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| *March 24, 2006* | |

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**1. Magazines Grapple With School Library Liquor Ad Ban**

By [Ira Teinowitz](mailto:iteinowitz@crain.com) and [Nat Ives](mailto:nives@crain.com) – Edited by Ann Marie Kerwin – *AdAge.com*

March 21, 2006

QwikFIND ID: AAR53F

**Liquor Council Recommends Spirits Marketers Cease Cover Advertising**

WASHINGTON (AdAge.com) -- The liquor industry is toughening some of its ad standards for magazines, recommending that spirits makers should cease running ads on the back and inside covers as of July 1 in millions of copies of five major titles, including *Time* and *Newsweek*, unless the publishers can figure out a way to send thousands of school-library editions without those ads.

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| http://adage.com/images/random/time032106.gif |
| This week's issue of 'Time' features an ad for Three Olives vodka on the back cover. After July, 'Time' will have to find a way to eliminate that ad from school and library copies, under guidelines imposed by the Distilled Spirits Council of the U.S. |

Citing the difficulties of producing special editions minus the liquor ads when those ads appear in cover positions, the Distilled Spirits Council of the U.S. told its members to “refrain” from taking the more expensive ads in *Time, Sports Illustrated, Newsweek, U.S. News & World Report* and *People*.

**Responsible practices code**

The changes by the trade group are part of its semiannual report on enforcement of the industry’s Code of Responsible Practices for the last half of 2005.

That’s a blow to publishers, who can charge a premium for cover positions. George Janson, managing partner and director of print, Mediaedge:cia, said the new requirements will pose huge challenges to most of the weekly magazines, which wouldn't be happy to give up liquor advertising. “It’s almost like liquor is becoming the new tobacco,” he said.

The liquor council is also telling smaller publications that aren't included in research reports from Mediamark Research’s MRI 12+ and Simmons demographic data that they will need independent third-party survey data to be allowed to accept liquor ads.

**70%-adult demographic**

While the spirits industry since 2003 has required all members place ads only in media reaching a 70%-adult demographic, there have been some questions about how to assess publications that are not surveyed and also how to ensure the demographic is met.

The problem emerged most strongly in a complaint about ads in the December 2004 edition of *XXL* magazine for Seagram’s Gin, Courvoisier, Alize, Crown Royal, Christian Brothers Brandy, Hennessy and Bacardi Razz. *XXL* wasn’t tracked by either MRI or Simmons, but provided spirits companies with adult-audience numbers that were later questioned and that hadn't been independently confirmed.

**'ESPN the Magazine'**

Another tracking problem cited by trade group’s report concerned a Patron Tequila ad in the Nov. 7, 2005, edition of *ESPN the Magazine*. Patron Spirits Co. said it bought the ad based on the magazine’s claim that it met the required demographic, but MRI data indicated the magazine’s audience was below the 70% cutoff.

The trade group will now also require spirits advertisers to do semiannual post-audits of their compliance with the 70% standard and beginning in October require unmeasured magazines to provide independent demographic circulation.

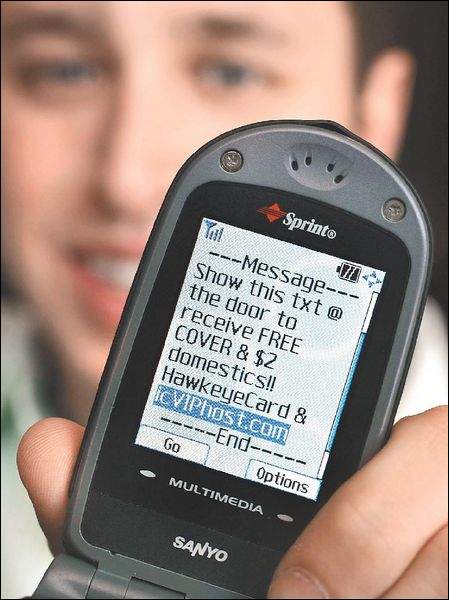


**2. U of I Venture Mixes Messages on Drinking**

By Erin Jordan – *Register Iowa City Bureau*

March 23, 2006

Iowa City, Ia . — University of Iowa students Ian Jacobson and Kane Johnson follow the business mantra: Know your customer.

Their customers, mostly U of I students, want inexpensive alcohol. That's why Jacobson and Johnson started a company that sends students cell phone text messages with exclusive drink specials, food deals and admission discounts at Iowa City bars.

The university helps pay for their endeavor through a new entrepreneurship program.

That's the same university that is trying to fight its reputation as a party school and to combat underage drinking.

"I hate to tell you, but there is a drinking problem in Iowa City," said Jacobson, a U of I senior from Glencoe, Ill. "Well, not a problem, but a large portion of Iowa City's economy is supported by alcohol."

The U of I established the Stepping Up Project in an attempt to curb underage and binge drinking, and it hosts alcohol-free events. Yet the university provides financial support to Jacobson and Johnson, two of 17 student teams housed at the new Bedell Entrepreneurship Learning Laboratory.

"Just because we, as faculty, don't agree with a business doesn't mean we should discourage it," said Lynn Jahn, assistant director of the John Pappajohn Entrepreneurial Center.

Harry Baumert/The Register

Jacobson got the idea for text message alerts from a Chicago bar, he said. He teamed with Johnson, a U of I senior from West Des Moines, who runs a Web site called Iowa City VIP Host that advertises drink deals and beer promotions. People can sign up at the site for text messages about exclusive specials for five Iowa City bars, Jacobson said.

"We usually send out notices every Thursday, Friday and Saturday," Johnson said. Typical deals include 2-for-1 drinks and half-price shots, he said, but students who are younger than 21 only get messages about reduced cover charges.

More than 300 students have signed up for the free service. The entrepreneurs aren't making money yet, but the plan is for bars to pay for the advertising, he said.

Ali Nielsen, a U of I junior from Des Moines, doesn't get the cell phone alerts but said they sound like a good business idea. "Bars provide a service, and those students are obviously taking advantage of those services," she said.

The text message business is an example of the pervasive alcohol advertising to young people, said Jim Clayton, co-chairman of Stepping Up's executive council.

"They are not encouraging the responsible use of alcohol by offering it at the lowest price," he said. "Maybe they should have an occasional message that says, 'Make your next drink coffee.' "

Nearly 70 percent of U of I undergraduates surveyed in 2004 said they binge drank in the previous 30 days, U of I Student Health Services reported. About 650 students were required to attend alcohol counseling or programming in 2004-05, with referrals of first-time offenders up 40 percent from the previous year, health services reported.

The entrepreneurial learning lab, opened in 2003 in an old fraternity house, provides student start-ups with office space, computers, Internet, fax machines and one-on-one mentoring from business faculty, Jahn said. The lab's annual budget of $18,000 comes mostly from an endowment established by Tom Bedell, a member of the Iowa Board of Regents and chairman of Pure Fishing in Spirit Lake.

Other lab start-ups involve computer software, real estate and architectural design, Jahn said.

Jacobson's and Johnson's business may be controversial, but it is teaching the students important lessons, she said. "Learning that drinking is a sensitive subject is a valuable thing for a young person," Jahn said.

<http://desmoinesregister.com/apps/pbcs.dll/article?AID=/20060323/NEWS02/603230392/1001/NEWS>

***Editor’s Note:*** *In a follow-up article in the Des Moines Register on March 24, 2006, the University of Iowa pulled their support of the message service. “We don’t condone that specific business plan. We’re not going to support this through the Bedell Entrepreneurial Learning Lab,” U of I spokesman Steve Parrott said.*

*For full story -* <http://www.dmregister.com/apps/pbcs.dll/article?AID=/20060324/NEWS02/603240368/1001>



**3. Liquor Laws Go on Trial in Costco's Tangle With State (Washington)**

By Kristen Millares Bolt – *Seattle Post Intelligencer*

March 20, 2006

**Some retailers fear deep discounts if wholesaler wins lawsuit**

Most beer and wine in Washington travels a long, complicated route from the producer to the consumer.

Defining that path are state laws promoting temperance, which were crafted in response to the repeal of Prohibition. By erecting barriers against the free flow of beer and wine, the state meant to ensure that prices would remain higher than in a free market.

Higher prices, the state claims, discourage abuse.

But Costco Wholesale Corp., in a lawsuit that goes to trial today before U.S. District Judge Marsha Pechman, is challenging the Washington State Liquor Control Board and its regulations. The Issaquah-based retail giant says the laws are an unfair restraint on trade, a claim that the court has supported in prior rulings.

The legal battle has already resulted in some changes: Out-of-state beer and wine producers may now ship directly to retailers, as their in-state counterparts do.

That now-defunct disparity was part of Costco's lawsuit -- until a Supreme Court decision on a similar case in New York and Michigan caused Pechman to find the prior prohibition unconstitutional and send it to the Legislature for resolution.

What remains to be decided is whether other price-boosting regulations are defensible under the 21st Amendment, which repealed Prohibition and gave states the right to control the distribution and sale of alcohol within their borders.

In Washington, Costco and other retailers can't negotiate for discounts on their large volume purchases. Whether the order is one bottle, or 10,000 cases, the price per bottle is the same.

Nor can Costco use its own warehouses to store the wine -- state laws say that distributors must bring the goods directly to each store for a state-mandated price markup of at least 10 percent. Producers must also charge at least 10 percent above cost to distributors.

The state says that helps small retailers stay in business, because they don't have to wrangle over prices with suppliers in competition with behemoths such as Costco. Costco says that was not the aim of the 21st Amendment.

Also rankling Costco is the fact that the Liquor Control Board can and does employ the business practices that it denies other retailers who compete with its wine sales.

Still, far more than retail prices is at stake, say industry observers.

"There are so many individual artisan wineries that in an environment where there is an unbelievable pressure to discount, I am not sure that it would not seriously hurt the small or midsize wineries," said Bill Nelson, the president of Wine America, a national association of American wineries. "If you whittle it down to just a few big suppliers, a low-cost producer may not be able to survive."

In the past decade, the number of state wineries has exploded from 80 to 400 -- but the share of in-state wine sales by Washington vintners has held steady, hovering at around 17.8 percent of the volume sold.

Gary Jackson owns St. Hilaire Cellars, which bottles wine produced by other wineries as private-label vintages for businesses and events. While he thinks his niche business won't be affected, he does not support Costco's position.

"I think this could be the end for many wineries in the state of Washington because virtually all are too small to compete with Gallo or Mondavi," Jackson said. "Their wines are probably every bit as good, but they do not have money and marketing muscle to go head-to-head with big ad campaigns and serious volume discounting."

The problem is not Costco, which Jackson said doesn't put that many wines on its shelf, but the combined force of other major retail chains such as Safeway, Kroger and Wal-Mart, which would respond to a Costco victory by putting downward pressure on the prices charged by their suppliers and producers.

Most Washington wineries are extremely small and could be beneath the radar of the grocery chains. But the industry has an estimated $3 billion annual impact on the state, and it contributes 14,000 wine-related full-time jobs, according to the Washington Wine Institute.

"I would say that the wine industry is not afraid of competition," said Marty Clubb, whose L'Ecole No. 41 winery in the Walla Walla Valley produces 30,000 cases per year. "Most products are traded freely. Why shouldn't it be the case for wine? I certainly don't feel the government has to step in and make rules for my winery."

Clubb said he would expect some wineries to close, but "I think many of these changes would help the consumer."

That, says the Washington Beer & Wine Wholesaler Association, depends on how you look at it. The trade association represents distributors in Washington and is fighting the lawsuit alongside the Liquor Control Board.

The distribution industry employs 3,000 people in Washington but is already consolidating, following a national trend.

"Beer and wine ought not to be sold at loss-leader prices like potato chips," said Phil Wayt, the wholesaler association's executive director. "We'll have to see who survives and how the system works, but I think the important thing is that there may be less distributors, and ultimately consumers will see less choice than they have now."

Some retailers, such as Fred Andrews, who has owned Madison Park Cellars for 20 years, hope that isn't true.

Andrews hopes that his bevy of older and rarer vintages will buffer his shop from any increased competition that Costco's lawsuit may bring to the regulatory system.

But he believes that Costco's fight is unlikely to end with beer and wine: "They are looking for liquor as the next step."

**WHAT'S AT STAKE**

The 21st Amendment repealed Prohibition and allowed states to govern the sale and distribution of alcohol within their borders. Costco is suing the Washington State Liquor Control Board to change the current state system. Regulations that the state will try to defend under the 21st Amendment include:

A ban on high-volume discounts.

A mandatory 10 percent markup from producer to distributor and distributor to retailer.

A ban on central warehousing. (Currently, deliveries must be made by distributors to each store, instead of to a retailer's central warehouse.)

Prices that must be posted simultaneously and remain in place for 30 days.

A ban on variations in prices to different retailers.

A ban on credit sales: All deliveries are cash only.

**Wineries**

Washington is the second-largest wine producing state in the United States. The state's wine industry has grown with many wineries opening every year; still, the vast majority of wineries in Washington produces less than 5,000 cases per year.

Producers say that the effect of regulatory changes would vary according to the size of the winery and quality of its product.

**Breweries**

Beer sales are stagnant locally and nationally. In Washington, the state's breweries are losing market share to out-of-state producers. Most Washington breweries are small production microbreweries.

It's unclear what impact this case would have on them, though the chief executive of Redhook Ale Brewery has expressed support for the current system.

**Liquor Control Board**

The state's Liquor Control Board says the three-tier distribution system keeps prices high enough to discourage alcohol abuse, so it's protected under the 21st Amendment. It also says that the system facilitates the collection of taxes and maintains an orderly marketplace.

The Liquor Control Board does not track the total dollar amount of beer and wine sales in Washington, but it pulled in $49.2 million through its producer taxes alone last year.

**Costco**

Costco Wholesale Corp., the largest U.S. wine merchant, says state beer and wine laws keep it from using large volume buys to get cheap prices and using its warehouses for distribution. It's also challenging a three-tier distrubution system that requires producers and distributors to mark up prices.

If it prevails, some smaller retailers fear increased competition; others say they specialize enough to differentiate from Costco.

**Distributors**

The Washington Beer & Wine Wholesalers Association, representing the majority of the state's estimated 75 distributors, is an intervener defendant on the side of the Liquor Control Board. It says if the system is changed, smaller distributors will go under - giving consumers less choice. Most wineries and breweries say they will continue to use distributors whether or not their status is guaranteed by law.

<http://seattlepi.nwsource.com/business/263868_costco22.html>



# 4. State, Costco Square Off in Court (Washington)

By Kristen Millares Bolt - *The Seattle Post-Intelligencer*

March 22, 2006

By its own admission, the Washington State Liquor Control Board has a schizophrenic task: to make alcohol widely available without promoting its abuse.

Defending itself in federal court against Costco Wholesale Corp., which seeks to overturn many of the state regulations governing the distribution of beer and wine, the board said Tuesday that Washington's current system promotes higher prices and with them, temperance.

Using the 21st Amendment -- which repealed Prohibition in 1933 and gave states the right to control distribution of alcohol within their borders -- as the crux of their defense, the state attorneys also sought to paint a picture of the three-tiered system as a balanced approach to collecting taxes and maintaining order in the marketplace.

The 70-plus-year-old system, said Assistant Attorney General Martha Lantz, is ingenious for balancing availability and price while deterring alcohol abuse.

The trouble, retorted Costco, is that the state's intent in creating the system was not to place heavy restraints on the sale of beer and wine, but rather on hard liquor.

Using documents from the Liquor Control Board's early years, Costco said beer and wine were meant to be widely promoted as diluted alternatives to the heavier intoxicants popular during Prohibition.

With respect to spirits, Washington is a closed state, meaning only the state's stores can sell them; however, private sector retailers can sell beer and wine, making Washington an open state for those products, Costco said.

As further evidence for that, Costco's attorney, David Burman of Perkins Coie in Seattle, referenced the recent legislation that opened up direct distribution to retailers by out-of-state beer and wine producers, to match the privilege that in-state producers already had.

Washington consumers, meanwhile, can receive direct shipments from both in-state and out-of-state producers.

The main reason that the state inserted distributors between manufacturers and retailers was to prevent the corruption of brewer-controlled saloons in a time where availability of beer was limited, subjecting consumers to the whims of the producers, Costco said.

What's more, it said, the state has made contradictory arguments since Costco filed suit in February 2004. In a December 2004 response to Costco's early requests for information, the state said that it didn't believe that "the purpose of the statutes and regulations is to reduce lawful consumption of wine and beer, except to the extent that excessive or abusive consumption is also lawful consumption."

An incredulous Burman asked the court if the small percentage of alcohol abusers would be more influenced by prices than the larger consumer population.

Using video of an interview with the Liquor Control Board's chairman, Merritt Long, Burman also attacked the board's defense of discouraging over consumption. When asked in the video what measures the state uses to determine over consumption, Long said only that the system works.

That system includes a ban on high-volume discounts and credit sales, a mandatory 10 percent markup from producer to distributor and distributor to retailer, a ban on central warehousing (deliveries must be made to the stores, rather than a retailer's warehouse), and prices posted simultaneously, must remain in place for 30 days and are the same for every retailer.

The Liquor Control Board, though, can and does use all of the business practices in state stores that it denies to private businesses such as Costco, which is trying to overturn all of those regulations. At the trial, Lantz conceded the system does "hamper their ability to do business as they usually would."

That statement, though, conflicts with the Liquor Control Board's position in December 2004, in which it wrote that "there is no reason to believe that the system of 'orderly distribution' established in Washington does not reflect 'normal competitive marketplace factors' affecting the distribution and sale of wine and beer."

The Liquor Control Board controlled 11.5 percent of the volume of wine sales in Washington in 2005, a market share that Costco said is unequalled by any private retailer. The state has not studied what effect its sales of wine, at prices typically lower than those of private sector businesses, has had on the over consumption of wine in Washington.

In prior rulings in the case, U.S. District Judge Marsha Pechman said that Washington's system for distributing beer and wine is in violation of federal antitrust laws, but could be protected by the 21st Amendment.

If the judge rules in Costco's favor, the decision would be sent to the Legislature so that it could craft a new system -- which would be different, but not necessarily favoring any of the involved parties: Costco, distributors, producers or the state.

**DOCUMENTS IN THE CASE**

**State Report:** The Washington State Liquor Control Board presented this 1983 report as evidence that any changes to the state's current regulatory system should not be made in the courts, but rather by the Legislature or a public vote; that was the recommendation of the report about the state's role in liquor sales made by the Office of Financial Management at the request of then-Gov. John Spellman.

The report also concluded that if Washington State privatized liquor sales and deregulated the industry as a whole, liquor consumption would increase, liquor revenues to the state would decrease, and liquor prices would be higher. That final point contradicts a claim the state made in court, alleging that its core mission is to promote temperance through higher prices, which discourage consumption. Though the case covers only beer and wine, the control board considers both liquor and beer and wine as part of its regulatory oversight.

*-View the document's summary. (PDF, 136 kb)*

**State Letter:** This 1976 letter, from the Washington State Liquor Control Board to the Seattle P-I's editorial board, figured prominently during Costco Wholesale Corp.'s opening remarks Tuesday for its case against the liquor control board and Washington's three-tier system for distributing beer and wine. Evidence presented by both sides in the case dates back to 1933, when the 21st Amendment repealed Prohibition and gave states the right to control the distribution and sale of alcohol within their borders.

In the case before a federal judge, the liquor control board said that the purpose of its regulatory system is to maintain artificially high prices on beer and wine in order to discourage over consumption. Costco used this letter, in which the board writes that it has no intent to limit price slashing by producers and distributors, to help build an argument that the liquor control board is acting out of step with its regulatory mission.

Though the liquor control board said that its aim, and that of Washington's regulatory system, is to prevent abuse by keeping prices higher than the free market would dictate, this letter emphasizes that the board uses practices that are not available to private entitities in order to get better prices on the liquor it purchases -- and subsequently sell it cheaper to the public.

<http://seattlepi.nwsource.com/business/263868_costco22.html>



**5. Liquor Trade Association Will Make Advertising Changes**

*The Business Review* (Albany)

March 21, 2005

The Distilled Spirits Council of the United States will allow publishers to remove alcohol beverage ads from magazines bound for school, college and university library subscription copies.

The new policy will take effect on July 1, 2006.

The Distilled Spirts Council, a Wash., D.C., trade association for liquor producers and marketers, said its members will voluntarily refrain from placing ads on the inside and back covers of those magazines if the covers cannot be excluded for the so-called "special bindings" of those magazines.

Magazines involved in the new binding policy are Newsweek, People, Sports Illustrated, Time, and U.S. News & World Report.

New York Attorney General Eliot Spitzer and Maryland Attorney General J. Joseph Curran Jr. both expressed concerns about students having access to materials advertising liquor.

"Research clearly establishes that alcohol advertising has a significant impact on young people's decisions to drink alcohol," Spitzer said in a statement released by his office. "Virtually all readers of school library editions are individuals under the legal drinking age, and thus use of selective binding to avoid youth exposure to alcohol advertisements is a responsible course of conduct."

Distilled Spirits Council President Peter Cressy said his group's members are committed to "responsible advertising" that is directed to adults.

<http://albany.bizjournals.com/albany/stories/2006/03/20/daily17.html?t=printable>



**6. Liquor Council Frowns on Poker Star's Event**

By Dawn House - *The Salt Lake Tribune*

March 23, 2006

A Canadian Club Whiskey promotion in which poker champion Chris Moneymaker signed autographs for minors at a Pennsylvania liquor store was among marketing efforts that violated a trade association's voluntary guidelines.

Other complaints filed with the Distilled Spirits Council of the United States involved the publication of alcohol-related ads in magazines not geared toward adults and the use of sexual or violent imagery.

In the case of the whiskey company, executives agreed to have representatives on site to avoid similar situations.

Four of the seven complaints covered in the council's report released this week did not violate industry standards, and two did and have been discontinued.

In addition, one vodka company did not respond to the trade group's questions about its ads containing "lewd language" and references to "irresponsible" drinking and its spring break promotions.

The report, covering July to December, said a SKYY Vodka billboard showing a man fully dressed in a tuxedo pouring a drink for a swimsuit-clad woman did not violate industry guidelines. Nor did another SKYY ad showing only bare arms holding drinks and a woman's legs forming the bottom of a martini glass.

The council, representing nearly 80 percent of all distilled spirits sold in this country, began publishing a review of objectionable advertising two years ago to convince lawmakers and consumers that self-regulation works.

Art Brown, president of the Salt Lake County Chapter of Mothers Against Drunk Driving, said research shows "kids are influenced by advertising when they start to drink, as are minors well on their way to addiction." "Liquor advertising only worsens their plight," he said.

Utah Assistant Attorney General Thom Roberts said his office is working with the spirits industry to combat problems of underage drinking and access to alcohol. He added that, in general, courts have decided the industry has free-speech rights to advertise.

The alcohol industry placed more than 1 million television ads, worth $3.5 billion, between 2001 and 2004, according to the Center on Alcohol Marketing and Youth.

Its analysis showed high levels of youth exposure to these ads, despite the industry's self-regulation of its marketing and advertising practices.



**7. The "Wal-Mart Effect" New Book Explains Love/Hate Relationship**

By Gabriel Madway, *MarketWatch*

*March 18, 2006*

SAN FRANCISCO (MarketWatch) -- Love Wal-Mart, or loathe it, the company does spark passion like the New York Yankees, Michael Moore or a Michael Jackson trial.

But like many divisive issues, there is a substantial gray area regarding Wal-Mart, one that often goes unplumbed in the polarized debate.

It is there that "The Wal-Mart Effect: How the World's Most Powerful Company Really Works--and How It's Transforming the American Economy" (The Penguin Press; $25.95, 294 pages), an absorbing and relatively evenhanded new book, tries to operate.

While not entirely neutral and certainly not dispassionate, the author, Charles Fishman, has written an essential primer about Wal-Mart.

Fishman, a senior writer at Fast Company magazine, tells the story of a dynamic company whose zealous obsession with low prices puts it on the leading edge of global commerce -- and how such zeal works to the detriment of not just its competitors, but sometimes its suppliers and even its customers, too.

The company is radioactive of late, as evidenced by the industry that seems to have emerged, dedicated solely to fighting its spread. Google "Wal-Mart" and your top 10 results turn up numerous anti-Wal-Mart entities. Googling other high-profile companies like Microsoft Corp., General Electric Co., or even the profit-soaked Exxon Mobil Corp., produces nothing like this.

Wal-Mart continues to grow and dominate its industry like few others before it. More than 93% of American households shop at a Wal-Mart. The company employs 1.6 million people (by contrast, Exxon Mobil employs 90,000). In the last two years, Wal-Mart has added more sales than Target Corp.'s total sales. Wal-Mart's rapid ascendancy in the grocery business is the stuff of legend. Fifteen years ago, it barely had a toe in the industry; now it sells more groceries than any company in the world.

As Fishman tells it, Wal-Mart is either "one of the boldest, most democratic creations in human history," or "an insatiable, insidious beast exploiting the people it pretends to defend."

It is clear that Fishman himself, while obviously fascinated and at times even admiring of Wal-Mart, is also somewhat repulsed by it. This dichotomy, in many ways, represents America's overall sentiment about the company.

At times the book veers off-track and starts to sound like it is making a broader argument against globalization. Fishman's repetitive, breathless pronouncements about Wal-Mart's importance ("no business comes close to Wal-Mart's dominance across not just the consumer economy, but the economy as a whole, or ever has") do start to wear on the reader. But none of this takes away from the book's often trenchant analysis.

We hear a lot about the so-called debate the country is having about Wal-Mart. And, to be sure, it rages in certain quarters -- namely the media, state capitals and union halls. But whether the average shopper is spending any time pondering Wal-Mart's presumed benevolence or malice is debatable.

The polling data is no help. One December survey, conducted by Zogby International for WakeUpWalMart.com, found that 56% of Americans believe "Wal-Mart is bad for America." On the other hand, another December poll, this one by the Pew Research center, found that 69% of those familiar with Wal-Mart had a favorable opinion of the company.

If you believe people vote with their feet, then Americans don't exactly seem angry with Wal-Mart -- or at least not angry enough to stay away. After all, the company's fiscal 2005 sales did come in well above $300 billion.

**The effect and the economy**

What makes Wal-Mart's story so intriguing is the essential question that lurks beneath its eye-popping sales figures: how much control do we allow the hand of the free market to shape us?

The "Wal-Mart Effect" begins with the company's relentless drive to lower prices across the board. Its demand for cost-cutting (often to the tune of 5% a year), in turn, forces its suppliers to get leaner and leaner. Wal-Mart's competitors, meanwhile, must either follow its lead or perish. Consider K-Mart and Sears. This most people can agree on.

However, many argue, part of the Wal-Mart effect is a resultant downward pressure on wages, reduced benefits for workers, or jobs shipped overseas by suppliers that cannot afford to make goods in America and sell them at the prices that Wal-Mart demands. In addition, those products from Third-World countries are often made by people working under questionable conditions.

Taken even further, the adjunct Wal-Mart effect, some contend, is the destruction of communities, local retail districts decimated as the shopping habits of consumers are "suburbanized." Fishman cites an academic who argues, with evidence, that Wal-Mart's presence literally increases poverty in areas it enters.

**"We are slaves to our impulse for a bargain"**

At the heart of the story is a paradox that Fishman calls the "creeping irresistibility of the Wal-Mart economy." That is we, as a collective national conscience, may want our quaint downtown shopping districts to remain intact, to keep American factories manufacturing real goods, or for our Uncle Bob to get health care benefits at his job.

But things change at the level of the individual, because everybody loves a deal. Whoa -- a gallon jar of pickles for $2.97! Can't pass that up! In an instant, all our good intentions vanish in the face of the tempting pull of the bargain.

For the company's suppliers, Fishman tells us, landing a deal to sell through Wal-Mart is not necessarily the windfall it seems. Some thrive, others struggle. Wal-Mart is known to squeeze its suppliers for every last penny, to the point where, for some, it may not make financial sense sell there.

**Seeking answers in the fray**

So, with all the polemics and politics swirling around Wal-Mart, what do we actually know for certain about the company's impact?

Surprisingly little, the book says. What academics research has discovered -- no shock here -- is that the company does indeed lower prices, to a greater degree in small cities. In addition, it has been shown that Wal-Mart both creates jobs -- about 30 over five years in a typical county it enters -- and kills them, at existing retailers and wholesalers.

On the other hand, Fishman says a broad study of the company's suppliers was inconclusive on the question of whether their performance was hurt by their relationship with Wal-Mart. Meanwhile, a smaller survey found evidence showing that the larger the portion of sales a company does through Wal-Mart, the less profitable they are.

**The Wal-Mart future**

Fishman thinks Wal-Mart may be reaching the limits of its success, at least here in the U.S. Its same-store sales growth has fallen from 9% in 1999 to 3.4% in 2005. "America is nearly full up with Wal-Marts," he argues.

Even though he thinks the company will remain dominant for years to come and could see $500 billion in sales by 2010. The wider world, after all, is still largely empty of Wal-Marts. Fishman says the company is showing signs of a struggle. Its stock price, which has been sagging for years, shows that investors feel the same.

In the final analysis, some say Wal-Mart's problems can be boiled down to a simple image problem; that the company, its recent, much-publicized efforts to go upscale notwithstanding, is exactly what it aspires to be: cheap. The company carries a stigma that may be hard to shake.



**8. A Life Cut Short by Underage Drinking and Driving (Iowa)**

*KTIV-TV*

March 19, 2006

Life will never get back to normal for a Sioux City family. A year ago, a drunk driving crash took the life of their son, 17-year-old Austin Wermes.

Known by his family and friends as “Bubba,” this year Austin would be a senior at North High – if a underage drinking didn’t take his life.

Danna Wermes, “Bubba’s” mother says, “We always told him – don’t drink and drive – don’t get in a vehicle with somebody who’s been drinking, and he’d always would say to me, ‘I’m smarter than that.’”

But last March, Bubba, who’d been drinking, got into an S-U-V with three of his friends. At about two o-clock in the morning their vehicle rolled on the Kingsbury Interchange in South Sioux City. The 18-year-old driver, later found guilty of vehicular homicide, registered a blood alcohol level of .107.

“It just takes one – one bad decision and it changes their whole life,” said Wermes.

Everyday is a struggle for the Wermes family, but the hope they do find is in encouraging other parents to talk to their kids so that no other parents have to go down the same road.

“Be involved; don’t look the other way and say, my kid’s not doing that,” said Wermes.

With Bubba’s younger brother, Cody, now a freshman, Danna and Danny realize the challenge they and other parents constantly face when it comes to kids and alcohol.

“Kids think they have to drink to have a good time and they don’t have to. If you’re aware of a party going on and there’s underage drinking – report it,” said Wermes.

Danna calls it “zero tolerance” – it’s how she lives nad how she honors the memory of her son.

Wermes says, “I hope out of our tragedy – that something good can come – and hopefully it’s changed some lives that another parent won’t have to go through this.”



**9. Wine Buyers Go Ape for Critters on the Label**

By Libby Quaid – *Associated Press Washington*

March 20, 2006

A fish, a monkey, a kangaroo -- Americans just can't get enough of the animals swimming, swinging and hopping onto wine labels.

In the super-competitive business of selling wine, animals give new brands an edge. Americans buy twice as much of new wines with beasts on their labels as they do other new wines, according to the marketing information company ACNielsen.

Critters help labels stand out on crowded wine shelves. A curly tailed monkey swings across the label of Monkey Bay, a New Zealand brand. A loon paddles on the red-and-gold label of California's Smoking Loon.

A kangaroo -- actually, a yellow-footed rock wallaby -- helped get the trend going. Introduced five years ago, Australia's Yellow Tail "was a spectacular success," said Danny Brager, vice president of ACNielsen's alcohol beverage team.

"And I think it taught the industry a lesson: You don't need to get bogged down into the details of wine pretension or snootiness to be a success, if you have the right product," Brager said.

Humble is the name of today's wine game. In addition to using colorful, funky labels, some of the hottest-selling wines have swapped their corks for screwcaps or are being sold in boxes.

California's FishEye Winery, which has a fish on the label, fits into that category. FishEye comes in 3-liter boxes as well as in traditional bottles.

It makes the wine less intimidating, said company spokeswoman Laurie Jones. Approachable wines with memorable labels are able to attract consumers, especially when they're affordable, she said.

Most "critter" wines are priced between $8 and $12, according to ACNielsen. It's more than just critters, said Jon Fredrikson, a Bay Area industry consultant.

Labels in general have grown more appealing, he said. There is Yellow Cab, which has a Checker yellow taxi cab, and there is Twin Fin, showing the back of a classic convertible at the beach.

"They've just become so much less intimidating and more approachable, especially to people who don't drink wine," Fredrikson said.

The taste of the wine has evolved in the same way, he said.

"The average American consumer doesn't want a big, tannic, heavy wine that requires aeration and maybe decanting," he said. "People want wines that you can open up and enjoy right now that are mellow, fruit-forward, kind of user-friendly wines that taste good and go well with food."

That's the story of Yellow Tail's success, said Roy Danis of W.J. Deutsch & Sons Ltd., which imports Yellow Tail. It sells for around $7 a bottle.

"If they don't have a good experience drinking the wine, they're not going to come back, regardless of how pretty the picture is on the bottle," Danis said.

"The ultimate reason why people kept coming back was because we over-delivered on quality for that price point. Yellow Tail's success has to do with what's in the bottle," he said.

Annual sales of wines with animal labels or names reached more than $600 million last year, ACNielsen said, while overall sales were nearly $4.07 billion. ACNielsen records its sales data from supermarket point-of-sale purchases.

About 1,000 brands were introduced in the past three years, Brager said. About 400 had staying power -- sales of at least $20,000 last year. Of those, critter brands outsold the competition about 21/2 to 1, Brager said.



**10. These Drams Are Different**

By Eric Felten *- Wall Street Journal*

March 18, 2006; Page P14

Casks of Scotch whisky are snowflake-like in their individuality. Two barrels of the same whisky distilled on the same day in the same distillery can differ dramatically if for no other reason than where each barrel sat while aging in the warehouse. It is one of the delights and mysteries of Scotch that such variability can be had from malted barley, yeast and water.

The big Scotch brands have always seen the differences from cask to cask as a problem -- dreaded inconsistency. The whole point of blended whisky, which accounts for the vast majority of whisky sold, has been to eliminate those quirks. The blends take whiskies from many small distilleries and mix them together (usually along with a sizable percentage of bland and inexpensive factory-made whisky) to achieve a uniform taste. Even single malts -- Scotch that comes from a particular distillery -- are worked into consistent house styles by mingling many barrels together before bottling.

But for those Scotch connoisseurs who seek out the odd and the interesting, the whisky's truest expression is found in the individual personalities of individual casks. And one place they find them is at the Scotch Malt Whisky Society. With over 27,000 members world-wide, and branches in countries including the U.S., Australia and Japan, the society buys some 250 single-malt casks a year and bottles each whisky undiluted and unblended.

To sample some of the society's drams I visited one of two clubhouses the Scotch Malt Whisky Society maintains in Edinburgh, a member's lounge and restaurant on Queen Street in the heart of the city. They've taken a stately Georgian townhouse and tweaked it with chic touches of tongue-in-cheek postmodernism -- an atmosphere that fits the club's charmingly unstodgy approach to whisky.

I was met there by Annabel Meikle, who is on the society's tasting panel. Members of the panel convene to test samples of available casks and choose the ones they like, usually whiskies that exhibit characteristics at odds with what would be expected from the distilleries they come from. They then write whimsical, often wacky, tasting notes to describe each whisky the society sells.

Who hasn't read a wine or spirit review at some point without a bit of eye-rolling at the overripe prose and improbable observations so common to the trade? The society tasters take such language to an extreme, with a sly wink and a nudge. "The full strength nose has smoky bonfires, harbour smells, dusty-musty bookshops and Brasso," they wrote of one Longrow cask.

American members reading the descriptions will find themselves faced with some decidedly British references. There are whiskies that hint at "Fairy Liquid" [dishwashing soap], salt-and-vinegar "crisps" [potato chips], "gammon" [ham leg] and such Pythonesque potential head-scratchers as "smoldering slag heaps with brown sauce from a chippie [fish-and-chips shop]," "creosote and sheep dip" and "caramelized neeps" [turnips].

At times one can't help but suspect that the tasting panel is putting us on. I (and my friends at the Humane Society) hope and trust that "barbecued cat" was merely an imagined redolence. But just when you think that the tasters are inventing fanciful descriptions for mere effect, they show that they mean it. One barrel of the Speyside malt Cragganmore is described as having a scent with a "strong sweetness reminiscent of Bazooka Joe bubble-gum," and they go on to detail exactly what they mean -- "a floral combination of roses and carnations with the rubberiness of school erasers." They're right: That is exactly what Bazooka smells like. And it is also an apt description of that odd but intriguing combination of flowers and solvents that characterizes many of the best Scotch whiskies.

The tasting panel is really more of a smelling panel -- it devotes an inordinate amount of time to nosing the whisky, and encourages society members to do the same. "Smell is very evocative," says Ms. Meikle, and much more likely than taste to pack an emotional wallop. Chances are you don't remember what you had to eat on your first date with your first crush. But catch a forgotten whiff of her perfume, or his soap, and that lost moment is regained in an instant. The nose of one whisky is described as reminiscent "of cotton candy and lipstick." Scotch, it seems, can elicit responses more revealing than any ink blot ever did.

Ms. Meikle says the society's tasters try to avoid the sort of euphemism common in, say, real-estate ads. The bottles being offered this spring include a "nicely dirty" dram from the Isle of Jura distillery. "The nose has a smoky, oily quality, like bacon fat cooking in a tractor shed. There is also heather in a cleaning cupboard." After a whiff of that, the panel actually proceeded to drink it. They found that "the neat taste is sweet, smoky and peppery with a hint of mechanics' rags."

If you have a hankering for the liquid equivalent of mechanics' rags, whisky reminiscent of Bazooka gum or any other dram with real personality, go to [www.smwsa.com](outbind://1/www.smwsa.com) for the American chapter of the Scotch Malt Whisky Society, where membership costs about $180, and comes with the first bottle gratis. Write to Eric Felten at [eric.felten@wsj.com](mailto:eric.felten@wsj.com)



**11. Senate Bill to Aid Cases Against Giving Alcohol to Minors (Iowa)**

By Jonathan Roos, Staff Writer*, Des Moines Register*

March 21, 2006

Legislation making it easier to sue adults who provide alcohol to minors, as well as strengthening training requirements for novice drivers, sailed through the Senate on Monday.

The bill puts parents on notice that if they play host to parties involving minors, “you are responsible,” said Sen. Matt McCoy of Des Moines.

The legislation should also make a 24-year-old think twice before providing alcohol to a brother or sister who’s younger than 18, said McCoy, Democratic co-chairman of the Senate Transportation Committee.

The Senate defeated an attempt to strip out of the bill a requirement that back-seat passengers younger than 18 wear seat belts.

The current safety restraint age requirement is 10 or younger for back-seat occupants.

Other parts of Senate File 2346 would tough driver training requirements for teenagers. The bill would:

Increase the amount of supervised driving from 30 hours to 50 hours.

Require more classroom instruction on the effects of alcohol and other drugs on driving, as well as distractions such as cell phones.

Require behind-the-wheel instruction in defensive driving and night-time driving.

“This will save lives,” McCoy said.

While young drivers represent nearly 7 percent of the nation’s licensed drivers, they are involved in about 15 percent of fatal crashes, he said.

The legislation goes part way toward meeting the recommendations of a group of traffic safety experts who studied measures to strengthen Iowa’s three-stage licensing system for teenagers.

Lawmakers previously had decided to abandon controversial proposals to ban teen drivers’ use of cell phones, restrict them to one passenger of their age or younger, and prohibit them from driving unsupervised after 11 p.m., with some exceptions.

The current driving curfew for teens on intermediate licenses is 12:30 a.m.

The bill goes to the House for more debate.

<http://www.desmoinesregister.com/apps/pbcs.dll/article?AID=/20060321/NEWS10/603210376/1001/RSS01>



**12. US: Coors Extends NFL Sponsorship Coverage**

Editorial staff, *just-drinks.com*

March 21, 2006

Coors Brewing Company has signed a fresh deal to partner American football team the San Diego Chargers.

The five-year partnership, announced yesterday (20 March), allows Coors multiple marketing opportunities, including outreach to San Diego’s military population and Hispanic consumers, the brewer noted.

“We are thrilled to welcome Coors into the Chargers partnership family and look forward to the next five years with them,” said Chargers’ vice president-chief marketing officer, Ken Derrett.

“With our renewed league partnership as the official beer sponsor of the NFL, Coors has increased its involvement with local NFL teams,” said David Wilson, national sponsorship manager for Coors Brewing Company. “We’re excited to be working with one of the league’s leading organizations.”

Coors will also have the rights to use Chargers’ trademarks for in-store promotions for the next five years.

Financial details were not disclosed.

Last year, Coors extended its sponsorship of the NFL through to the 2010 season. The announcement marked an extension of the company’s position as the league’s official beer sponsor after three seasons.



**13. US: A-B Continues NFL Partnership**

Editorial team, *just-drinks.com*

March 21, 2006

Anheuser-Busch has extended its sponsorship deal with the Arizona Cardinals.

The announcement comes on the same day (20 March) that Coors Brewing Company unveiled its agreement with the San Diego Chargers.

The five-year deal, which will make Budweiser and Bud Light the exclusive alcohol sponsors of the NFL team, will allow A-B to create a ‘Budweiser Red Zone’ at one end of the Cardinals’ new stadium, set to open this year. The zone will be marked by an 18-foot by 240-foot sign, and will be open during all Cardinal games.

Away from the stadium, meanwhile, Budweiser and Bud Light will be prominent on all Cardinals pre-season game broadcasts on TV, plus all pre-season and regular season English and Spanish radio broadcasts, along with title sponsorship of ‘The Budweiser Big Red Rage’ radio show.

Budweiser has had a presence at Cardinals games since 1998.

Financial details of the new deal were not disclosed.



**14. Scotch Bottler Takes on Liquor Giants**

By Polly Campbell, staff writer *– Enquirer*

March 22, 2006

How did a guy who was captain of his football team in Fairborn, Ohio, an Ohio State University graduate in criminal justice and a probation officer become an American independent scotch bottler?

It happened, of course, over a dram of scotch. In 2002, Jeff Topping went to Scotland to take a class in distilling. He had just bought a company called Bevinco, which monitors bar inventories.

Topping also was interested in the history of his Scottish family, who'd immigrated to Pittsburgh.

"My father had died when I was very young, and I wanted to know something about where he'd come from," Topping says.

He was picked up at the Wigtown train station by two Scottish men he could barely understand. They took him to the Bladnoch distillery, the southernmost in Scotland.

"It was rustic, with weathered walls, sheep everywhere, nothing modern," Topping says.

Something in him responded to his first taste of Scotch whisky straight from a cask.

"It was magical, in fact I think it was fate," he says. "I had to know what was different about it, why it was that way."

Topping was lucky to have had that taste at Bladnoch, an unusual independent distillery. Most of the distilleries in Scotland are owned by two big liquor companies: Diageo and Pernod Ricard.

"This was scotch on a real-people level, not in lab coats and clipboards, but standing around, tasting and talking," Topping says.

He also met up with the right man in John McDougall, who in more than 40 years in the scotch business had been a distillery manager in every region of Scotland.

"I think John thought of me as a kind of son, wanted to pass his knowledge along to me," says Topping. "He saw some kind of spark or passion in me."

The men decided to create and market a "vatted" scotch, which is a blended scotch, but a special kind.

The majority of scotch brands are blends. Johnnie Walker, Dewar's, Teacher's all are mixtures of whiskey from different distilleries in Scotland. They contain both whiskey made from malt, or sprouted barley, and cheaper grain whiskey, made from unmalted grain.

Other whiskies are all malt from a single distillery - these are the single malts, the only growing category in scotch.

A vatted malt like Wild Scotsman is blended from single malts from many distilleries to create a particular flavor profile. It appeals to the same people who drink single malts.

"Vatted malts are rare," says Brian Hue of Cork 'n Bottle in Covington. "Jeff's are interesting, and a good product. It's been fun to carry his. It appeals to the new kind of scotch drinker, which include women, who drink less but drink better."

After coming up with the vatted scotch formula, Topping and McDougall rented a room in a warehouse in Glasgow and began buying casks of malt from distilleries where McDougall had connections. All the malt is at least 15 years old. They chose not to "chilfilter" their scotch, which means it gets cloudy when poured over ice.

"Chilfiltering is done for the American market," Topping says.

Then came the hurdles of the liquor bureaucracy.

"I looked for an importer, but there was no importer who cared. I had to become my own importer, my own distributor, and I have to deal with the liquor control agencies in every state I want to be in," Topping says.

He's the marketer, too. He is doing tastings, talking to distributors himself and visiting bars and restaurants. He is trying to create a bit of a cult and convert drinkers to scotch.

"Many people think of scotch as stodgy, but appreciating it is a lot like appreciating wine. There's a disconnect between the industry and the product," Topping says. "I'm trying to make that connection. I am the Wild Scotsman, I am the brand. I loved that experience in Scotland, and I like to think that if you never go to Scotland, you could share the experience through my whisky."

Topping hasn't made money yet, but he continues to fight the fight of the little guy among the giants.

"I was a single guy (he's getting married in April), I had a little money, I wanted to do it. How often do you get to really follow a dream?"

<http://news.cincinnati.com/apps/pbcs.dll/article?AID=/20060322/LIFE01/603220330/-1/CINCI>



**15. Town Hall Meetings on Underage Drinking (Iowa)**

By Bob Link – *The Globe Gazette*

March 22, 2006

MASON CITY, IA – Four North Iowa youth organizations will host town hall meetings as part of a statewide effort to address the issue of underage drinking.

The first meetings, scheduled for Thursday night. The Worth County Asset Team will host a meeting at the North Central School in Manly and the Garner Asset Project will hold a meeting at the United Methodist Church in Garner.

Floyd County Focus will host its meeting at the Charles City Public Library on March 28.

The Mason City Youth Task Force will hold its meeting at the Mason City High School on April 6.

All meetings will begin at 7 p.m.

“Many adults have the opinion that alcohol use on occasion is simply a rite of passage for teenagers. That’s a dangerous attitude to have,” said Mary Schissel, director of the Mason City Youth Task Force.

“These town halls are part of a national initiative to reduce underage drinking. We are asking people of all ages teenagers, parents, grandparents, citizens of the community to come to one of the town hall meetings and help us brainstorm new ideas and new ways we can address this issue,” she said. “We need your assistance.”

Iowa’s effort is part of a nationwide focus on the topic of underage drinking.

The Iowa Department of Safety and the Iowa Department of Public Health, in conjunction with the U.S. Department of Health and Human Services Substance Abuse and Mental Health Services Administration (SAMSHSA), invite concerned citizens, parents, students, law enforcement officials, emergency room professionals, educators, substance abuse prevention experts, public health advocates, elected officials and all Iowans to attend one of these town hall meetings.

The agenda will include a brief video provided by SAMHSA, a dialogue aimed at changing Iowa’s attitude toward underage drinking, gathering local data on the consequences of alcohol consumption by our youth and ideas for developing prevention strategies to curb underage drinking.

<http://www.globegazette.com/articles/2006/03/22/latest_news/doc44217de740a81442899500.txt>



**16. InBev Mulling Sale of Rolling Rock Brewer**

Source: *just-drinks*

March 21, 2006

InBev USA is mulling the sale of the Latrobe Brewing Co., the brewer of brands including Rolling Rock.

The US arm of global brewing giant InBev told just-drinks today (21 March) that it had decided to focus on its "high-profit specialty import brands", including Stella Artois, Beck’s and Brahma.

It said: "With that in mind, the company has started examining opportunities both inside and outside InBev to determine how to optimise the full potential of Rolling Rock and the Latrobe Brewing Company."

InBev USA added that it believed Latrobe and Rolling Rock held "great potential for future growth" and that "high levels of awareness and distribution are a tremendous benefit to the brand". However, the company declined to comment any further on its plans for the brewery or the associated brand portfolio.

According to industry analysts Stifel Nicolaus, Latrobe Brewing Co. accounts for around 20% of InBev’s volumes in the US, with InBev USA holding around 2.4% of the US beer market.



**17. Diageo North America, the Largest Spirits Company in the World Picks a Fight With Oregon Winegrowing Family (Oregon)**

***Market Wire* – Source: *Belle Provenance Vineyard***

**March 22, 2006**

SALEM, OR -- Diageo North America, Inc., the U.S. arm of the global spirits giant Diageo, PLC, is taking an aggressive stance against a small Oregon vineyard, and the name it seeks to protect. Diageo, which owns the Provenance Vineyards brand, is seeking to block the issuance of a trademark in the name of Belle Provenance Vineyard. "Diageo has overstepped the bounds of fair play," says Timothy Ramey, co-owner of Belle Provenance Vineyard. "We are a small family vineyard, trying to build our name as a quality producer of Pinot Noir. We're amazed that Diageo, the largest spirits company in the world, would claim that the exclusive right to use the word 'Provenance' in connection with wine. Provenance means origins, how something has been kept. It is in the lexicon of the wine community. Diageo is wrong to try to take our name away."

Diageo claims in their trademark opposition that the public will be "confused" or "deceived" by the resemblance of the two marks. Ramey said: "You judge for yourself, there is no mistaking the two marks. We respect Provenance Vineyards rights to their identity, but Diageo insults its consumers to say that anyone would be confused by similarities between these two brands."

Indeed, a "Google" search of the word "provenance" in connection with wine but without reference to Provenance Vineyards of Rutherford, CA yields nearly 500,000 references. "There isn't a wine lover on Earth that would think anyone could claim exclusivity for the word 'provenance' any more than they could for words like vintage or vineyard. It is a widely used term," said Ramey. "We will fight Diageo to protect our name."



**18. Official Says Driver in Deadly Crash Smelled of Alcohol (Iowa)**

By Jared Strong, Staff Writer – *Des Moines Register*

March 23, 2006

Two University of Iowa students who died in a car accident Saturday night as they returned from a spring break vacation were probably struck by a driver who had been drinking alcohol, officials said.

U of I junior Mark McCloy, 21, of Carmel, Ind., and sophomore Brooke Walton, 19, of Cedar Falls died when their car was struck broadside about 6 p.m. near Underwood by a car driven by Rudolph Huebner, 21, of Tabor.

Pottawattamie County Sheriff's Chief Deputy Jim Matthai said Huebner had a "strong odor of alcohol" and that witnesses in Underwood said he had been drinking. Matthai said blood tests of both drivers for alcohol haven't been completed.

Witnesses also told officials that Huebner was traveling at "pretty excessive speeds."

"We do think speed was a factor," Matthai said, adding that one of the five U of I students who were returning from a spring break trip to Colorado was partially thrown from the vehicle Huebner struck.

McCloy and Walton were riding in the back seat of a car driven by U of I sophomore David Hartwig, 20, of Arvada, Colo., who had just exited off Interstate Highway 80 to make a pit stop on their way back to Iowa City. Hartwig apparently pulled out in front of Huebner, who was eastbound on Pottawattamie County Road G30 just outside of Underwood. The speed limit there is 45 mph.  
  
Matthai said Huebner stopped in Underwood to purchase some alcohol at a convenience store.

Huebner and his two passengers suffered minor injuries. Hartwig was critically injured, and his two surviving passengers suffered minor injuries.

Hartwig and Walton planned to spend the rest of their lives together, said Walton's uncle Bill Marmie, of Cedar Falls.

"They had a great time," said Marmie of the couple's spring break trip. "What a couple they made. . . . They were going to get engaged this summer and get married next summer."

<http://desmoinesregister.com/apps/pbcs.dll/article?AID=/20060323/NEWS01/603230400/1001/NEWS>



**19. Black Box Wine Boosts Ad Budget**

By Jeremy Mullman, *AdAge.com*

March 23, 2006

QwikFind ID: AAR54H

**Upscale Brand Doubled Sales in Last Year Without Ads**

CHICAGO (AdAge.com) -- Constellation Brands’ “upscale” boxed wine brand, Black Box, is boosting its marketing budget after it doubled sales last year -- without any measured media support.

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| http://adage.com/images/random/blackbox032306.jpg |
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“We’re starting to put more money behind it,” said Black Box associate brand manager Mandy Roth, noting that the push will start with sampling stations at wine events and boat shows in major markets, and may also include some radio spots. The brand is handled in-house.

**Boxed wine gets classy**

Not long ago, the boat-show crowd would have snickered at wine stored in cardboard--for decades a staple of college apartment parties, not regattas. But recent growth of relatively pricy three-liter boxes such as Delicato California Cabernet Sauvignon ($18) and Hardy’s Stamp of South Eastern Austrailia Shiraz ($16) suggests that stigma is lifting.

The main selling point of boxed wine is price and durability. One three-liter box contains the same amount of wine as four standard bottles, and the box’s airtight liner keeps the wine drinkable for up to four weeks, whereas bottled wine generally needs to be consumed within a day or two of opening. The downside is that boxed wines don’t improve or add complexity with age as some bottled wines do.

According to AC Nielsen, sales of boxed wine grew by nearly 12% in the 52 weeks ended Feb. 11 to about $386 million, or 5.7% of the $6.8 billion U.S. table wine market.

Black Box, which retails for more than $20, has grown faster than its category, expanding shipments by 100% during 2005, according to estimates compiled by the wine and spirits trade journal *Impact*. At 430,000 nine-liter cases shipped, Black Box’s sales are approaching the level of grocery store staples such as Kendall-Jackson Wine Estates’ La Crema (480,000) and E&J Gallo Winery’s Mirassou (500,000).

**Packaging creates upscale image**

Ms. Roth credits packaging for helping the wine break the $20 price barrier. “It’s got that sleek little black box that looks just like a wine label,” she said. “It looks like an upscale product.”

Favorable reviews haven’t hurt, either. Black Box’s chardonnay was named a “best buy” by *Wine Enthusiast*, and a handful of newspaper wine writers have cited the brand as a symbol of improving quality of boxed wines.

Retailers said the impact of that attention is apparent in their stores. “It’s selling like crazy here,” says Fred Rosen, who owns Chicago’s Sam’s Wine & Spirits chain of warehouse-sized beverage stores. “It’s the best-selling box we’ve got.”



**20. The Myth About Girls Going Wild**

By Ana Marie Cox – *Time Magazine*

March 23, 2006

**Why alcohol has become just a handy excuse**

The arrival of Spring Break season causes such pursed lips among social commentators that it's a wonder they can get the words out. While college-age women "will be tempted to lay caution and responsibility aside," warned an expert, "I challenge them to enjoy a delightful, 'fun in the sun' break from school." Many women appear to be gleefully accepting that challenge, according to an American Medical Association study now making the rounds among anxious parents checking in on the Katie-and-Matt time slot. Of the female spring breakers surveyed, 30% said that sun and alcohol were an "essential part of life," 74% said that spring break meant increased s----- activity, 40% said that they passed out, and 13% reported having s-- with more than one partner. Experts attributed this unruly behavior to its celebration in the Girls Gone Wild video series and, less overtly, in similarly lascivious TV shows like MTV’s Spring Break and The O.C. Bacchanalian b-roll from these shows spooled out a taple loop of teen debauchery as morning-show guests fretted over its impact. I didn’t know whether to wring my hands or cover my eyes.

The Concerned Women for America, a family-values group, took it upon themselves to warn the women who fall into Jell-O-shot-induced exhibitionism and public s-------y that they'll regret it later. And it’s true: cellphone cameras and sites like drunkuniversity.com (exactly what it sounds like) mean that candid s-- tapes aren’t just for celebrities any more. The new scarlet letter is a URL.

The narrative of some clean-cut co-ed undone by an intoxicating combination of Long Island Ice Teas and male encouragement is an appealing one; after all, both Katie Couric’s furrowed brow and the appeal of Girls Gone Wild depend on believing these young women weren’t feral to begin with. True, they may not be in a state of permanent wildness, but they weren’t exactly tame either. A less widely cited statistic among the AMA’s shockers was that women on Spring Break "use alcohol as an excuse to engage in outrageous behavior," which implies that the problem with engaging in public s-- on vacation is that they’d be getting more of it at home if only they were brave enough.

The truth is we all do stupid things when we’re drunk — but we all want to do stupid things. Boys get into bar fights, girls mud wrestle. And of course, aggressive se------- is a form of aggression. In See Jane Hit, a new book about girls and violence, psychologist James Garbarino links unprecedented violence among girls — the rate of aggravated assault among girls younger than 18 increased 57% between 1990 and 1998 — directly to equally unprecedented hyper--------y. He sees such trends as the less savory outcome of freeing girls to excel beyond gender stereotypes.

For Gabarino, the same cultural shifts that have allowed young women to play sports, become mathematicians and enter into politics now come with an increase in "social toxicity," which he defines as "spirit-deadening superficial materialism, reduced benevolent adult authority and supervision, civic cynicism, and fragmentation of community." Young women today are like superheroes in the first pages of the comic book, blessed with incredible powers and not yet aware of the responsibilities that come with them.

Garbarino is no reactionary preaching from the same book as the Concerned Women for America, and his prescription for this cultural conundrum is not the kryptonite of post-feminist retreat to the cotillion — and then the kitchen. Anti-feminists were wrong, anyway. Freeing girls from stereotypes hasn’t made them more masculine, it’s made them more more. Unbound from cultural constraints, they don’t flip to the male side of the spectrum. They just flip out. Maybe it would be progress if we had a definition of femininity expansive enough to include shaking one's thing without raising one's top — so that girls could go a little wild without having to rely on what we used to refer to as the "sorority girl's mating call": "I am soooo drunk."

<http://www.time.com/time/nation/article/0,8599,1176483,00.html>

