rapids area are investigating new options to keep drunk or high homeless people dry and warm.  
  
About 65 people attended a meeting Wednesday to talk about providing a “wet shelter” because the city currently lacks any shelters that will take people who are intoxicated.  
  
Area shelter and service providers say their effort is prompted by the death of 48-year-old Steven Howard, who was turned away from a Cedar Rapids shelter earlier this month because he’d been drinking. Authorities say Howard died of hypothermia, with alcohol and cocaine intoxication as contributing factors.  
  
About 15 people at the meeting volunteered for a committee that will work on a long-term solution.

<http://www.desmoinesregister.com/apps/pbcs.dll/article?AID=200661221004>



**[III. OTHER STATE NEWS.](#III)**

**17. California Ramps up Efforts to Curtail Drunk Driving (California)**

By Shari Roan, Staff Writer - *Los Angeles Times*

December 18, 2006

**Alcohol-sensing devices, GPS trackers and other efforts aim to keep an eye on DUIs.**

Anti-drunk driving devices in cars may still be a decade away. But the net is expected to continue to tighten around drunk drivers, says Chris Murphy, director of the California Office of Traffic Safety.

"At the state level, we are doing more than ever," he says. "We're not resting until this issue is reversed, until these numbers turn around. We are funding new and exciting programs designed to save lives."

Riverside County has launched two pilot studies, funded by Murphy's office, to deter drunk drivers with monitoring devices, says Ed Vasquez, chief deputy probation officer for field services with the Riverside County Probation Department. One is an alcohol-sensing ankle monitor, which is being tried on about six offenders as a condition of probation. The study will test whether the device allows officials to monitor the whereabouts of offenders and deters offenders from entering bars.

Another program is using global positioning system technology in a device that can be strapped to the ankle or wrist. If the offender is being monitored in real time, law enforcement agents could tell, for example, if he or she was entering a bar - usually forbidden in the terms of probation. Information is also recorded, and a review of the data could tell if the offender was entering a bar or violating any other terms of probation.

The state Office of Traffic Safety also launched a program this year to encourage people to call 911 when they spot someone driving erratically and provide information on the description of the vehicle, its location and, if possible, a license plate number. (Motorists should not chase or follow the erratic driver.)

The program will be heavily promoted next year, with information posted on changeable message signs on freeways. Caltrans recently installed signs about the program at 66 rest stops throughout the state.

The office has also allocated $4 million in funds in 2007 to supplement sobriety checkpoints on highways and local roadways. These are considered a highly successful deterrent, Murphy says.

The city of Fresno has attracted nationwide attention for its use of such checkpoints and saturation patrols in which police patrol the streets looking for impaired drivers. The city conducts more crackdowns than any city in the nation and has become a model for other law enforcement agencies.

Other efforts underway include programs to assist in the prosecution of drunk drivers, monitor the activities of repeat offenders and offer alcoholism rehabilitation to first-time offenders in lieu of jail time.

Finally, a state law set to take effect on Jan. 1 will make it a criminal offense for anyone younger than 21 to operate a vehicle with a blood-alcohol concentration of .01% or above - a so-called "zero tolerance" approach to underage drinking and driving.

"I'm hoping to see an impact in the next couple of years," says Murphy of these efforts. "The numbers are unacceptable to all of us."



# 18. 'We I.D.' Sends Message to Minors, Bar Workers (Michigan)

By Dirk Vanderhart - *The Grand Rapids Press*

December 18, 2006

Michigan bar and restaurant patrons might notice an added touch of color on their server's lapel this season; one not meant to evoke holiday spirits.

That's because the Michigan Liquor Control Commission is distributing red and white "We I.D." buttons to liquor retailers.

Their goal: intimidate minors ready to order a clandestine beverage.

 And to make sure patrons do not get a touch too merry, the commission also is distributing alcohol-impairment charts for use by bar and restaurant employees.

The pocket-sized charts let servers estimate customers' blood alcohol level based on their body weight and how many drinks they have had.

"We hope that it sends a message," Liquor Control Commission spokeswoman Angela Simpson said of the buttons. "We're confident that businesses are strict, but it never hurts to have extra tools available."

To date, the commission has distributed more than 400 free buttons and charts, many of them in the Upper Peninsula.

"We didn't know what the demand was going to be," said Simpson. "We brought them to our trade shows, and they went like hot cakes."

Still, 400 is a small fraction of the up to 10,000 licensed bars and restaurants in the state, and it's unclear whether demand will ramp up.

In Grand Rapids, many establishments say they already have sufficient enforcement.

"It's a huge focus for us," said Carey McMahon, food and beverage director at The B.O.B. "It's not something we take lightly."

McMahon said his servers and bartenderse already are trained to tell whether a customer is too drunk, and minors who wish to buy a drink are more likely to flash a fake I.D. than get by on their looks.

"Any minor who walks into The B.O.B. knows we would I.D, so we have quite a collection of fakes," McMahon said.

 He added the "We I.D." buttons might have more of an impact on servers than underage customers.

"It might remind staff they could lose their job."

For Brett Alward, owner of Sazerac Lounge on Plainfield Avenue NE, the buttons have more potential at party stores than his bar.

"When I was growing up, it really took a lot for a minor to walk into a bar and try to get served," Alward said. "They were more likely to go to a liquor store."

As for the Alcohol Impairment Charts, Alward trusts the judgment and training of his employees.

"I'd much rather you cut someone off or give them a water than get on the calculator and try to figure out if they're drunk," he said. "This is an adult industry for adults."

Then there's Z's Bar & Restaurant Office Manager Katie Oquist, who takes a more optimistic view toward the chart and "We I.D." button.

"I think both of them could be useful," she said, adding she probably won't place an order any time soon.

"We all have training. We do enough here already."

<http://www.mlive.com/business/grpress/index.ssf?/base/business-4/1166456794266490.xml&coll=6&thispage=2>



**19. Liquor Sale Law Eased for New Year's Eve (Kentucky)**

By Steve Lannen And Delano R. Massey, Staff Writers – *Lexington Herald-Leader*

December 19, 2006



Alison Smyth poured a drink yesterday at the Hamburg T.G.I. Friday’s,

where patrons now will be able to drink in the new year.

**Restaurants, bars allowed to sell drinks until 2 a.m.**

What it Means

Hey, Lexington, get set to open the champagne. Or bourbon. Or red wine. Or whatever you want to drink this side of moonshine as the clock nears midnight this Dec. 31.

Even though New Year's Eve falls on a Sunday, patrons of Lexington bars and restaurants will be able to welcome 2007 with the beverage of their choosing until 2 a.m. on New Year's Day.

At its fourth meeting in less than two weeks to discuss the issue, Urban County Council members voted 11-0 yesterday afternoon to allow expanded liquor sales until 2 a.m. Jan. 1 after holding a first reading of the ordinance a half-hour earlier.

The council also rebuffed its own attorneys, who argued the city was powerless to extend the hours distilled spirits and wine are sold because of state law.

"With this law we tried to make it more understandable for everybody. Just on this day, when New Year's falls on a Sunday, (bars and restaurants) will be open until 2 a.m.," said Councilman Chuck Ellinger II after the vote.

Bars in hotels with convention center licenses may stay open until 2:30 a.m. Package liquor stores will remain closed.

Vince Carlucci, owner of the strip club Solid Platinum, said he was "ecstatic" about the vote.

"It's a fair playing field now," he said. "We're glad Lexingtonians can stay home and spend their dollars here in town instead of traveling to Louisville, Northern Kentucky or out of state."

Carlucci said New Year's Eve is "the biggest bar night of the year" and accounts for 30 or 40 percent more profit than any other big night throughout the year.

If the ordinance had not passed, he said, it could have translated into a loss of thousands of dollars.

"It carries a lot of us over through January, which is a rough month," he said. "It's the best thing that could have happened, I think, for everyone."

Others were more cautious.

Monte McQuinn, owner of Beaumont Bar & Grille, said yesterday's decision might have come too late. Many customers might already have made plans to venture outside of Lexington for the night.

The bigger issue, he said, is allowing bars to serve alcohol on all Sundays. He doesn't think it's fair that a restaurant such as Applebee's can serve alcohol on a typical Sunday, when McQuinn's place is closed.

Since he has a bar license, rather than a restaurant license, he said, "we're still at a huge disadvantage."

"I'm glad it got before the council, but I hope this doesn't end there," he said. "I think they need to make the playing field level for everyone."

Normally on Sundays, most Lexington bars are closed. A few connected to hotels with convention center liquor licenses are able to operate late. Restaurants can serve beer and liquor on Sundays, but not past 11 p.m. because of a voter referendum passed in 1986.

Most weekends there is no issue, but when Dec. 31 falls on a Sunday, such as this year, it has sparked complaints. While revelers grouse about few nightlife options, owners of bars and restaurants say they lose out on the profits of what is normally one of their biggest nights of the year.

Earlier this month, a few restaurateurs approached the council about amending the liquor laws for the night. They were told it was too late to address the issue.

Then, the council determined it could amend its own 1995 ordinance to extend the sale of beer and other malt beverages (i.e. wine coolers) until 2 a.m. and permit bars to open, but only to sell those beverages. Late last week, city officials and others said it appeared the council was hamstrung by state law, which stated urban county governments were required to hold a referendum to change laws regarding the sale of distilled spirits and wine.

City attorneys said much the same yesterday and offered another proposal to extend the hours people could consume drinks as long as they were purchased before 11 p.m. But, it was pointed out that would only apply to restaurants. Bars would have still been limited to malt-beverage sales.

"What you're doing is confusing an already confusing situation even more," said former Mayor Jim Amato, who contended that Lexington retains the rights of a second-class city -- and control of its alcohol laws -- even though it is also an urban county government. Amato is also a former state Alcoholic Beverage Control commissioner.

After a lengthy discussion, council members declined to make a motion to advance the law department's proposal.

Instead, the council decided to proceed with the proposal to allow restaurants and bars to sell any alcohol until 2 a.m.

The following said "yes" during a roll call vote: Ed Lane, Jay McChord, Richard Moloney, George Myers, David Stevens, Kevin Stinnett, George Brown, Dick DeCamp, Bill Cegelka, Chuck Ellinger II. Bill Farmer Jr., the last council member to vote, said "and a Happy New Year to all, yes ma'am."

He received a thunderous round of applause.

Vice Mayor Mike Scanlon, who owns several restaurants and has a liquor license, recused himself from voting and speaking about the issue. Council members not in attendance were: Jacques Wigginton, Linda Gorton and Sandy Shafer.

Cegelka acknowledged the possibility the council's decision could be challenged in court.

"There's always a possibility that a group could come in and file a lawsuit saying that this ordinance is improper under state law; then it will be up to a court to decide," he said. "But our job is simply to do what we think is in the best interest of the community."

Police Lt. William Henderson, who oversees the enforcement of Alcohol Beverage Control law in Lexington, said investigators will be out New Year's Eve. He attended the meeting, but said he did not endorse or oppose the council's decision.

"I'm sure we will be getting calls. Hopefully, it's a peaceful night," he said.

At the state chapter of Mothers Against Drunk Driving in Frankfort, state executive director Angela Criswell said she did not take a position on the vote in Lexington. She did say it would be best if closing times were uniform across the state to prevent bar-hopping and drunken driving.

<http://www.kentucky.com/mld/kentucky/news/16271205.htm>



# 20. Teens Who Use False ID to Buy Liquor Could Lose License (Utah)

*KPCW*

December 18, 2006

(KCPW News) State alcoholic beverage officials are hoping to get a new law in Utah that wills suspend a teenager's license if he or she is caught using false identification to buy alcohol. Utah Alcoholic Beverage Control Commission Chair Larry Lunt says they will also ask for one-million dollars a year in the state's liquor profits to be set aside for teen drinking prevention efforts.

Liquor sales in Utah exceeded 50 million dollars last year - up nine million over the previous year. Because liquor is sold in state-run stores, Lunt says every taxpayer in Utah is in the alcohol business, so it's the state's responsibility to educate people about the product its dangers.



# 21. Idaho Governor-Elect Reappoints Nally to State Liquor Dispensary Post (Idaho)

*KCBI TV*

December 18, 2006

Idaho Governor-Elect C.L. "Butch" Otter sent out a press release last Friday announcing the names of 12 agency directors who have accepted his offer to resume their service in his administration. Among the directors continuing their term was James "Dyke" Nally, superintendent, Idaho State Liquor Dispensary and NABCA Director.

“I’m proud to have these skilled and experienced leaders on my team. They come with high recommendations from members of my transition team, whose help and insights I appreciate throughout this process,” Otter said. “I applaud the excellence with which our state employees do their jobs and their managers’ willingness to keep providing great customer service to the people of Idaho. With the help of these folks, Idahoans can be confident that effective and efficient public servants are guiding the day-to-day work of my administration.”



# 22. Governor Proposes Using Liquor Sales to Fund Programs (Oregon)

*Statesman Journal*

December 20, 2006

Gov. Ted Kulongoski said Tuesday that it is right, although a turnabout, to earmark part of growing state liquor sales to offset past cuts in alcohol- and drug-abuse treatment programs.

His two-year budget proposes $17 million to increase state support for prevention, treatment and drug courts.

"The $17 million doesn't make up for the loss in your revenues in the past four years," Kulongoski said at an awards ceremony of the Governor's Council on Alcohol and Drug Abuse Programs. "But I believe this money goes a long way to putting us back on the right track."

The money amounts to 2 percent of the state's projected gross liquor sales in the next two years, starting July 1.

More than half of the money would go to expanded outpatient treatment for at least 1,330 people who do not qualify for state-supported health insurance for the poor and expanded residential treatment for 90 more parents and 60 more dependent children.

Kulongoski also proposes $3.5 million to support and expand drug courts, in which criminal offenders agree to undergo and complete treatment as part of their proceedings. Other money would be spent on community efforts toward preventing abuse by youths and keeping families together through treatment for drug-addicted parents.

Kulongoski's budget proposes no changes in state beer and wine taxes, which have remained constant for 25 to 30 years.

Oregon is one of 18 states that sell hard liquor through state-controlled stores and has done so since Prohibition ended nationwide in 1933.

Of net liquor receipts, 56 percent goes to the state general fund, 20 percent to cities, 10 percent to counties and the remainder to city revenue sharing.

Gross liquor sales in 2005-07 are projected at $599 million, about $70 million more than budgeted and $100 million more than recorded in 2003-05. Kulongoski's 2007-09 budget projects an increase of $100 million. All of these figures are before costs of the Oregon Liquor Control Commission.

"The reality is that it is part of the revenue stream for the state," Kulongoski said after his talk. "Liquor sales have been around since the 1930s. As the economy improves, there is a correlation between the quality of alcohol consumed and the amounts of revenue that are driven up."

Kulongoski left the awards ceremony early after presenting an award named after Thomas R. Dargan, formerly a general manager of Portland television station KATU, who was the first chairman of the governor's council 21 years ago.

"But the best recognition of us is what you have done in your budget," said Ann Uhler of Tigard, the current council chairwoman.

<http://www.statesmanjournal.com/apps/pbcs.dll/article?AID=/20061220/STATE/612200346>



# 23. New DUI Law Acts Fast on 'Highly' Drunk Drivers (Hawaii)

By Nelson Daranciang – *Star Bulletin*  
December 20, 2006



DENNIS ODA / [DODA@STARBULLETIN.COM](mailto:DODA@STARBULLETIN.COM?subject=http://starbulletin.com/2006/12/20/)

**Alcohol-related traffic fatalities in Honolulu have actually gone down to 10 this year**

Motorists deemed "highly intoxicated" will have their vehicle registrations and license plates immediately seized and lose their driving privileges for six months, under a new state law that takes effect Jan. 1.

And even if it is their first arrest and conviction for operating a vehicle while under the influence of an intoxicant, motorists who qualify as highly intoxicated drivers will face penalties as if they were repeat offenders. Under the new law, a highly intoxicated driver is someone whose blood-alcohol level measures 0.15 or more grams of alcohol per 100 milliliters of blood.

A driver may not legally operate a vehicle with a blood-alcohol content of 0.08 or higher. The penalties for motorists caught operating a vehicle with a blood alcohol of at least 0.08 but less than 0.15 remain the same.

The new law takes effect as all four county police departments step up traffic enforcement during holidays.

Honolulu police have been conducting checkpoints year-round. Last month Honolulu Police Chief Boisse Correa created a task force to discourage traffic-related deaths due to speeding. So far this year 88 people have died on Oahu roadways compared with 74 at this time last year and 67 on this date in 2004, Honolulu police said.

The number of alcohol-related crashes involving fatalities have actually gone down to 10 so far this year, from 15 on this date last year, and from 21 at this time in 2004, according to HPD.

On the Big Island, police are doubling the number of holiday checkpoints this year to 43, said Sgt. Dexter Veriato, Hawaii County Police Department Traffic Services.

So far this year, 33 people have died on state and county roads on the Big Island. Nine of the deaths were determined to be alcohol-related. In all of last year, there were 34 traffic deaths on the Big Island, 23 were alcohol-related, Veriato said.

This year's tally does not include the five deaths that occurred Nov. 10 in a head-on collision in Hawaii Volcanoes National Park. National Park officials are investigating that case. They are awaiting the results of toxicology tests to determine whether the deaths were alcohol-related, said Ranger Mardie Lane.

On the Valley Isle, the Maui Police Department has added roving patrols looking for impaired drivers to its holiday DUI checkpoints. Maui police have made it more expensive for drivers arrested for operating a vehicle under the influence of an intoxicant to get out of jail. This year, bail increased to $1,000. In the other counties bail is $250 for first-time offenders and $500 for repeat offenders.

On the Garden Isle, the Kauai Police Department has added four officers to conduct DUI enforcement at night during the holidays.

So far this year 13 people have died in nine fatal traffic crashes on Kauai. Of the nine crashes five were alcohol-related, Kauai police said. Last year 10 people died in nine crashes and two of those crashes were alcohol-related, police said.

<http://starbulletin.com/2006/12/20/news/story06.html>



**24. Phil Goldsmith- Raise a Glass to Rare Candor in Pennsylvania Politics (Pennsylvania)**

*Philadelphia Daily News*

December 20, 2006

When I read last week that Gov. Rendell had decided to appoint a chief executive officer to the Pennsylvania Liquor Control Board, I excitedly exclaimed out loud to no one in particular, "It's about time."

I wasn't saluting the appointment of former restaurateur and state Sen. Joe Conti to the newly created $150,000 position. I was hailing LCB Chairman Jonathan Newman, who had the gonads to object publicly to Rendell's sneak attack.

"This is not transparency in public government; I'm very disappointed and very concerned that this is what government comes down to," said Newman, who learned about the new position only the day before.

Obviously, the Rendell team expected Newman to act like most political appointees and simply roll over and play dead. Instead, by speaking his mind, Newman has stripped the emperor of some of his clothes, and it ain't a pretty sight.

As chairman of the LCB, Newman has been recognized by his peers, politicians and the public for the innovations he has brought to this monopolistic relic.

And now he has earned my admiration for his candid reaction to the governor's business-as-usual approach in Harrisburg. It's not easy to speak truth to power, particularly to a governor who won an easy re-election victory a few weeks before.

I can well imagine that the Rendell folks are trying to spin this by accusing Newman of not being a team player and who knows what else.

But, regardless of what they may be whispering, let's remember what Rendell said only five months ago in praising the unanimous confirmation of Newman to a second term: "Anyone looking at the PLCB four years ago would find an entirely different operation today... . Today customers can find a broader product selection and more knowledgeable employees when they visit any of our 643 stores."

Then, there was no talk of stripping the chairman of his powers and hiring a chief executive officer. But when Rendell became ensconced for a second term, Newman became as useful as a bottle of champagne gone flat.

There is a lot to fault about the appointment of Conti. He is one of the state senators who voted for his pay increase and then clung to it until he was shamed into relinquishing it. He was selected by Rendell without any legitimate search. Clearly, running two restaurants, as Conti once did, is not equal to running a major enterprise with 643 stores.

But what really gets my dander up is that Rendell's cynical action is a kick in the gut to young people who want to engage in public service. It's one more piece of evidence for those who want to believe the worst about our political process.

Is it any wonder that on the same day that Rendell stuck a dagger in Newman's back, a new poll came out showing that politicians were near the bottom of the professional ladder in terms of credibility?

I am sure Rendell's upcoming inauguration speech will contain all the flowery rhetoric about good government and reform. But those words will be inaudible compared with his action of publicly throwing sand in the face of an innovative LCB chairman who served him and the people well. The governor's actions sure don't bode well for independent oversight of the impending casino industry.

I am reminded of a story that former Mayor Bill Green used to tell about his experience as a junior congressman on the powerful House of Representatives Ways and Means Committee. Green would relate how the committee's chairman would wax eloquent about the public interest in open sessions, but when they convened to the back room, the chairman would take the side of the oil companies.

"Mr. Chairman, that's not the position you took in open session," Green would say.

The chairman would lean back on his cushy chair, slowly draw on his large stogie and gently blow smoke rings in the air while tapping his finger on the end of the cigar. "Son," he would say, "the problem with you is that you think this business is on the up and up."

Unfortunately, the 44-year-old Newman just received his political comeuppance from the commonwealth's top pol.

But for those of us who care about good government, we owe Newman a debt of gratitude, not only for his work on the LCB, but for his candor and courage to stand up to Rendell.

So let's raise our glasses and toast him with a fine glass of wine from the chairman's, not the CEO's, selection of the month.

<http://www.philly.com/mld/dailynews/16279492.htm>



# 25. Holiday Alcohol Sales Prohibited (West Virginia)

*The Herald-Dispatch*

December 20, 2006

CHARLESTON -- Liquor sales will be prohibited on Christmas Eve, Christmas Day and New Year’s Eve, according to the West Virginia Alcohol Beverage Control Administration.

Sales of liquor are not allowed on Sundays and the holidays will not be exempt, according to a news release from the agency.

Liquor sales will be permitted on New Year’s Day.

Sales of beer and wine are permitted after 1 p.m. on Sundays and may be sold on Christmas Eve and New Year’s Eve during regular business hours.

Taverns and private clubs may operate their normal business hours throughout the holidays.

<http://www.herald-dispatch.com/apps/pbcs.dll/article?AID=/20061220/NEWS01/61220008/1001/NEWS10>



# 26. Underage Drinking Ban on Private Property Mulled (New Jersey)

*Lambertville Beacon*

December 20, 2006

WEST AMWELL — The alcohol-related death of a 19-year-old has spurred officials to consider a new ordinance that would outlaw the consumption or possession of alcohol by minors on private property.

West Amwell police Lt. Stephen Bartzak proposed the ordinance to the Township Committee last week.

“It's just a senseless death," Lt. Bartzak said. "Some tool is needed to discourage this type of activity."

Jack Reid Jr., of Delaware Township, died in the early morning hours of Nov. 19 following the consumption of alcohol at an outdoor party on private property at Rock Road West. Three days later, a 21-year-old from Branchburg was charged with providing alcohol to minors.

"No one ever wants to see this occur again," Lt. Bartzak said Monday. "I'm going to do everything possible under my authority to see this doesn't happen in the township again."

The committee will discuss the ordinance during the committee meeting scheduled for Dec. 27, according to Mayor Thomas Molnar.

"I'm all for it," the mayor said. "We lost a person, and that's one too many as far as I'm concerned."

The motor vehicle code and the criminal code both contain provisions against the possession and the consumption of alcohol by minors on public land and quasi-public land, such as at a park or in a vehicle.

But those laws are "very broad and difficult to prove when it comes to things like this," Lt. Bartzak said. "It's easier to prosecute with a municipal ordinance in place."

But police would have no legal authority to enter private property unless they had probable cause, including the receipt of complaints or "substantial credible information," Lt. Bartzak said.

The first offense would carry a $250 fine. A judge would have the discretion to suspend a teen's driver's license for six months. For younger teens, the judge could order a six-month delay in securing a license when they turn 17.

The second offense would carry a $350 fine, and a judge would have the discretion to order alcohol counseling.

Exemptions would include religious rites or the performance of a job- or education-related activity, such as culinary school where teens would need to use alcohol in some types of food preparation.

No exemption would be made for teens who have their parents' permission.

"The law is the law," Lt. Bartzak said.



**27. Connecticut Off-Premise Shops to Close 4 of 9 Holiday Days (Connecticut)**

*Beverage News Daily*  
December 21, 2006

Connecticut on-premise retailers won’t be able to open four out of nine days during the year's busiest shopping season, according to Distilled Spirits Council of the U.S. That’s because Christmas and New Year's Day this year fall on consecutive Mondays.

"The fact that liquor stores have to be closed on Sundays and during the busiest shopping season of the year is outrageous and draconian," said Chris Kull, owner of WineWise, a retail store in Greenwich, Conn., near the New York border. "It's unfair and discriminatory vis-à-vis all other retailers. Having to be closed on Sundays hurts the wine and spirits retailer and severely inconveniences the consumer. Also the state loses tax revenue as the consumers go across the various state lines to make their purchases."

"In today's modern society, with Sunday being the second busiest shopping day of the week, it's unfortunate that Connecticut citizens are still inconvenienced by a law so outdated," said Jay Hibbard, DISCUS VP.

Hibbard said a DISCUS analysis indicated year-round Sunday sales of distilled spirits in Connecticut would result in $20 million range of additional revenue and over $2 million for the state in additional sales tax revenue.



**28. Sunday Sales- Is it a Blunder or About Time? (Idaho)**

*Times* – *News*

December 17, 2006

TWIN FALLS - Will the city's adjustment - and economic future - to Sunday liquor by the drink be the same as a good whiskey: Smooth?

Citing inconsistency in a 1947 state law and a need to accommodate change, the Twin Falls City Council voted Dec. 4 to allow liquor sales on Sunday in restaurants and bars. The city and local businessmen are hopeful Twin Falls will now reap economic benefits from liquor tax revenue and fewer people will travel elsewhere, such as Jackpot, Nev., to drink liquor.

While there was minimal opposition before the council adopted the ordinance, some have said a more telling sign is how the public support came strictly from the bars and restaurants.

"It sounds like they're more interested in listening to the selective business owners than the public on the whole, and that rubbed me the wrong way," said Glen Leavitt, of Twin Falls. "The only people who were for it were the people who have monetary gain from it. It was the business owners whose pockets will get fatter."

But the council members said the main reason for the change was because the amount of alcohol in a beer or a glass of wine is the same as a drink of liquor, and customers should have the choice.

"The big thing was just the double standard," said Councilman David E. Johnson. "And if you're going to drink why not allow people a choice? I don't know if I see a big boom for Twin Falls but I do see some benefits as talks about convention centers resume. That is certainly an important consideration, that there is choice for people, when deciding about a convention center."

**Drinking for success**

Indeed, owners of several local watering-holes - namely The Oasis, Kruzer's, The Cove Lounge, Senor Caeser's and the Log Tavern - plan to stay closed on Sundays. But the Pressbox Sports Bar, which is routinely packed on Sundays during the football season but closes on Sundays after the Super Bowl, might change its policy, said co-owner Bill Kalivas.

On Dec. 10, the first Sunday all residents of-age could drink liquor on Sunday, some local bars - including the Pressbox - said they experienced a quick boom. Servers at the Pressbox Sports Bar were serving liquor to two of every five customers. George Salinas, a bartender there for seven years, said he fielded nearly a dozen phone calls from people who said they were planning to come because of the availability of liquor.

"I expect it's going to get slammed on Sundays," he said.

Across the street at the Pocket, the sentiment was similar. JoJo Anderson, a waitress at the Pocket who normally is off Sundays but visits socially, said the bar "more than doubled" at 6 p.m.

"I know it's going to be busy," Anderson said on Tuesday. "You know Twin Falls city is going to make the big bucks by selling liquor on Sundays."

There are other by-products from the ordinance, including no longer needing a sort-of loophole to the Sunday ban, which permits liquor to be served for special functions until 11 p.m. as long as it is an area separate from the main bar. The Turf Club - whose owner Steve Soran led the plea to City Council - traditionally operates this way and Woody's holds Texas Hold'em tournaments on Sundays.

"It's going to put all the bars on the same playing field," said Debbie Urrutia, who co-owns The Cove with her husband, John. "Now we're all following the same set of rules."

Dave Woodhead, owner of Woody's in Old Towne, also said his business could increase because women generally prefer liquor over beer - and with more women come more men.

"You could get into a sexist thing too," he said.

Economic growth: quicker with liquor?

Bar owners and council members have said the ordinance will bring, at the minimum, some additional economic benefit to the community. According to the city's finance department, in fiscal 2005-06, the city received $322,352 from revenue generated by liquor taxes; in 2004-05, $318,235; in 2003-04, $318,616; in 2002-03, $277,318.

Conventional wisdom is that another day of revenue from taxable items equals more money, but an actual prediction is difficult not only because the totals do not include liquor store sales -which are closed Sundays - but also because choice and not more consumption was the goal.

"All I'm going to say is that (the revenue) should go up but I have no idea what proportion of liquor by the drink that represents," said Finance Director Gary Evans. "They made the argument (customers) weren't going to drink more. They were just converting people from beer and wine, which the city doesn't get taxed for, to liquor, which the city does get taxed for."

It is a sentiment still maintained in some bars.

"We were never for this because it's going to increase business on Sundays," said Joe Knight, a bartender for more than 20 years at Rock Creek, 200 Addison Ave. W. "People just have a choice now."

But others disagree. Woodhead said when he received his liquor license in August, his beer sales doubled. At the Dec. 4 council meeting, Councilman Shawn Barigar said he has talked with prospective businesses who showed disbelief at the ban. And local merchants have said Olive Garden and Red Lobster are examples of businesses that have looked elsewhere because of the old ban.

Nevertheless, some local owners of liquor licenses - there are 26 in Twin Falls - do not predict any increase in sales. Stan Thomas, co-owner of Rock Creek, said his sales were "virtually identical" to those from that day a year ago.

"I don't think anyone is going to benefit financially from it a great deal," Thomas said. "For our business, any effect will be negligible. The only thing that may be in effect is that people have a choice. It may determine for that individual whether he goes out that night."

Mayor Lance Clow - who along with Trip Craig voted against the change - said he would have supported the change if it was tied to a convention center, or at least an exception for New Year's Eve before something permanent.

"I fully respect everyone's opinion that said, 'Yes.' I just felt there were a group of people comfortable out there with no change and those rules," he said. "I didn't see the same economic impact by liquor by the drink â€- A result of revenue should not be the basis for our decision."

**The Franchise Boom**

The ordinance might have its greatest effect on the franchise restaurants on Blue Lakes Boulevard. Local bar owners are quick to point out that their customers are often regulars while places on Blue Lakes Boulevard not only cater to tourists and families but also serve meals people prefer with hard liquor. Managers at the franchises also said Sundays are routinely their third best day in sales.

"The big winners will be the places on Blue Lakes," said John Mortimer, a manager at Woody's and former bartender at Applebee's.

There is some truth to that statement. Casey Grime, proprietor and manager at Outback Steakhouse, said Sunday alcohol sales typically account for 8 percent of sales but last weekend were 11 percent. While Grime said a fair percentage of his clientele are tourists and people passing through town who might not want beer or wine, he said the primary benefit is that franchises offer specialty mixed drinks - those colorful concoctions in over-sized glasses - which until recently were not allowed on Sunday.

"For local bar business it's not going to matter. It's the restaurant franchises that will benefit the most," he said. "Part of the dining experience is the ability to have spirits with their meal and now they will be able to have those spirits."

Steve Canty, the bookkeeper and a chef at Jaker's, a regional chain with a location on Blue Lakes Boulevard near several hotels, said he "absolutely" expects sales to increase.

"A large number of our customers are business people at the Shilo Inn and they ask, 'Is this a Jaker's thing? and we're like, 'No, of course not,'" he said. "They're not really beer drinkers. They like to have a martini or a whiskey."

Not every franchise feels the same way. Rick Royalty, general manager of Applebee's, said the change will have little effect on his restaurant. If anything, he said, it will do precisely what Soran told the council would happen: Have beer and wine customers switch to liquor. He said Sunday alcohol sales are minimal -$100 to $200.

He said Sundays typically attract churchgoers who are not drinking any alcohol at all.

"I don't see us getting a real rush of people for liquor," Royalty said. "It's not a party day. It never has been and never will be."

Clow voiced similar comments.

"This was not a passion of mine to defeat liquor by the drink," he said. "As far as the ramifications over the long haul it's probably like a non-event to the community, but to some people they're very disappointed and to the others they're very excited. And that's the great thing about democracy."

