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|  | e - NEWS |
| *January 20, 2006* | |

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**1. Let the Wine Flow (Illinois)**

*Chicago Tribune*

January 14, 2006

The U.S. Supreme Court ruled in May that states couldn't discriminate when it comes to selling and shipping wine directly to consumers. If a state allows wineries within its borders to sell wine to consumers over the phone or Internet, it must accord the same privilege to out-of-state wineries. To do otherwise is an unconstitutional infringement on interstate commerce.

That ruling invalidated laws in Illinois and 20 other states. Illinois law allowed wineries in the state to make direct sales within its borders and to 12 other states that allowed such shipments. Wineries in those states also could ship to Illinois. But no shipments were allowed to or from the other states.

So Illinois lawmakers face a choice: They could ban all direct-to-consumer sales, whether the winery is in Nauvoo or Napa, or they could allow all such sales.

The best choice for consumers is to allow the wine to flow. If Illinois residents want to buy wine over the Internet, through catalogs or telephone sales from wineries located anywhere in the country, they should be allowed to do so. That competition will bring the best price and selection.

But that's not the favorite solution of Illinois beer and wine distributors. They want to put a cork in your ability to get the widest choice for wine purchases.

Illinois beer distributors--fearful that the court ruling means they will eventually be threatened by new competition--want state lawmakers to get even more restrictive on alcohol sales. Under one proposal, wineries would be allowed to direct-ship only two cases of wine each year to customers, and only after the customers had made a purchase in person from the winery.

The state's wineries have a different solution. They want each winery to be permitted to operate up to 10 shops for wine sales. (Current law allows two.) They also want the legislature to require out-of-state wineries to get an Illinois license and pay an annual fee. Out-of-state wineries could ship up to three cases of wine a month to customers in Illinois, provided their home states allowed Illinois wineries to do the same. Yes, they want to re-create a system of reciprocity.

The wine and beer distributors insist their main concerns are to protect the state's sales tax collections and prevent minors from buying alcoholic beverages online. But the Supreme Court decision dismissed those concerns. The states "provide little concrete evidence for the sweeping assertion that they cannot police direct shipments by out-of-state wineries," wrote Justice Anthony Kennedy for the majority. "Minors are just as likely to order wine from in-state producers as from out-of-state producers." There's no evidence that online ordering for in-state wine shipments has led to an increase in minors' alcohol consumption.

If lawmakers are going to get back in the wine game, they should promote competition and protect consumers from unnecessary middlemen and their markups. Otherwise, stay out.



**2. Absolut Vodka Begins TV Ads**

*ArgusLeader.com*

January 16, 2006

NEW YORK - After 25 years and 1,500 versions of print ads built around the shape of its bottle, Absolut vodka is shelving the campaign that made it famous.

Absolut will spend $20 million on a new effort that started Sunday and includes its first TV ads as the brand battles slower growth and tougher competition for vodkas.

Dozens of new vodkas have flooded the market since 1981 when the playful Absolut campaign began. The ads combined cultural icons, landmarks and trends with the bottle. They set the standard for today's high-style, image-oriented spirits advertising.

While Absolut pioneered premium spirits marketing, today's drinkers increasingly have favored even higher-priced brands, such as Grey Goose and Belvedere.

<http://www.argusleader.com/apps/pbcs.dll/article?AID=/20060116/BUSINESS/601160312/1003>



**3. County Adopts Keg Bill**

By Jeff Raasch, Staff Writer – *The Tribune*

January 20, 2006

 AMES, IA -     Seven beer kegs sit unclaimed in the evidence room at the Story County Sheriff's office today. The buyers are unknown, but the results have been witnessed.

A step to attach names to results was taken Thursday.

In a landmark move, the Story County Board of Supervisors unanimously gave final approval to a keg-tracking ordinance. It requires retailers of kegs to keep a detailed log with the names and addresses of buyers - information that would be provided to police upon request.

The goal is to add more responsibility to the shoulders of those who provide alcohol to underage people. The ordinance will go into effect in March.

"The bottom line is, if we have an opportunity to do something positive, to make some change and perhaps to save a life, we need to take that opportunity," Supervisor Jane Halliburton said.

Story County becomes the sixth Iowa county - and the most populated - to adopt a keg registration ordinance. Keokuk, Mahaska, Kossuth, Hancock and Pottawattamie Counties already have gone forward.

Thursday's move could start a domino effect. George Belitsos, the executive director at Youth and Shelter Services Inc., said supervisors from four other counties in Mid-Iowa - Boone, Marshall, Polk and Hamilton - have expressed support in passing similar measures.

"They've all been waiting for us to act, and then I think they will in short order," Belitsos said.

Emotional pleas were offered from both sides of the issue Thursday. Ames resident Dave Stout reiterated his belief that the ordinance would push youth toward more potent forms of alcohol.

 "We already have a strong movement toward hard liquor," Stout said. "This is just going to tip the scales."

Story County Chief Deputy Gary Foster told a story about one weekend in 1972. During those few days, a friend was killed in a drunken-driving accident, and he watched emergency crews at another accident remove two dead people from a car.

"I've been to those accidents, and I've gotten the blood on my hands of the people who have died as a result of drunk-driving-related accidents," Foster said. "I've stood in living rooms and told parents that their children have died as a result of drunk-driving accidents."

"...(The ordinance) is not going to solve all the world's problems, but I certainly think it will have an effect on the safety of our young people."

Sheri Clark, whose 15-year-old son, Billy, died after a night of drinking last February, said the ordinance will provide the type of truth she is still seeking.

"It's been almost a year since I lost him, and I still really don't have answers as to who provided (the alcohol)," Clark said.

It took an hour for the Supervisors to pass the ordinance on its final reading Thursday. It ended nearly a year of discussion that included seven public forums.

Halliburton said the Supervisors considered all the input and pored over many pages of research on the issue.

"They tell us that in this nation, that we have a significant problem," Halliburton said, "and that we are going to need many strategies to try and solve that problem."

<http://www.zwire.com/site/tab1.cfm?newsid=15967530&BRD=2700&PAG=461&dept_id=554314&rfi=6>



**4. ISU: Arrests at Football Games in '05 Under 200**

By Lisa Livermore - *Register Ames Bureau*January 16, 2006

**Fans caught in Ames for intoxication were drunker than in '04, a report shows.**

Ames, Ia. — For the second straight year, fewer than 200 arrests were made at Iowa State University football games, but fans arrested for drunkenness at ISU home games in 2005 were more intoxicated than those in 2004, according to statistics released by the ISU Department of Public Safety.

At six home games last year police issued 187 tickets — many were alcohol-related — compared with 177 in 2004. There were 285 in 2003 and 216 in 2002.

Charges for public intoxication increased in 2005 with 36 filed, compared with 19 in 2004. The numbers were 22 in 2003 and 24 in 2002.

The increase could be attributed to the Cyclones' home game against the University of Iowa, said Capt. Rob Bowers of ISU public safety. Otherwise, he said the numbers are within a normal range of fluctuation.

The Cyclone-Hawkeye game drew 54,290 fans, well above the average of 46,705 who attended games at Jack Trice Stadium.

The average blood-alcohol level of those arrested at ISU football games jumped in 2005, with a measure of 0.203, compared with 0.172 the year before.

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| Game-day drinking |
|  |  | Iowa State University public safety officials issued a report detailing arrest activities for Cyclone home football games.  **TOTAL CHARGES:** A total of 187 charges were filed during 2005 home football games, compared with 177 the year before.  **AVERAGE PER GAME:** On average, 31 charges were filed per game, which included some individuals generating multiple charges.  **PUBLIC INTOXICATION:** Total charges filed for public intoxication increased in 2005. There were 36 filed, compared with 19 in 2004.  **BLOOD-ALCOHOL LEVELS:** The average blood-alcohol level of those arrested was up in 2005. The level was 0.203, compared with 0.172 the year before. |

The numbers generated concern — but not surprise — from campus workers who fight substance abuse.

"I think it's something that happens," Sara Kellogg, a prevention program coordinator with the Substance Abuse and Violence Prevention office, said of game-day drinking.

"I think you have a group of people who we are more concerned about," Kellogg said. "Primarily, those are people that are drinking so excessively they are putting themselves and, potentially, others at risk."

ISU public safety staff analyze the safety of home football games annually. The report for this season was completed in late December and released recently.

Bowers said ISU public safety officials complete the report as a requirement of their accreditation by the Commission on Accreditation for Law Enforcement Agencies.

ISU public safety is the only accredited university police department in the state, he said.

The University of Iowa and University of Northern Iowa did not compile such reports.

Other accredited schools would have similar data for football games, but ISU has not performed a comparison because each department's practices, policies and situations are unique, Bowers said.

For the past two football seasons, ISU public safety officials have tried to increase what they call positive interactions with students. At home games, they arrive early to mingle and hand out small prizes to students who are following the rules.

Last season at games in Iowa City, 185 charges resulted — many were related to alcohol use. Seventy-three of the charges were filed against U of I students.

Angela Reams, coordinator of the Stepping Up Project, a group at the U of I trying to reduce high-risk alcohol use, said the school's statistics show there's an ongoing problem with students starting to drink in the morning and continuing through the game and sometimes after.

To respond to the problem, Stepping Up worked to close a large tailgate lot in the fall of 2003 that often became overrun with student drinkers, she said.

The group organizes alcohol-free tailgate events that attract alumni with young families, she said.

But she said that despite some of the reduction efforts, game-day drinking has stayed consistent.

"Consuming large amounts of alcohol in association with football games has become the culture," she said.



**5. First (Legal) Distillery Since Prohibition Offers Wines**

*Des Moines Register*

January 15, 2006

Cedar Rapids, IA (AP) – Iowa wines have been the buzz for a couple of years, and now Jeff Quint of Cedar Ridge Vineyards, Winery & Distillery, has raised the bar with grappa, a distilled wine.

Quint’s grappa is the only liquor legally distilled in Iowa.

He makes the clear, 82-proof drink from grape skins and drier pulp that remain after a light press of grapes for wine. He plans to release ClearHeart Vodka later this month and eventually will distill apple brandy.

“It’s the first legal still in Iowa since Prohibition,” Quint says.

Grappa, a fruity flavored after-dinner drink, can “blow the top of your head off,” says John Barnes of Iowa City, who drinks it when he travels to Italy. He visited Cedar Ridge last week and sampled some of Quint’s wines and the grappa.

Lynn Walding, administrator of the Iowa Alcoholic Beverages Division in Ankeny, confirmed that Quint’s grappa is the only licensed distilled drink made in Iowa. Grain Processing Corp. in Musctine is a major producer of grain-neutral alcohol, but the alcohol is distilled out of state.

Quint still can be seen bubbling at the winery and distillery connected by a door to Benz Beverage Depot. The grappa can be purchased from Benz, which has the proper license to sell distilled spirits. Quint is not licensed to sell spirits to the public.

Quint, 43, is an accountant and manages the National Systems Contractors Association. He and his wife, Laurie, 40, bought 27 acres south of Swisher in 2002 and planted 10 acres of grapes. Quint supplements his grapes with those from other Iowa vineyards and grape juice from California.

The couple took a short course in distilling at Michigan State University in 2003 and then visited European distilleries. They received a $60,000 grant from the Iowa Value-added Agricultural Products & Processes Financial Assistance Program, which paid for their German-made still, Quint says.

He looks forward to the day he can devote all of his time to his new business, he says.

The winery will offer 6,000 gallons of wine for sale in 2006. Wine sales are rolling along at twice the rate Quint anticipated, and he is talking about moving the winery in a few years to larger quarters near the vineyard.

Fifteen years of wine appreciation preceded Quint’s decision to make his own wine, he says. He is attracted to the “artistry, the creating” involved in making wine and spirits.

“Every year is a new challenge,” he says. “The variables are different. With the still, there are so many products I can make. Ten years from now, I’ll be creating new products with another, bigger still.”



**6. The Big Question**

*Des Moines Register*

January 15, 2006

*The Big Question is an occasional feature that asks Iowa business people to address questions on a wide range of issues.*

**Q. What will Iowa’s wine industry mean for the state’s economy?**

*Dr. William Brown is a Des Moines dentist and owner of Timberhill Winery in Leon and former chairman of the Iowa Wine and grape Development Commission.*

**A.** The Iowa wine industry’s growth will be very positive. Wineries provide tourism, and wine is value-added agriculture. Every $1 of grapes produces $10 in wine. Wine sales are going up and sales of beer and spirits are going down. Yet, Iowa’s 51 wineries are selling just 4 percent of the wine in the state.

We need to set wine and grape quality standards so that when consumers buy Iowa wine, they’ll know the wine will be considered high quality. We also need to provide education and training to raise the skill levels of people who work in the wine industry. Third, we need to conduct research to find the best grapes for Iowa and develop a wine style that will identify Iowa wine as unique in the world.



**7. 12-Year-Old Dies After Being Cited For Underage Drinking**

*ABC – 7 News*

January 17, 2006

## Middle-School Student's Death Investigated In Loveland

LOVELAND, Colo. --The death of a 12-year-old Loveland girl was under investigation Tuesday, in an effort to determine if she died from alcohol poisoning, according to a report in the The Daily Reporter-Herald.

Police were called to a home in the 800 block on Seventh Street at 1:30 p.m. Saturday on a report of a girl passed out in the driveway. The girl was cited for underage drinking and released to her parents, police said. The home where she was found unconscious was about 10 blocks from her house. Several other underage girls who were at the home were also cited, police said.

About six hours later a 911 call was placed from her home where paramedics found the same girl unresponsive. They performed CPR on her and transported her to McKee Medical Center where she was pronounced dead.

A preliminary autopsy was inconclusive, and authorities said additional lab results are needed to determine what the girl died from. Authorities said those test results could take several weeks.

Additional counselors planned to be at Reid Middle School, where the girl was a seventh grader. She has not been identified.

If the county coroner determines that the girl’s death is linked to alcohol, police could pursue charges against the adult who supplied it to the girl, the newspaper reported.



**8. Soaking the Suds**

By Anne Wilmoth – *The Daily Iowan*

January 16, 2006

Iowa City beer drinkers could see an increase in the price of their favorite beverage if state lawmakers pass a measure that Gov. Tom Vilsack proposed last week, but local suppliers and their customers aren’t concerned the change would affect consumption.

The proposal, which the governor announced on Jan. 10, would increase the current 19-cent-per-gallon tax on beer to 29 cents, raising an estimated $7 million for the state’s general fund.

The tax is levied on retailers who purchase beer from wholesalers – such as grocery stores and restaurants. They would then include the tax in their prices and pass those revenues to the Iowa Alcoholic Beverages Division, the state agency that regulates Iowa’s alcoholic-beverages industry. Officials estimate that a 12-ounce beer would cost retailers approximately a penny more under the governor’s proposal.

Ed Evans, the owner of Evans Distributing, 3750 Libery Drive, warns that prices may increase for the consumer. The price on a case of beer would go up “at least 40 cents” as retailers compensate for the increase, he said.

But Evans, who distributes Pabst Blue Ribbon to 300 area retailers, said business probably wouldn’t be affected.

“No one’s going to quit drinking [because of the tax increase], he said.

Evans is a member of the Iowa Wholesale Beer Distributors Association, which has spoken out against the proposal. Sheila Douglas, the group’s executive director, feels that an increase is bad for an industry that is, in her words, “highly regulated and highly taxed.” People who live near Iowa’s borders could cross state lines to purchase beer if the price in Iowa increased, she said, resulting in lost revenue for Iowa businesses.

Leah Cohen, the owner of Bo-James, 118 E. Washington St., said she wasn't concerned about the tax increase.

"As low as it is, it isn't probably going to make a difference," she said. "I don't think it will affect business or pricing."

Doug Alberhasky, the owner of John's Grocery, 401 E. Market St., predicted that the backlash from such a change would be severe. He called the tax "quite unfair" and said he might have to increase his prices to make up for it.

"They say, 'Oh, it's just a few cents,' but they don't understand that once you add the wholesalers' markup and my markup, it's quite a bit more," he said.

UI junior Stephenie Panther supports raising the beer tax.

"We as citizens of Iowa are responsible to help with our state's ability to raise money, and this is a small way we can help," she said.

UI graduate Scott Dragoo, drinking beer at the Deadwood, said he understands the need for a tax.

“It’s hard for them to generate money these days,” he said. “It’s better than if they raised it somewhere else.”



**9. Henning Pleads Guilty to Drunk Driving**

By Mike McWilliams – *Iowa City Press-Citizen*

January 17, 2006

A North Liberty man who was convicted of killing a teenage boy in 1993 while driving drunk pleaded guilty today to another drunken driving charge stemming from an accident last August.

Lawrence Michael Henning, 49, of 505 Penn Court, No. 2, was arrested Aug. 12 at the intersection of Highway 965 and Cherry Street. The arrest came after Henning was involved in a non-injury accident when another driver pulled out in front of his vehicle.

A judge will sentence Henning Feb. 24 in Johnson County District Court.

Police records show his blood alcohol count was 0.11. The legal limit in Iowa is .08.

Officers on the scene reported he smelled of alcohol, had bloodshot eyes and had trouble balancing. He admitted to police that he’d been drinking at a North Liberty bar.

Henning served two years in prison and was ordered to pay nearly $5,000 in fines, restitution and court costs after he pleaded guilty in 1997 to involuntary manslaughter in the death of Christopher Harding, 13, court records show.

Harding was riding his bike late at night on Highway 921 in Iowa City when Henning struck him with his truck.



**10. Pact Spells Relief for U.S. Tequila Bottlers**

By William Spain, *Market Watch*

January 17, 2006

The pact was signed in Washington by U.S. Trade Representative Rob Portman and Mexico's economics secretary, Sergio Garcia de Alba. It is the fruit of two years of talks that began after Mexico, citing a need to protect the quality of tequila, first floated the idea in 2003.

About three-quarters of the tequila consumed in the U.S. arrives in bulk form; the United States is the world's largest tequila market, swallowing up more than half of all Mexican production. Current rules require only that "100% agave" -- about 12% of the total market volume, according to Mexican regulators -- must be bottled at the source, in any of five Mexican provinces.

Most tequila sold in the U.S. is "mixto" -- a blend of at least 51% agave and grain neutral spirits.

Mexico later modified the proposed rule to allow some foreign bottling but added registration and inspection guidelines that the U.S. trade representative's office labeled "onerous."

In 2004 tequila sales volume in the U.S. rose 8.3% to 8.7 million nine-liter cases, racking up roughly $3.3 billion in retail sales, according to the Distilled Spirits Council. Preliminary estimates for 2005 showed the market growing another 7.3 percent by volume.

<http://www.marketwatch.com/news/story.asp?guid=%7BA23CC2E7-8C56-4602-8367-C2A4BB213BC8%7D&siteid=google&dist>=



**11. Spirits Sales Growth of 7 Percent Forecast for 2006**

Source: *AFX*

CHICAGO: The spirits business will continue its strong growth curve into 2006 with a 7 percent revenue gain this year, according to a forecast by its main trade group.

On Tuesday, the Distilled Spirits Council of the U.S. said that the industry should pull in $17.4 billion on a volume bump of 3.3 percent to 176 million 9-liter cases. Among the factors contributing to the gains are a gradual leveling of the playing field in the marketing and regulation arenas versus its beer and wine competitors; a consumer trend of "trading up" to more expensive brands; and the likelihood of less beer discounting, DISCUS said.

That bullish outlook came on top of a 7.5 percent estimated revenue gain in 2005, with the strongest growth rates coming in the premium categories, the group said. And the industry's share of the alcohol market by supplier revenue stood at 32 percent, up from 31.2 percent in 2004 and almost four points higher than it was in 1999. Virtually all of that has come at the expense of beer as winemakers have also marked strong share gains in the last few years.

"Spirits are very much back in vogue," said DISCUS President Peter Cressy, who noted that the growth is coming even as "per capita consumption of alcohol remains flat."

The average American adult consumed about 2.5 gallons of pure alcohol last year in the form of beer, wine and spirits. That is almost identical to the 1995 figure but is down nearly three gallons from 20 years ago.

By tipple of choice, vodka remained king in 2005, with 27 percent of sales and a revenue growth rate of 7 percent on sales of 45.7 million cases. Whiskeys were the second biggest player by volume, with 45.1 million cases, followed by rum at 20.6 million cases and tequila at 9.3 million.

As the industry looks ahead, it is counting on "brand flexibility" to help spur continued growth. There are roughly 4,000 spirits brands on the market in any given year, DISCUS said, with biggest - Diageo's Smirnoff - accounting for just under 1% of the total beverage alcohol market by volume of standard drinks.

By contrast, Anheuser-Busch's Bud Light brand holds an 11.3 percent share and regular Budweiser 8.1 percent. Among the few other spirits that are even close to a 1 percent share are Bacardi Superior at 0.9% and Brown-Forman's Jack Daniels at 0.7 percent.



**12. Albertson's Bidders Revive Deal Talk**

By Dennis K. Berman and Janet Adamy, Staff Reporters – *The Wall Street Journal*

January 19, 2006; Page A3

**Retooled $9.6 Billion Offer From Supervalu, Consortium Addresses Antitrust Worries**

Left for dead just three weeks ago, a $9.6 billion deal to purchase grocery chain Albertson's Inc. has been revived, according to people familiar with the matter.

A consortium of private-equity investors and supermarket chain Supervalu Inc. have submitted a new bid to the board of the nation's second-largest traditional grocery-store chain by revenue, according to these people. It includes a new structure designed to lessen antitrust worries, which had derailed a deal that was just hours away from completion in December. The new offer for the Boise, Idaho, retailer is valued a few cents above $26 a share.

Albertson's board met yesterday and will discuss the proposal at a regularly scheduled meeting today, one person familiar with the matter said. Given the strained history between the two sides, it is quite possible no deal may materialize. But yesterday evening confidence was cautiously growing that the two sides could find common ground in the days ahead.

In 4 p.m. New York Stock Exchange composite trading yesterday Albertson's shares were at $23.61, up 59 cents.

Under the deal expected in December, drugstore chain CVS Corp. was going to buy Albertson's pharmacy business for as much as $4 billion; a group led by private-equity firm Cerberus Capital Management LP and Kimco Realty Corp. was going to buy groups of poorly performing Albertson's stores for the value of their real estate; and Supervalu was going to swap stock and cash for hundreds of Albertson's better-performing stores, including its Jewel stores in the Chicago area.

Just days before Christmas, the deal broke down in part over last-minute disagreements as to who would shoulder responsibility if regulators tried to block the deal because of antitrust concerns, said people familiar with the matter. One of the concerns was the overlap between Albertson's Chicago Jewel stores and Supervalu's grocery stores there, where Supervalu operates under the Cub banner.

Albertson's said at the time that it didn't receive an offer it could accept. Supervalu is now offering to sell its own Chicago stores to Cerberus and operate the Albertson's stores, people familiar with the matter said. The buyout consortium is also planning to pay slightly above $26 per Albertson's share. Based on the terms for the December deal, that would entail offering 0.182 share of Supervalu stock plus $20.25 in stock, or $26.18 in total. CVS would keep its previous role in the plan.

An Albertson's spokesman declined to comment. Representatives for CVS, Supervalu, Cerberus and Kimco didn't return calls seeking comment.

Under the original plan, the buyers would also be shouldering $6.1 billion of existing Albertson's debt and an additional $3.8 billion to pay cash to Albertson's shareholders. Supervalu also intended to issue stock that would give Albertson's shareholders ownership of more than one-third of the combined company. Financial details of a new offer are still under consideration, said one person familiar with the matter, and may entail offering more cash and less Supervalu stock.

Albertson's has annual revenue of more than $41 billion; Supervalu revenue is $19.8 billion.

Snagging a new deal would lift some pressure off Albertson's Chief Executive Larry Johnston. So far, the Albertson's board has said it stands behind Mr. Johnston, the former General Electric Co. executive hired to turn around the company at the beginning of the decade. But the failed bid raised the heat on Mr. Johnston, who was unable to turn around the grocer despite heavy investments in technology and bringing in fresh executive talent.

A deal could spark a wave of store closings in the grocery industry, something that Wall Street has been waiting for. It could also clear out a key competitor for leading chain Kroger Co. and No. 3 grocer Safeway Inc. Wall Street analysts say that there are hundreds of extra grocery stores in the industry that haven't shut down but are only cluttering the food retail landscape now that Wal-Mart Stores Inc. is the nation's largest food retailer.

A deal would also transform Supervalu from a largely regional grocery retailer into a much larger national grocery player. The Eden Prairie, Minn., wholesaler and retailer is the nation's eighth-largest food seller by sales, according to a Supermarket News rating based on 2004 sales.

Supervalu has become one of the nation's most successful grocery chains by opening small-box stores stocked with lots of store-branded goods that are priced even cheaper than food at Wal-Mart. Albertson's has tried to imitate that concept without much success.



**13. Behavior: Cocktails on a Coffee Break? You're Not Alone**

By Eric Nagourney – *The New York Times*

January 17, 2006

Millions of Americans have drunk alcohol on the job or before going to work, a new study suggests. Much has been written about how alcohol use and abuse affect work performance through absenteeism and other problems.

This study, in the current Journal of Studies on Alcohol, set out instead to look at the extent of alcohol use and impairment. The researchers, led by Michael R. Frone of the Research Institute on Addictions at the State University of New York at Buffalo, surveyed 2,800 adults in 48 states, asking how often they drank alcohol within two hours of reporting to work, how often they drank it on the job and how often they worked feeling the effects of alcohol or having a hangover.

In all, 15 percent of the people surveyed said that over the previous year, they had fallen into one of those categories at least once, with young people and those working nontraditional shifts most likely to do so. Among the jobs most affected by alcohol use are those in sales, entertainment, sports, media and maintenance.

While the findings suggest that alcohol use or impairment at work is not commonplace, the incidence is still great enough to warrant closer attention from employers, Dr. Frone said.

"Whether it leads to impairment or not," he said, "employers have a legitimate right to say that you shouldn't drink during the workday. And they have a right to say that you don't appear at the workplace impaired."

Based on the survey, the study estimated that 1.8 percent of the workforce drank alcohol before going to work.

About 7 percent, it said, had drunk during the workday, usually at lunch. And about 1.7 percent had worked while feeling the effects of alcohol. More, 9.2 percent, said they had worked with hangovers.

<http://www.nytimes.com/2006/01/17/health/17beha.html>



**14. Alcohol in Movies Spurs Kids to Drink**

By Christine Dell`amore – *Monsters and Critics.com*

January 19, 2006

WASHINGTON, DC, United States (UPI) -- On the big screen, alcohol use seeps into the plotlines of everything from casual dinners to all-out binge parties.

Although adults may not notice Hollywood`s culture of drinking, a new study suggests it may be going right to the heads of adolescent movie watchers, causing them to try alcohol as early as 12 years old.

'When kids start a behavior, part of the reason is it`s a result of seeing people model (that behavior) in the environment,' said James D. Sargent, a professor of pediatrics at Dartmouth [Medical School](http://news.monstersandcritics.com/lifestyle/consumerhealth/article_1077293.php/Alcohol_in_movies_spurs_kids_to_drink##) and the study`s lead author. 'Now, we`ve extended the environment to include friends, parents and personas we get to know through the movies.'

The study, published in the new Journal of Studies on Alcohol, is the first evidence of a connection between exposure to alcohol in movies and early onset teen drinking.

In 1999 Sargent and colleagues surveyed more than 5,000 students between the ages of 10 to 14, asking them the number of movies they watch regularly and if they experimented with drinking. The students were then asked whether they had seen any of a random list of 50 movies, selected from a bank of 600 contemporary and popular films. Researchers also noted other factors such as class performance, gender and personality.

In 2001 researchers re-interviewed the children who had reported not drinking at the start of the study and found that those children highly exposed to alcohol in movies were more likely to drink earlier. For example, of the initial non-drinkers, nearly 15 percent had tried alcohol.

The average child was exposed to at least eight hours of alcohol use from the sample of 600 movies.

Nearly all the movies sampled, 92 percent, depicted alcohol use of some kind, Sargent found. Only one-third of the films discouraged drinking as dangerous; in 43 percent of the films, drinking was portrayed as a positive experience.

Sargent described a scene of drunken revelry at a wedding reception in the 2005 movie 'Wedding Crashers' as typical of wild party plots in films.

'It`s pervasive,' said Sargent, who has studied the effect of media on youths for 10 years. 'Once you start paying attention to it, almost anytime a man and woman socialize, they socialize over a drink. Bar scenes and party scenes are frequent.'

The link between cigarette smoking in movies and teen smoking is already established, so Sargent expected to see this connection between drinking and movies. Kids also begin to smoke and drink at the same age, between 10 and 15. Around 40 percent of 14-year-olds drink, Sargent said, although that number does not seem to be rising.

Although adolescents are often wary of advertisements, they may not recognize that movies are working in a similar, yet subtler, fashion. People put their guards down when watching movies, Sargent said, by keeping their senses open and letting the movie wash over them.

'I don`t think (kids) approach the viewing of movies with the same skepticism -- it`s just a sensory experience, and those kind of messages are easier to click,' Sargent said.

So, what`s a parent to do? Monitor the media children access, he said. That can mean controlling what programs kids can watch on TV with a V-chip. The V-chip, a federally mandated device in TVs with larger than 13-inch screens, allows parents to assess rated programs and then block particular shows inappropriate for children. Sargent also suggested limiting children to one movie a week and barring films rated R. On average, kids already spend five to seven hours a day consuming some form of media, the study pointed out.

But with the proliferation of so many forms of media, and with the busy 9-to-5 lifestyle of many households, parents may have a tougher time keeping track of what their children are up to.

'The sense I get from parents is they are just overwhelmed,' Sargent said. 'Lots of times their kids know more about the TV than they do.'

<http://news.monstersandcritics.com/lifestyle/consumerhealth/article_1077293.php/Alcohol_in_movies_spurs_kids_to_drink>



**15. Miller Puts $240 Million Media Account in Review**

By Matthew Creamer - ***QwikFIND ID:*** *AAR32W*

January 19, 2006

**Nine-Year Incumbent Is Publicis' Starcom**

NEW YORK (AdAge.com) -- Miller Brewing Co. has put its $240 million media account into review, a spokesman for the marketer said.

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| http://adage.com/images/random/miller011906.jpg |
| Miller's media business has been with Publicis Groupe’s Starcom, Chicago, for nine years. |

The business has been with Publicis Groupe’s Starcom, Chicago, for nine years. Starcom is defending against two other agencies, according to an executive familiar with the situation. The review is being managed by Roth Associates, New York.

A Starcom spokeswoman did not return calls for comment.

**Periodic reviews**

The Miller spokesman said the move is consistent with parent company SABMiller’s practice of periodically reviewing agency relationships. “We want to make sure we’re getting the best available thinking,” he said.

The marketer has reviewed public relations and promotional agencies in recent years and conducts jump-ball reviews among roster shops for creative assignments. The spokesman said that jump-ball process will not change.

**Miller's marketing execs**

Miller, the No. 2 brewer behind Anheuser-Busch, has seen media oversight shift in the past year. Miller tapped Bob Brennan, a former executive at Starcom and Publicis sibling Leo Burnett USA, as director-marketing services early last year. But following the appointment of Tom Long as chief marketing officer, Mr. Brennan was given a different title, reportedly because of differences with Mr. Long.

The review is being managed by Mr. Brennan, now director of strategic projects, and Media Director Dave Genel, also a former Starcom executive. Miller is now looking for a marketing services director.

Miller spent $240 million on measured media in 2004, according to TNS Media Intelligence.

Starcom recently succeeded defending the business of another longtime account, after Kellogg put its $500 million media account into review.

<http://adage.com/news.cms?newsId=47536>



**16. U.S. Wine Consumption Keeps Going Up**

By Cyril Penn - *San Fran Chronicle*

January 19, 2006

Americans are drinking more wine than ever before, according to a survey released last week. However, less than 1 in 7 adult Americans drinks wine regularly.

Per capita consumption now sits at 2.77 gallons per year, and is at a record high after 11 straight years of growth, according to the survey of 1,300 consumers conducted by Merrill Research & Associates of Palo Alto for the Wine Market Council, an organization dedicated to increasing wine consumption in the United States.

The percentage of "core" consumers, who drink wine at least once a week, has grown 38 percent since 2000.

The percentage of people who drink only beer and/or spirits, or consume wine less than once every three months, has fallen 25 percent.

Core wine drinkers, who drink 87 percent of the wine consumed in the United States, only represent 13.7 percent of the population.

Beer and/or spirits drinkers are 24.7 percent of the population, while 42.7 percent of adult consumers in the United States are non-drinkers. The remaining 18.9 percent of the population are "marginal wine drinkers" who consume wine more than once every three months.

Responding to multiple-choice questions, 36 percent of core consumers and 33 percent of marginal consumers said they would drink more wines in restaurants if they were less expensive.

<http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2006/01/19/WIGJGGOS9V1.DTL>



# 17. Alcohol Advertising Increases Youth Drinking

From [Buddy T](http://alcoholism.about.com/mbiopage.htm), - Your Guide to [Alcoholism / Substance Abuse](http://alcoholism.about.com/).  
January 18, 2006

## Ads Aimed at Youth Increases Drinking Amounts

Young adults who view more alcohol advertisements than average also reported drinking more alcohol than average in a study of 1,872 young people conducted by the University of Connecticut.

Simply put, young people who view more alcohol advertisements tend to drink more alcohol.

For this research, Leslie B. Snyder, Ph.D., of the University of Connecticut, Storrs, and colleagues interviewed a random sample of young people aged 15 to 26 years in 24 U.S. media markets four times between 1999 and 2001.

According to a news release, the researchers interviewed 1,872 young people in the first wave, 1,173 of the same respondents in the second, 787 in the third and 588 in the fourth.

Synder also purchased information from the alcohol industry which showed the amount of advertising dollars spent in each state and total alcohol sold in each state, so they could analyze youth drinking in relation to dollars spent.

### Increased Youth Drinking

The researchers reported these results:

* Each additional advertisement viewed per month increased the number of drinks consumed by 1 percent.
* The same percentage increase, 1 percent per advertisement per month, applied to underage drinkers (those younger than age 21) as well a legal aged drinkers.
* Young people drank three percent more per month for each additional dollar spent per capita in their market.
* Youth in markets with high advertising expenditures ($10 or more per person per month) also increased their drinking more over time, reaching a peak of 50 drinks per month by age 25.

"It is important to control for total alcohol consumption levels because markets with greater sales may attract more alcohol advertising from brands competing to sell in markets with more heavy drinkers," Synder wrote.

Even with those controls in place, the researched showed an increase in youth drinking linked directly to advertising dollars spent.

### Advertising a Contributing Factor

"Given that there was an impact on drinking using an objective measure of advertising expenditures, the results are inconsistent with the hypothesis that a correlation between advertising exposure and drinking could be caused entirely by selective attention on the part of drinkers," the authors report.

"The results also contradict claims that advertising is unrelated to youth drinking amounts: that advertising at best causes brand switching, only affects those older than the legal drinking age or is effectively countered by current educational efforts. Alcohol advertising was a contributing factor to youth drinking quantities over time."

<http://alcoholism.about.com/od/issues/a/bljama060107.htm>

