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|  | e - NEWS |
| *February 23, 2007* | |

**R E M I N D E R**

The Responsible Retailing Forum’s (RRF) 5th national meeting has been scheduled for Tuesday – Wednesday, May 8 and 9, 2007 in Santa Fe, NM at the El Dorado Hotel and Spa.

Detailed conference information and electronic registration is now available on our website- please visit [*www.rrforum.org*](http://www.rrforum.org) for more information.

We look forward to seeing you in Santa Fe!

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

1. [Attorneys General of 21 States Lash Out at Bud.tv Age Checks](#One)

2, [Diageo Pulls Plug on Bushmills Irish Cream](#Two)

3. [Heineken's 2006 Profit Up 59 Percent](#Three)

4. [Business Profile: Walsh's Happy Hour](#Four)

5. [InBev, Anheuser-Busch Merger Called Logical Fit](#Five)

6. [Vodka-Fueled Man Catches Shark Barehanded](#Six)

7. [Joint Venture Will Allow Anheuser-Busch to Enter India Market](#Seven)

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

8. [8 WDM Businesses Cited for Tobacco Violations](#Eight)

9. [Proposed Smoking Ban Raises Questions](#Nine)

10. [Pros, Cons of Local Smoking Bans Debated](#Ten)

11, [Child’s Presence in D.M. Bar Leads to Fight](#Eleven)

12. [Drunk Driver Gets Max Sentence](#Twelve)

13. [Drunk Boating Bill Moves to House for Debate](#Thirteen)

14. [Square a Restricted Beer, Liquor Zone](#Fourteen)

15. [Eight Businesses Fail Alcohol Compliance Checks](#Fifteen)

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

16. [Bill Seeks to Restrict Sale of Fruity Alcoholic Drinks (California)](#Sixteen)

17. [Bill to Allow Wine Shipments to Homes Clears Committee (Georgia)](#Seventeen)

18. [Considers Lifting Election Day Liquor Ban (Kentucky)](#Eighteen)

19. [Sinfully Cheap? Idaho's Beer and Wine Tax (Idaho)](#Nineteen)

20. [Proposal Would Outlaw Alcohol Machine (North Carolina)](#Twenty)

21. [Council Approves Theater Liquor License (Michigan)](#Twentyone)

22. [State's Lax Open-Container Law Means Less Federal Road Money (Tennessee)](#Twentytwo)

23. [Beer Distributors Seek to Cork Flow of Illinois Wine (Illinois)](#Twentythree)

24. [Underage Drinking Proposal Fails (Wyoming)](#Twentyfour)

25. [Wyoming House OKs Container Ban (Wyoming)](#Twentyfive)

26. [Champaign Council Supports Tougher Alcohol, Party Rules (Illinois)](#Twentysix)

27. [Retailers Square Off on Beer Sales (Indiana)](#Twentyseven)

28. [Cooperative Forces Crack Down on DUIs (West Virginia)](#Twentyeight)

29. [Retailers Square Off on Beer Sales (Indiana)](#Twentynine)

30. [General Assembly Approves New Winery Law (Virginia)](#Thirty)

31. [Vintner Says Bill Banning Self-Distribution of Wine Could Destroy Industry (West Virginia)](#Thirtyone)

32. [Cooperative Forces Crack Down on DUIs (West Virginia)](#Thirtytwo)

33. [Lower Drinking Age (Vermont)](#Thirtythree)

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

**1. Attorneys General of 21 States Lash Out at Bud.tv Age Checks**

By Jeremy Mullman and Ira Teinowitz – *AdAge.com*

February 19, 2007

**Anheuser-Busch’s Status as ‘Media Owner’ Cited as a Concern**

CHICAGO (AdAge.com) -- Dealing a blow to the $40 million experiment hailed as ushering in a new era for marketer-generated media, the attorneys general of 21 states are attacking

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| image |
| The launch of Bud.tv is an attempt by a major alcoholic beverage marketer to become a major online media company. The branded-entertainment portal features TV-like content including original shows with Hollywood stars. But state attorneys general have now expressed concerns about a beer company that 'controls both the medium and the messsage' of such entertainment ventures. |
|  |

Bud's groundbreaking online TV network, charging that it's too easily accessed by people below legal drinking age.

**Sharply worded letter**

The irony is that the stance taken in a sharply worded letter to the brewer directly contradicts that of many critics -- including one at this publication -- who have described A-B's heavy-handed attempts to block underage users as diminishing Bud.tv's effectiveness. As so often seems to be the case today, the marketer finds itself trapped between the easy-access advocates among internet-savvy consumers and the lawyers and politicos who often seem to have advertisers in their cross hairs.

The missive could be read as a warning to any marketer delivering its own content. While it glosses over the fact that you can't actually buy beer on the A-B site, it stresses in several places that the states' concerns are heightened precisely because the marketer "controls the medium and the message." It also refers to such ventures as moving into "unknown and unmeasured" territory.

**'A higher responsibility'**

"We feel strongly that since you are creating the programming and controlling the internet-based network, not just advertising on it, you have a higher responsibility to ensure that youth are not exposed to the marketing on your site," the letter to A-B reads. "We fail to see how your use of age verification on the Bud.tv site is a genuine attempt to keep youth from accessing the site's content."

Bud.tv launched earlier this month with a mix of trailers for a diverse list of reality, comedy and even drama programs. Access to the site is restricted to users who can provide the name, birth date and zip code of a legal drinker (ideally, themselves), which goes further than the honor systems most alcohol sites use.

The letter said A-B can do more to keep out youth, noting that its vendor has ways the brewer isn't using of confirming whether Bud.tv registrants are who they say they are. Those include follow-up phone calls or direct mailings and software that checks to make sure the information on a single ID can't be used for multiple users' registrations.

The attorneys general found further fault with Bud.tv functions that allow users to download programs to their iPods and sent via e-mail to their friends. "If the programming on your site can be downloaded and shared freely ... what's the purpose of engaging any age verification at all?"

**'Extraordinary steps'**

In a lengthy statement, A-B VP-Consumer Affairs Francine Katz described A-B's actions to keep underage users from watching Bud.tv as "extraordinary steps," and urged parents to monitor their children's internet usage.

Referring to a review of the site in last week's *Ad Age*, ["Bud.tv's Walled Beer Garden,"](http://adage.com/digital/article?article_id=114932) Ms. Katz said: "Ironically, *Ad Age* and other media sources have criticized our independent age-verification process as discouraging adult viewers from visiting Bud.tv. Despite the fact that this software has turned away tens of thousands of visitors, we have continued to use it to show that we're serious about wanting to prevent illegal underage drinking."

A-B is reportedly spending $40 million on Bud.tv this year, and one of its top executives was recently quoted saying the site is aiming for an audience of 2 million to 3 million 21- to 34-year-olds a month by the end of its first year. It's a combination of investment and expectation that figures to make the inherent tension between avoiding marketing to youth and fostering the sort of easy sharing that can lead to effective viral marketing all the more pronounced.

**Beer Institute marketing code**

The Beer Institute's marketing code requires that its members only market to audiences consisting of at least 70% legal drinkers. That's a hard enough line to walk in established media, where the choice of a magazine-cover subject can change whether an issue meets the standard or not. It's even more difficult in the volatile and less-measured world of online video.

A-B has had at least two viral videos viewed more than 1 million times on YouTube: its animated "Crowntown" sketches for Budweiser Select and a fake "Beer Ape" ad for Rolling Rock. In each case, the brewer produced numbers that showed it met the Beer Institute's 70% standard.

It hasn't released any numbers about Bud.tv yet, which is apparently making the state law-enforcement officials nervous. "This is a serious concern for us," the letter said. "With Bud.tv, Anheuser-Busch is venturing into unknown and, more importantly, unmeasured territory." The letter was signed by the attorneys general from Alaska, Arizona, Connecticut, Delaware, Illinois, Iowa, Kansas, Louisiana, Maine, Maryland, Nevada, New Mexico, New York, North Carolina, Ohio, Oregon, South Carolina, Tennessee, Vermont, West Virginia and Wyoming. The top legal officers of the District of Columbia and Puerto Rico also signed.

**Ability to sue**

Though the letter gives no indication of what they will do if their concerns are not met, the attorneys general have the ability to sue and have done so in the past. It was a suit brought by the states' attorneys that resulted in the landmark Master Settlement Agreement with Big Tobacco.

"This letter sets a solid standard," said David Jernigan, executive director of Georgetown University's Center for Alcohol Marketing and Youth. "It's terrific A-B went as far as they did, but the letter makes it clear that the technology they're using lets them go even further."

<http://adage.com/digital/article?article_id=115068>



**2. Diageo Pulls Plug on Bushmills Irish Cream**

Source: *just-drinks*

February 19, 2007

Diageo has ceased production of its Bushmills Irish cream liqueur due to the dwindling popularity of the brand.

The UK-based drinks giant, which bought the Bushmills whiskey business in 2005, said it is running down its stock after stopping production before Christmas.

A spokesperson for Diageo in Northern Ireland, where the Bushmills distillery is based, said there had been only "one minimum volume order" of Bushmills Irish cream in the last year.

There will be no impact on jobs, she said, adding that Diageo would now focus on the core Bushmills Irish whiskey product. Diageo has ploughed GBP5m (US$9.7m) into Bushmills since it bought the product from Pernod Ricard two years ago.

The spokesperson insisted that the decision to stop producing the cream liqueur offering was not made to help push sales of flagship brand Baileys.

She said: "That really wasn't part of the rationale. Bushmills Irish cream was examined in isolation on a market performance basis."



**3. Heineken's 2006 Profit Up 59 Percent**

**Source: *Associated Press***

February 21, 2007

AMSTERDAM, Netherlands: Heineken NV reported a large jump in profit for 2006 Wednesday, as exceptional gains boosted already solid growth in sales and earnings.

The world's fourth-largest brewer said the introduction of Heineken Premium Light in the United States had gone better than expected, and had led to a "positive halo effect" on its U.S. operations.

Net profit came to euro1.21 billion (US$1.59 billion), up 59 percent from euro761 million a year earlier, including euro291 million (US$382 million) in net one-time gains after selling a brewery in Spain. In 2005, the company had euro72 million in exceptional costs.

Heineken said that removing exceptional items and currency effects in both years, "organic" profits were up around 13 percent to euro930 million (US$1.22 billion). Sales rose 9.6 percent to euro11.8 billion (US$15.5 billion).

"Our market share is, we estimate, now at 19 percent of the international premium segment," said Chief Executive Jean-Francois van Boxmeer. "We haven't had this kind of growth rate since the 1980s, and we are very happy with that."

Analyst Paul Hofman of Dutch investment bank Van Lanschot said the strong results had been expected, and Heineken shares fell 1.6 percent to euro38.75 (US$50.98) in Amsterdam.

Hofman praised Heineken for providing a clear forecast of 10 percent to 13 percent profit growth in 2007, but said it wasn't much better than what analysts were predicting anyway and advised investors to hold shares.

Heineken said profit growth was "driven by higher volumes, better pricing" and more sales of its most profitable brands.

Van Boxmeer said the company's greatest strength is its brand name, which he said "continues to differentiate us from all our competitors." After promotional tie-ins with the James Bond film "Casino Royale" last year, Heineken will sponsor the Rugby World Cup in France this year.

Sales volumes were up in all regions, but most of all in Eastern Europe, the Americas and in Africa, with Nigeria and South Africa leading the way. In all, volumes grew 11 percent to 111.9 million hectoliters.

In the U.S., Heineken said margins had improved despite US$55 million (euro42 million) in extra spending on advertising for the new product launch.

Light beer represents about half of the total U.S. beer market. Van Boxmeer said Heineken Premium Light's introduction was an attempt to "create ... a luxury light segment."

"This is the first daring line extension we ever made for Heineken," he said. "Definitely Heineken Light reignited our growth in the USA, the business there is gaining real momentum."

The company sold 680,000 hectoliters of Heineken Premium Light in 2007.

Van Boxmeer said Heineken was boosting advertising spending on the product to US$70 million (euro53 million) in 2007, and predicted sales of over 1 million hectoliters.

The introduction had "a positive halo effect on the total Heineken brand ... with growth in all regions, including the northeast of the United States where we had been under pressure the last 2-3 years or so," Van Boxmeer said.

In all, U.S. volumes were up 15.3 percent, the company said, despite a decline in sales of Amstel Light, cannibalized somewhat by Heineken Premium Light. Heineken doesn't break out U.S figures, but its sales in the Americas as a whole were up 15 percent to euro1.98 billion (US$2.60 billion), with profits up 4.3 percent to euro267 million (US$351 million).

In Western Europe, volumes grew just 0.6 percent to 32.1 million hectoliters, but sales were up 2.4 percent and operating profits up 4.8 percent to euro633 million (US$831 million).

In Eastern and Central Europe, the company's largest operations by volume, volumes were up 19 percent to 46.9 million hectoliters. Operating profits were up around 20 percent to euro364 million (US$478 million), Heineken said.

Heineken said record-setting temperatures in Europe in the second half of the year had contributed to performance, while the World Cup added only a brief boost to its German sales.

Heineken, which reports earnings twice annually, did not break out second-half results, but had reported net profit of euro433 million (US$557 million) and 12 percent sales growth in the first half of 2006.



**4. Business Profile: Walsh's Happy Hour**

*Daily Telegraph*

February 17, 2007

Diageo's investors have every reason to toast Paul Walsh: the former conglomerate is now the world's largest drinks company. Richard Northedge reports

'The people buying Louis Vuitton handbags at £600 are not rich, they are people who aspire," declares Paul Walsh, the chief executive of Diageo. Walsh does not sell handbags but the comment is pretty rich coming from a man who is wealthy himself - and definitely aspirational. He sells drink and the observation is intended to illustrate his strategy of chasing quality sales rather than quantity.

Paul Walsh: 'The US taught me the pure arithmetic of large populations with a propensity to consume'

To emphasise his point, he shows me a bottle of Johnnie Walker Blue Label George V Scotch, which sells for £400. On the windowsill of his London office, tucked away behind Oxford Street, is an array of bottles such as Smirnoff and White Horse, and the sunshine streaming through makes it look as if Walsh works in a chic cocktail bar.

He has remixed the cocktail since becoming head barman seven years ago: Diageo is more interested in margin than volume. It's confident this strategy is working; last week, Diageo raised its forecast for profit growth to 8 per cent.

Those £400 bottles are selling well abroad. He looks to the emerging markets for growth; but despite the sales pitches to China and India, he says, "the biggest emerging market is North America". "The US has for many years been a beer-dominated market. I lived there for 13 years, and whether you're blue collar or white collar, beer was the drink," he adds.

Walsh knows about beer: when he joined Grand Metropolitan as a financial planner 25 years ago he was put into Watneys and within four years he was chief financial officer of the brewing division. But he knows about the US too, having been spotted as a high flyer and sent there a year later. So rather than buy a US brewery, Walsh fought to change the system and is now trying to switch America to spirits.

advertisementFew chief executives spend so long at one company but few arrive via their local comprehensive and polytechnic. Walsh grew up in Lancashire in the 1960s, an only child whose father wanted him to join the small piping company he headed. But his skills at school were maths and history, and he opted for a sandwich course in accounting, working at the Co-op between periods of study.

Once at GrandMet he quickly abandoned the accounting. "I wanted to move into sales and marketing. I joined with a commitment that that career path would be opened to me and by 29 or 30 I had moved into the commercial area."

The GrandMet of the 1980s was very different from the company that merged with Guinness in 1997 to produce Diageo. As well as the Courage brewery it owned a vast estate of pubs and restaurants, Express Dairies and hotels. Walsh's task in America was to add new hotels to the InterContinental chain but he arrived at the top of a property boom. "I said at that price we should be selling, not buying," he explains.

He negotiated InterContinental's sale to the Japanese; the proceeds were used to buy Pillsbury, the food group that included Burger King. "I was involved but I was much too junior to say that it was my decision to buy it," he says. Nevertheless, he was made chief executive of Pillsbury.

During the 1990s he lived in Minneapolis with his wife, a former air hostess, and their son. Unusually, he was offered non-executive directorships in America, joining the boards of Ceridian and Federal Express.

"I have huge admiration for FedEx," he says. "Going as a non-executive into American companies gave me an insight into how you do business there. The US taught me the sheer scale of that market - the pure arithmetic of large populations with a propensity to consume," he says. "If there is one thing I took away from there it is the richness of that market and how important it is to penetrate it."

The experience meant that when Diageo was looking for a new chief executive, Walsh stood out above other internal candidates. Despite being in America when the Guinness merger was negotiated, he was on the Diageo board from day one. Walsh is not known for his sentimentality, however; back in London in 2000, almost his first move was to sell the Pillsbury business he had headed and helped to buy.

"You either want to be a big player or a niche player," says Walsh. "At that time we were not the largest drinks company in the world, and not by a long way were we the largest food group. I felt that I'd taken food as far as I could. We'd done pretty well, but it was not clear where we went next unless we bought another food company." Even with another food business Diageo could not leapfrog Nestlé or Kraft or Unilever. So Walsh set out to become number one in drinks and Pillsbury was sold to US food group General Mills (whose board he joined), with Burger King sold shortly afterwards.

Walsh used the proceeds to buy the Bushmills Irish whiskey business and Seagram's brands such as Captain Morgan rum, making Diageo a pure drink company. He has no plans to diversify again. And while there may be a few gaps in the line of bottles in his office, he denies there are serious holes in the product portfolio. For the moment, he is returning cash to shareholders rather than planning major acquisitions.

And for the moment, he continues to aspire to rather than buy Louis Vuitton handbags, even though with a £7.5m stake in his company, options on nearly £30m more shares, a £10m pension pot and pay of £2.4m last year, Walsh can afford as many as he likes.

"I live a relatively modest life," he says. "My life tends to be the company: I love the company." He might eventually accept the chairmanship of some other company, he concedes, but seven years at the top is not yet too long. "I'm only 51," he protests.



**5. InBev, Anheuser-Busch Merger Called Logical Fit**

**Source: *AFX***

February 16, 2007

BRUSSELS: A merger of Belgian brewery giant Inbev SA and longstanding US rival Anheuser-Busch Cos. Inc. has a strategic, operational and geographic logic, but investors remain cautious on the realization of an impending deal, analysts said.

After Brazilian newspaper Valor Economico reported yesterday, citing an unidentified source, that talks between the world's two largest beermakers are at a "preliminary" stage, both stocks surged on heightened interest. A source close to InBev's family shareholders told daily Le Soir today that the tie-up is "written in the stars".

Both groups have declined to comment.

Wim Hoste, analyst at KBC Securities, said: "We would expect that a merger would be welcomed by the financial community as it would create a truly global leader in the beer industry."

"InBev is...active in the import/premium segment in the US - which is the core market of Anheuser-Busch. For the rest, the overlap seems mainly limited to China - where Anheuser-Busch holds a stake in the nation's largest brewer Tsingtao and owns Harbin."

"Obviously it is too early to tell whether or not there will be a merger. What is clear in our opinion is that regulatory hurdles would be limited".

Analysts at Rabo Securities added that a combination would be complementary and allow the merged entity to create a truly global footprint in a competitive industry.

"From a strategic point of view, InBev and Anheuser-Busch have a good geographic fit and mainly complementary market positions," the analysts said.

"InBev has strong operations in Latin America, Europe and China, whereas Anheuser-Busch has a strong presence in the US, Mexico and China."

UBS analysts agreed on this sentiment of reciprocity, as InBev would acquire marketing and distribution leverage in the US, while offering in return a global distribution footprint for Anheuser-Busch.

The brewers already have operational alliances with one another. In November, Anheuser-Busch said it would become the exclusive US importer of InBev's beers from February this year. The group was prompted to act by stagnant US beer sales and the will to expand its line of products beyond its well-known brands.

InBev's Canadian brands, including Labatt Blue, were not included in the agreement.

In May, Anheuser-Busch also paid $82.0 mln usd for InBev's Rolling Rock brand.

Analysts did caution that the minimal overlaps could impact synergy gains. "The only main markets where we would see some substantial room for cost synergies would be China and the UK. Also, from a managerial and governance point of view we see some difficulties", Rabo Securities analysts said.

Deutsche Bank analysts, while acknowledging the good fit, also said the "economic rationale" for the merger is not clear due to a lack of synergies.

Analysts cautioned investors that the clear strategic efficacy of the combination does not necessarily mean a union, at least in the short-term, is in the offing.

Hoste at KBC, with a 'reduce' rating and 49.0 eur target price on InBev, commented: "Some elements make us prudent on the chances of a breakthrough on this in the coming days. For example, the Belgian stock regulator did not consider it necessary to suspend the InBev share after having contacted the company."

Rabo, with a 'buy' rating and 52.0 eur target on InBev, said that while it is currently difficult to comment on the "likeliness" of the union, if at "some point in time" a union should occur, there would be increased competitive pressure on European sector peers such as Dutch group Heineken NV.

InBev -- formed by a 16.5 bln eur merger of Belgium's Interbrew and Brazil's Companhia de Bebidas das Americas -- is the biggest brewer in the world by volume and produces brands such as Beck's, Brahma, Bass, Skol and Stella Artois.

Anheuser-Busch's brands include Budweiser, Michelob and Bud Light.

Both group's have posted solid recent quarterly results. In November, InBev SA posted third quarter EBITDA of 1.209 bln eur, well above last year's 966 mln and beating analysts' forecasts. Sales climbed to 3.542 bln eur from 3.193.

Beer volumes jumped to 58,979 hectolitres from 52,628, with non-beer volumes of 8,453 hectolitres from 7,264.

In early February, Anheuser-Busch said its fourth quarter profit rose 31.0 pct to 190.7 mln usd from 145.6 mln a year earlier. Net revenue after excise taxes rose to 3.42 bln usd from 3.37 bln.

For the full year, Anheuser-Busch's earnings climbed to 1.97 bln usd from 1.74 bln. Net revenue rose to 15.7 bln usd from 15 bln.

On Bel 20 trading today, InBev lead the blue-chip stocks down on profit taking as investors locked in profits resulting from yesterday's surge.

The report also initiated stock gains yesterday for other brewing groups, including Boston Beer Co Inc, Heineken NV, SABMiller PLC and Scottish & Newcastle



**6. Vodka-Fueled Man Catches Shark Barehanded**

*Reuters*

February 16, 2007

## Australian catches 4-foot animal by hand, suffers only a tear in his trousers

CANBERRA - A fisherman fueled by vodka caught a 4-foot shark and wrestled it onto a jetty on Australia’s south coast, suffering only small tear marks in his trousers, media reports said on Friday.

Phillip Kerkhof, 41, caught the bronze whaler shark by hand on Monday after he spotted it chasing squid lures near the jetty at the tiny seaside town of Louth Bay in the South Australia state.

“I just snuck up behind him and eventually I went for the big grab and I fluked it and got him,” Kerkhof told Australian Broadcasting Corp.

The area near Louth Bay, around the southern tip of South Australia’s Eyre Peninsula, is well known for sharks, and live shark action for the 1975 movie Jaws was filmed nearby.

Kerkhof, who said he had “a fair few vodkas” before he went fishing, said he only realized the danger of his actions the following day.

“It’s not something I’d recommend to do,” he said. “When I sobered up I thought about it and I said, ’I’m a bit of an idiot doing it’.”

<http://www.msnbc.msn.com/id/17180421/>



**7. Joint Venture Will Allow Anheuser-Busch to Enter India Market**

Source: *Associated Press*

February 22, 2007

ST. LOUIS: Anheuser-Busch plans a joint venture with Crown Beers India Ltd. in a move that will give America's largest brewer entry into the beer market in India, the companies said Thursday.

Financial terms were not disclosed. The agreement calls for Anheuser-Busch to brew, market and distribute Budweiser and other beers in India. Each company will have a 50-percent ownership in the joint venture.

Shares of Anheuser-Busch rose 28 cents to $50.95 in morning trading on the New York Stock Exchange.

"International expansion is a key part of Anheuser-Busch's growth strategy, and while India is a small beer market today, it is growing rapidly and has tremendous long-term potential," said August Busch IV, president and chief executive officer of the St. Louis-based company.

The joint venture will operate under the name Crown Beers India Ltd., and will include a new brewery in the southern India city Hyderabad. The brewery is expected to be completed by March. Bottled Budweiser will be available in May.

Crown Beers India Ltd. will initially employ about 150 people.

"The joint venture combines Crown's local business experience with Anheuser-Busch's global marketing and brewing expertise to reach the consumer who appreciates premium beer," said K.V.D. Prasad Rao, joint managing director for Crown Beers.

Anheuser-Busch has more than 48 percent of the U.S. beer market but has been expanding internationally. The company has 50-percent ownership in Grupo Modelo, Mexico's leading beer-maker, and a 27-percent share in the China brewer Tsingtao.

In India, Anheuser-Busch cites favorable demographics: An economy growing at a rate of 9 percent annually, a growing middle class, and a population with 60 percent of people under the age of 30.

The Crown Group operates businesses in India's agriculture industry through seed production and export businesses. The group also has businesses associated with industrial exports and real estate.



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

**8. 8 WDM Businesses Cited for Tobacco Violations**

By Tom Alex, Staff Writer *– Des Moines Register*

February 22, 2007

Eight of 52 West Des Moines businesses which hold tobacco licenses were cited for violations of tobacco laws following a Feb. 15 check by police.

The list of allegedly noncompliant businesses includes:

A.K. O' Connors, 3530 Westown Parkway; Bradley's, 1300 50th St.; Champs, 101 Jordan Creek Parkway; Chicken Coop Sports Bar, 1960 Grand Ave.; Git-N-Go 1325 Grand Ave.; Hy-Vee Drugstore, 1010 60th St.; Walgreen Drug Store, 1999 Grand Ave.; and the West Des Moines Marriott, 1250 74th St.

West Des Moines police said they conducted checks on 52 of the 61 businesses which hold tobacco licenses. Citations were issued to employees who sold tobacco to underage persons. The fine is $182.

The civil penalty for the business is $300 for the first violation; $1,500 or a 30-day suspension for a second violation within two years; and $1,500 and a 30-day suspension for a third violation within three years.

<http://desmoinesregister.com/apps/pbcs.dll/article?AID=/20070222/NEWS/70222010/1001/NEWS>



**9. Proposed Smoking Ban Raises Questions**

Ashton Shurson - *The Daily Iowan*

**February 19, 2007**

As a campuswide smoking ban at the UI inches nearer to reality, questions about enforcement and necessity spring up, such as whether the proposal will help smokers quit and if other changes will be noticeable.

And if the policy is implemented, it will make an even larger statement by making the UI the first major public university nationwide to have such a ban, although other colleges have come close or considered campuswide smoking bans.

"Originally, that was the direction the task force wanted to go," said Ken Kerns, the associate director of environmental health and safety at Iowa State University about that school's efforts to restrict smoking on the Ames campus. "But we started to look at logistics, and this wasn't the right time."

Starting on Jan. 12, Iowa State banned smoking within 25 feet of campus buildings. Northwestern University, the University of Minnesota-Twin Cities, and the University of Illinois-Urbana/Champaign also have 25-foot bans, but around entrances and air intakes.

Purdue University and Indiana University have no smoking within a 30 foot perimeter around buildings.

Kerns - who chaired Iowa State's Smoke Policy Task Force - said a campuswide ban would force many employees and students to travel far off campus.

"We're not banishing them out to the middle of nowhere," Kerns said. "We've had very little [opposition]."

While the UI Smoking Policy Review Committee has collected opinions from UI employees and students regarding the pending ban, it received "varied response" to a smoke-free campus, according to the panel.

Enforcement tactics will depend largely on members of the UI community educating each other about the ban. The recommendations do not specify harsh enforcement policies; rather, the main focus is to help smokers quit and reduce the smoke exposure of nonsmokers, officials said.

Many have argued whether loosely regulated rules will change someone's behavior. Yet, according to medical experts - it can.

"There is a pretty strong association [between restrictions and quitting]," said Christopher Squier, a member of the Iowa Commission on Tobacco Use Prevent and Control and a UI associate dean of the College of Dentistry. Squier cited a study conducted from roughly 1998-2002 after UI residence halls went smoke-free, which reported that the number of undergraduate smokers dropped from 35 percent to 26 percent.

Squier said a smoking ban will not only cut the number of smokers but also show the "importance of role models."

"We try to do what's best for students," he said. "[And if we expose them to smoking], we are failing in our responsibilities."

Interim President Gary Fethke is collecting input from the UI community about the policy until April 1. If implemented, the ban will begin in July.

<http://media.www.dailyiowan.com/media/storage/paper599/news/2007/02/19/Metro/Proposed.Smoking.Ban.Raises.Questions-2727518.shtml?mkey=433542>



**10. Pros, Cons of Local Smoking Bans Debated**

By Tony Leys, Staff Writer – *Des Moines Register*

February 21, 2007

Anti-smoking activists squared off against bar owners today over a proposal to allow local governments to ban smoking in public establishments.

In a Statehouse hearing, tobacco opponents urged legislators to approve a local-control bill instead of a competing bill that would ban public smoking statewide.

They said local ordinances would be easier to enforce and would be less prone to crippling exceptions that tobacco-industry lobbyists could try to insert in a statewide bill.

Cathy Callaway, an activist for the American Cancer Society, said states that have strong statewide bans started with local measures. “This is where we know we are most effective,” she said.

But several bar owners said customers should be able to decide whether to patronize smoking or non-smoking establishments. “I don’t Iowa to become a nanny state,” said J. Michael McKoy, who owns three bars in Des Moines’ suburbs. McKoy said if the Legislature must pass a smoking ban, it should do it uniformly so businesses all would face the same set of rules. “Don’t make Clive fight with Urbandale,” he said.

Wes Ehrecke, representing the Iowa Gaming Association, warned that casinos could lose millions of dollars if they are forced to ban smoking. “Customers have choices of where to spend their entertainment dollars, and employees have choices of where to work,” he said.

Ehrecke said Ontario casinos saw a 33 percent drop in revenues after they were forced to ban smoking, and the same kinds of losses could be seen here. He added that Iowa casinos have invested in high-tech ventilation equipment that can leave inside air cleaner than outside air.

The anti-tobacco activists scoffed at such claims. Dan Ramsey, who represented the American Lung Association, referred to a surgeon general’s report declaring any level of secondhand smoke to be unsafe. Air-moving systems can clear away visible smoke, he said, but they can’t remove all cancer-causing poisons. “Ventilation simply does not work,” he said.

Amadeo Rossi, who owns the Lift, a non-smoking bar in Des Moines, disagreed with other bar owners who spoke at the hearing. He disputed arguments that smoking bans would hurt business. “Smoking indoors is just not reasonable,” he said.

The local-control proposal is House Study Bill 89. The statewide-ban proposal is House Study Bill 24. Both are now being considered by legislative committees.

<http://desmoinesregister.com/apps/pbcs.dll/article?AID=/20070221/NEWS/70221037/-1/archive>



**11. Child’s Presence in D.M. Bar Leads to Fight**

Tom Alex, Staff Writer, *Des Moines Register*

February 21, 2007

A Des Moines man was taken to Broadlawns Medical Center on Tuesday night by fire department medics for treatment of injuries that were inflicted with a pool cue.

Gary Gray, 55, was in "moderate and stable" condition, police said.

When officers arrived at the Highland Park County Club bar, 518 Euclid Ave., about 7:20 p.m., they found Gray bleeding heavily from the head.

Gray told officers he had been involved in an argument with another man, identified in a police report as Silas Billington.

Police said Gray was upset with Billington, 33, because Billington had a little girl in the bar with him inside the tavern. They continued to argue until a bartender made everyone leave.

The fight broke out on the way out.

Officers said Billington admitted he did "kind of lay into him," with a pool cue, but he maintained that he did so in defense of his relatives.

Police said in a report that both men appeared to be intoxicated. They said Gray seemed to be the primary instigator, "however Billinton turned into the primary aggressor when he struck Gray with the pool cue stick in the head while Gray was unarmed."

Billington is being held in the Polk County Jail without bond on charges of assault with a weapon and probation violation.

<http://desmoinesregister.com/apps/pbcs.dll/article?AID=/20070221/NEWS/70221003/-1/archive>



**12. Drunk Driver Gets Max Sentence**

*WHO-TV*

February 20, 2007

**Story County, February 20, 2007 --** A Story County judge handed down the maximum sentence to a Madrid man charged in a deadly accident.

Thirty-seven-year-old Phillip Stephens was sentenced to 21 years in jail for vehicular homicide.

Stephens changed his plea to guilty in Janaury, just one week before his trial was supposed to start.

Stephens was driving drunk the wrong way down Highway 30 near Ames in October of last year.

He crashed head on with a car driven by 17-year-old Jonathan Baugh.  The West Des Moines Valley student was killed in the crash.

<http://www.whotv.com/global/story.asp?s=6110786>



**13. Drunk Boating Bill Moves to House for Debate**

*KWWL-TV*

DES MOINES, Iowa A bill that would hold boaters to the same standard as motorists when drinking alcohol is moving ahead at the Statehouse.

A House committee has approved the bill, sending it to the full House for final action.

The change was proposed in the wake of a deadly boating accident in 2005 on West Okoboji (OH'-kih-BOH'-jee) Lake in northern Iowa.

Right now, the alcohol limit for boaters is point-one-oh. Under the bill, it would be lowered to point-oh-eight, the same from drivers.

Last year, officials made 42 arrests for drunken boating. That's up from 26 arrests in 2004. The number of boating accidents involving alcohol is also on the rise.

<http://www.kwwl.com/Global/story.asp?S=6091579&nav=2Ifu>



**14. Square a Restricted Beer, Liquor Zone**

By: Linda Wenger – *The Journal*

February 8, 2007

|  |  |  |
| --- | --- | --- |
| On behalf of the Washington Chamber of Commerce’s Tourism Committee, Ann Moore of the chamber passed out materials that promote Washington, including a red shopping bag illustrated with a sketch of the Central Park fountain. | | |
| http://images.zwire.com/images/spacer.gif | http://images.zwire.com/images/spacer.gif |  |
| http://images.zwire.com/images/spacer.gif | http://images.zwire.com/images/spacer.gif | http://images.zwire.com/images/spacer.gif |
| http://images.zwire.com/images/spacer.gif | *On behalf of the Washington Chamber of Commerce’s Tourism Committee, Ann Moore of the chamber passed out materials that promote Washington, including a red shopping bag illustrated with a sketch of the Central Park fountain.* | http://images.zwire.com/images/spacer.gif |

The Washington City Council adopted an ordinance amendment that allows business owners to apply for Class B beer permits and liquor licenses in the blocks adjacent to the Washington square. The final version of the amendment opens up the opportunity of other business owners applying for the permit and license in the blocks adjacent to the square. The proposed ordinance amendment the council considered during the first and second readings would have only affected the block on West Main Street between Marion Avenue and B Avenue.

Because the language of the amendment changed between the second and third readings of the ordinance, city attorney Craig Arbuckle explained the changes to the council and audience of approximately 30 people.

Arbuckle said that there was "some controversy" about the proposed amendment during the second reading on Jan. 17 when, on a 3-to-2 roll call vote, the council moved the amendment to a third reading.

"At present, our ordinance restricts the four sides of the square and extends one block in each direction from the square," Arbuckle said.

Arbuckle then said that the proposed ordinance amendment approved at the first and second readings "is somewhat equivalent to spot-zoning legislation." The changes in the language for the third reading "will correct and be better legislation."

Arbuckle also said that a new proposed ordinance will come before the council in the future which would allow only one business in each of the affected blocks to apply for the Class B permits and licenses. He characterized the upcoming proposed ordinance as "a density ordinance."

Early in the council's discussion, councilwoman Sandra Johnson said, "This was my brain child. My intention is to treat all sides of the square the same."

Johnson then read aloud the final version of the ordinance amendment as recommended by Arbuckle. She also made the motion to adopt the amendment, which was approved on a 5-to-1 vote with councilman Mike Roth voting no.

"Speaking for the people I represent - no," Roth said.

Present for the council's decision were Tim Johnson and his attorney Dan Kitchen. T. Johnson asked the council to change the city code so that he could apply for a beer permit and liquor license for his new business, The Soup Kitchen

<http://www.zwire.com/site/news.cfm?newsid=17829122&BRD=1142&PAG=461&dept_id=568956&rfi=6>



**15. Eight Businesses Fail Alcohol Compliance Checks**

*Press-Citizen*

February 2, 2007

**From the Iowa City Police Department:**  
  
Alcohol sales law compliance checks were conducted last night in Iowa City at 36 businesses licensed to sell alcoholic beverages. Working with plainclothes officers, underage youths entered these businesses and attempted to illegally purchase alcoholic beverages. 28 businesses refused to sell to our underage buyers. The efforts of these responsible business people are commended.  
  
The following establishments passed:

* 808;
* Airliner;
* Bo-James;
* College Street Billiards Club;
* DeliMart (Hwy 1 W);
* Donnelly’s;
* Etc.;
* Fieldhouse;
* HandiMart (N Dubuque St);
* Iowa City Yacht Club;
* [It’s] Brothers;
* Kum & Go #51 (E Burlington St);
* Kum & Go #52 (W Burlington St);
* Micky’s;
* Morgan’s;
* One-Eyed Jake’s;
* Piano Lounge;
* Quinton’s;
* Skybox;
* Speakeasy;
* Sports Column;
* Studio 13;
* Summit;
* Que;
* T & M Mini-Mart;
* Union;
* Vine (Prentiss St);
* Vito’s.

Eight businesses checked failed to comply with the law and sold to the underage buyers. Each offending employee was charged and released for selling/providing an alcoholic beverage (beer) to an underage person, per Iowa Code 123.49(2h) – the scheduled fine (plus costs) is $710.  
  
The following establishments & employees failed:

* David’s Place – Alisha M. Hoversten
* Fitzpatrick’s – Jodie L. Neuzil
* Gasby’s (Muscatine Av) – Jordan J. Josephsen
* Grizzly’s – Walter D. Kelly
* Joe’s Place – [pending];
* Kum & Go #53 (Mormon Trek Blvd) – Matthew D. Smithers
* Old Capitol Brew Works – Jamile K. Gruhn
* Picador –Craig D. Owsley.

<http://www.press-citizen.com/apps/pbcs.dll/article?AID=/20070202/NEWS01/70202001/1079>



**III. OTHER STATE NEWS.**

**16. Bill Seeks to Restrict Sale of Fruity Alcoholic Drinks (California)**

By Edwin Garcia, *Medianews Sacramento Bureau*

February 17, 2007

**Assemblyman says 'alcopops' encourage underage drinking**

SACRAMENTO — Alarmed by what he described as a dramatic increase in problems related to underage drinking across the state, San Jose Assemblyman Jim Beall on Thursday announced legislation to restrict the sale and marketing of fruity alcoholic drinks popular with teenagers.

Beall, D-San Jose, is proposing that the colorful, sweet beverages, which he said are packaged to look like non-alcoholic drinks, be labeled with a prominent notice, "Warning: Contains Alcohol." His measure, AB 346, also would force stores to clearly separate the beverages from non-alcoholic drinks.

"There's been an explosion of alcohol products, as you can see, designed to appeal specifically to youth, underage drinkers, marketed to youth," Beall said at a news conference, pointing to more than two dozen bottles and cans. "And their marketing schemes have dramatically increased underage drinking."

Industry officials dispute the allegations.

Beall's legislation is paired with a measure by Assemblywoman Lori Saldana, D-San Diego, that seeks to use

$54 million in anticipated tax revenue from the sale of the beverages for programs to discourage youths from drinking, and to launch drunken-driving campaigns.

The beverages — sold with names such as Mike's Hard Lemonade, Zima and Jack Daniel's Citrus Jack Splash — are increasingly popular with teenage girls, Beall said. A study commissioned by Santa Clara County last year, he said, found that a third of girls older than 12 had tried the beverages.

Beall also provided statistics showing underage drinking cost Californians more than $7billion in 2005, in expenses related to violence, crashes, injuries and health problems.

Saldana's measure assumes the state Board of Equalization will change the way the beverages are taxed. The board, California's tax agency, considers the beverages to be in the same category as beer, but an ongoing lawsuit seeks to reclassify the drinks as distilled spirits, which would tax them at a higher rate.

The lawsuit against the board, filed late last year by Santa Clara County, hasn't been resolved, but the state is voluntarily considering the reclassification anyway. If the beverages are reclassified, they would be taxed at a rate of $3.30 a gallon, up from the current 20 cents a gallon.

An increase that steep would "basically put the product off the market," said Zsoka McDonald, a spokeswoman for Diageo, maker of Smirnoff Ice, which is considered by some to be an "alcopop."

McDonald denied that Diageo markets its products to minors. She cited a study showing

65 percent of underage drinkers get their alcohol from friends and family, not stores. "Underage drinking is an issue we're all very concerned about, so it's something we all need to try to solve together."

The measures are expected to be heard in the Assembly's Government Operations committee in several weeks.

<http://www.insidebayarea.com/dailyreview/ci_5249112>



**17. Bill to Allow Wine Shipments to Homes Clears Committee (Georgia)**

By James Salzer - *The Atlanta Journal-Constitution*

February 20, 2007

Georgia consumers could have wine shipped to them directly from wineries under a bill approved by a key House committee this morning.

The measure, sponsored by Rep. Ron Stephens (R-Garden City), is the first of several bills aimed at making it easier for consumers to buy wine, beer or liquor to move in the 2007 legislative session. A similar proposal, along with legislation letting voters decide on the Sunday sale of alcoholic beverages at stores, are stalled in the Senate Regulated Industries Committee.

Stephens' bill, which won unanimous approval this morning from the House Regulated Industries Committee, would let consumers have up to 20 cases of wine a year shipped to them directly from farm wineries. To be eligible to buy the wine over the phone or Internet, consumers would have to appear at the winery to show identification proving they are at least 21 years old. Then they would be able to buy wine over the phone or Internet in the future from that winery.

When the wine is delivered in Georgia, an adult would have to sign for it, according to the legislation.

The liquor industry has traditionally opposed opening up sales laws, but Fred Kitchens, executive director of the Wine & Spirits Wholesales of Georgia, worked with Stephens on his measure. "Everyone is in agreement on this. There is no opposition," Stephens said.

Committee Chairman Roger Williams (R-Dalton), praised the measure.

"This is something that has been asked for for a long time," he said. "I think what we've got here is a bill Georgia needs. I think it's a good marketing tool for a product we've got."

Georgia has almost two-dozen small wineries, and their owners back the change, saying it would boost their business to be able to ship their products directly to consumers. It would also allow Georgians to place phone or e-mail orders with out-of-state wineries in places like California's Napa Valley.

Williams has also filed a bill allowing voters to decide if they want stores to be able to sell beer, wine and alcohol on Sundays. The House has been waiting to see if the Senate moved on similar legislation.

However, Senate Regulated Industries Chairman David Shafer (R-Duluth), has been reluctant to even hold hearings on the issues.

Any alcohol bills that pass the General Assembly will also face a tough time winning the signature of Gov. Sonny Perdue. Perdue is a Christian conservative who doesn't drink and he has vetoed wine bills in the past. He usually declines to express an opinion on pending legislation, but he has already come out against the Sunday sales bill.



**18. Considers Lifting Election Day Liquor Ban (Kentucky)**

Source: *WAVE 3*

February 20, 2007

A generations-old Kentucky law that bans the sale of liquor on Election Day would be lifted under proposed legislation.

That law, which dates back to the days of prohibition when temperance leagues vilified alcohol in all forms, is antiquated and needs to be changed, said state Rep. Arnold Simpson, D-Covington.

"I mean, we're in the 21st Century," Simpson said. "Liquor sales are a very important component of our business community and having a prohibition on any day for any period without a legitimate state interest I think is reprehensible."

The House Licensing and Occupations Committee unanimously approved Simpson's bill on Wednesday and sent it to the full House for consideration. Simpson said the measure, which would allow bars and liquor stores to open at noon on Election Day, is likely to spark debate as it moves through the legislative process.

Kentucky is among a handful of states that still bans alcohol sales on Election Day. Under the law, bars, restaurants and liquor stories can't sell alcohol while polls are open.

"Now I'm very much aware of the propensity and the alleged practice in some counties of individuals offering liquor to influence votes, but, by golly, this is the 21st Century," Simpson said. "If someone wants to commit a fraud, they don't need liquor to do that. They can do it with currency. It's still against the law."

Gene McLean, a lobbyist for the Kentucky Beer Wholesalers Association, said the existing law puts legitimate Kentucky businesses at an economic disadvantage to bootleggers.

"You start taking business days away from people who operate on small margins, it becomes a competitive disadvantage," McLean said.

Kendra Stewart, a political scientist at Eastern Kentucky University, said current law doesn't serve any real purpose. If someone wanted to trade liquor for votes, Stewart said, they could simply stock up before Election Day.

"Legislation like that was passed to deter corruption in elections," she said. "It certainly hasn't curtailed corruption. It really hasn't had any major impact on cleaning up elections in Kentucky."



**19. Sinfully Cheap? Idaho's Beer and Wine Tax (Idaho)**

*Local News 8*

February 20, 2007

Paying for a drink in Idaho is relatively cheap compared to most of our neighboring states.

In fact, most people we talked to don't know how much you have to pay to buy beer and wine in our state.

It's actually 6 cents on the dollar for beer and wine...it's the same as the sales tax.

You end up paying almost the same amount in state tax for a bottle of beer as you do for a bottle of pop.

The tax on beer and wine hasn't been changed in 46 years...in that same amount of time our sales tax has increased by 100 percent...and some lawmakers say things have got to change.

"The tax has been set now for 46 years and it's never been adjusted, so when a consumer buys a glass of beer or a can of beer they're paying the exact amount they did 46 years ago," Republican Senator Joe Stegner said.

Senator Stegner is talking about the excise tax, which is a tax on wholesalers but you'll end up shelling out more money because of it.

"This is a wholesale tax and it's collected at the wholesale level, but it is eventually paid by the consumer of the product."

The excise tax in Idaho is 15 cents on a gallon of beer and 45 cents on a gallon of wine...plus six cents on the dollar for sales tax.

If you're doing your grocery shopping at the store and you pick up a gallon of milk you pay a sales tax.

Although you'll pay more money for this bottle of wine, dollar for dollar you'll be just about the same in taxes.

Idaho's bordered by six states, half of those have higher sin taxes than we do.

Although those in the wine industry would argue the other half of our neighbors have lower sin taxes.

"It's lower than some and higher than some too.  Wyoming is very, very low on their beer tax.  Utah obviously is high on their beer tax," Vino Rosso Owner Jerry Frazell said.

Utah charges 41 cents a gallon on beer and 13 cents on the dollar for wine.

# That money flows into substance abuse programs and mental health programs.

# "Substance abuse in all of it's forms results in a tremendous amount of cost to the state in our corrections department in our prisons, in our judicial division, in our county jails, in domestic violence cases.  All of those cost the state a significant amount of money and substance abuse plays a significant role in any number of those social problems that we the taxpayer have to pick up," Senator Stegner said.

# Frazell says, "There already is money going to rehabilitation funds.  Sure, there could be a lot more going to education.  So should the money for beer and wine go to education?  And why not soft drinks?  Why not potato chips?"

# Others say raising taxes on beer will hurt Idaho's biggest business...farming.

# "I guess if we could pass it off to the beer drinkers in New York, that'd be okay with us.  But that's not how this tax is going to work, it's going to be passed back down to us that grow the crop and we'll get that much less out of the crop," Acting Director of the Idaho Grain Producers Dar Olberding said.

# "Actually, I don't think barley has much to do with it.  Barley production is viewed to be an agricultural crop, or commodity.  The fact that we raise really high quality barley called malting barley is really not an issue. It's never really been part of this whole discussion," Senator Stegner countered.

# Senator Stegner says another reason a tax increase hasn't gone through is because Idaho's lawmakers just don't like to raise any taxes...no matter what they're for.

# But there is a bill in the house that would raise our beer and wine tax, we'll keep you updated on its progress.

# Another stumbling block for this bill will be getting Governor Otter's signature.

# He said he's not interested in raising any taxes this year.

<http://www.localnews8.com/story.cfm?nav=news&storyID=1200>



# 20. Proposal Would Outlaw Alcohol Machine (North Carolina)

*News-Record.com*

February 20, 2007

Legislation filed in the House and Senate would outlaw the possession and sale of equipment that vaporizes alcohol and is marketed in the United States by a Greensboro company.

The machines turn liquor into vapors that users can inhale, according to Kevin Morse, a Greensboro lawyer and partner with Spirit Partners. The company markets the machines under the AWOL — Alcohol Without Liquor — name.

Spirit Partners is the only U.S. distributor of the machines and could be forced to stop selling anywhere under the proposed laws. Marketing materials tout the machines as a low-carbohydrate way to consume alcohol, and the company’s Web site calls it "the ultimate party toy."

Rep. Pryor Gibson, an Anson County Democrat, and Sen. Steve Goss, a Watauga County Republican, have filed bills to end the party.

"I think it’s stupid," Gibson said. "We do not need to be promoting the inhalation of alcohol."

AWOL machines have been banned in other jurisdictions, and a similar proposal has been filed in the South Carolina legislature.

The North Carolina bills are being pushed by the North Carolina branch of the Christian Action League, a group that promotes tighter restrictions on alcohol sales.

"They are all about intensifying the high one gets from alcohol," the Rev. Mark Creech, the league’s director, said of the machines. "They’re about getting drunk."

Gibson and Goss also said they believed the machines could lead to people getting drunk faster.

"They clearly don’t know what they’re talking about," Morse said.

Morse said it was impossible for someone to inhale enough alcohol to get drunk. He describes the machines as creating a "very mild feeling" that "emphasizes the flavor of the spirit you have in there."

About 1,200 of the devices have been sold since 2004, Morse said. They cost about $300 for a single-user machine and more than $2,500 for commercial units, according to the Web site. Morse said the company is operated by four partners, all who have other jobs.

Spirit Partners doesn’t sell the machines in North Carolina because of an older law originally designed to regulate sniffing glue and the like. Morse said he believed that law also unintentionally bans the use of his company’s machines.

But the proposed laws could shut down the business’ sales to other states because they would ban the possession and sale of the machines.

"That troubles me quite a bit," Morse said of the two bills.

Many legislators in the Guilford County delegation were unfamiliar with the machines or unaware that there had been legislation filed that would affect them.

Sen. Kay Hagan, a Greensboro Democrat, who said she was familiar with the devices, said she had not seen the bills but was "inclined to support" the ban on their sales.

"This is certainly not the kind of business for which Greensboro ought to be known," Hagan said.

Both bills have been referred to judiciary committees in their respective chambers and are awaiting hearings.

<http://www.news-record.com/apps/pbcs.dll/article?AID=/20070220/NEWSREC0101/70220048/1005/NEWSREC0101>



# 21. Council Approves Theater Liquor License (Michigan)

*Wood TV*

February 20, 2007

WYOMING -- Moviegoers are one step closer to being able to enjoy a beer with their popcorn at one West Michigan theater.

The Wyoming City Council voted to grant Loeks' Theaters a liquor license for their Studio 28 location Monday night.

Theater owners see this as something that will enhance the entertainment at a theater that has steadily lost patronage over the last ten years.  Those opposed see it as another opportunity for minors to get their hands on alcohol.

The 5-2 vote in favor of granting the license also came with exceptions to an existing ordinance that would allow the sale of alcohol in the theater area in addition to the proposed banquet area.  This has some of the council members worried.

"This liquor license, as we're approving it now, is pretty much all-encompassing," said Councilman Kent Vanderwood, "It's anything anywhere at any time of the day, and that;s why I'm going to oppose it."

Alcohol is already available in the banquet room at the Celebration Cinema location in Grand Rapids Township, also owned by Loeks' Theaters.  Reaction to the news was mixed among Studio 28 patrons, as well.

"I don't have a problem with that," said moviegoer Paula Vicari while fellow patron Kevin Billings wasn't so sure.

"Liquor and children don't mix and they will find a way to get it here," he said.

Owner John Loeks' commitment to the community is what eventually won over the council and Loeks promises he will be committed to deterring underage consumption and drunk driving.

"There are known procedures for how to do this," Loeks said, "limit the number of drinks, actually give customers a wrist band and be able to observe the customers with special goggles in the theaters to make sure everybody is in fact complying with the theater policies."

The company will still have to apply to the state before officially being granted a liquor license.

<http://www.woodtv.com/global/story.asp?s=6107890&ClientType=Printable>



# 22. State's Lax Open-Container Law Means Less Federal Road Money (Tennessee)

By Kate Howard, Staff Writer - *The Tennesseean*

February 19, 2007

As long as you're not driving, Tennessee law says you can drink alcohol in a moving vehicle. But that freedom will have cost the state nearly $60 million in federal highway funding by the end of this year, a hemorrhaging of crucial transportation dollars that some critics say the Volunteer State can't afford.

Tennessee's open-container law applies only to drivers, a rule that isn't strict enough to meet federal safety requirements. As a result, Tennessee is among 11 states penalized 3 percent of their annual allocations of federal transportation money.

Federal guidelines call for states to bar any open alcoholic beverages in most passenger vehicles.

As the Tennessee Department of Transportation searches for ways to bridge a projected $2 billion shortfall for transportation projects over the next 10 years, some see a tougher container law as a good way to boost road money and improve public safety.

<http://www.wbir.com/news/regional/story.aspx?storyid=42447>



**23. Beer Distributors Seek to Cork Flow of Illinois Wine** **(Illinois)**

By Blackwell Thomas, JG/T-C - *Springfield Bureau*

February 20, 2007

**Winemakers say law could cut up to 40 percent of business**

SPRINGFIELD -- A proposal that would have stopped Illinois winemakers from selling directly to their customers fizzled last year.

But, backed by the state's beer distributors, some Illinois lawmakers are again pushing to cork the flow of wine between producer and consumer.

Winemakers say that, if passed, the proposed law could cut as much as 40 percent of their business in the next five years and stall the fledgling industry's growth in Illinois. Beer distributors argue that current laws are unfair and favor winemakers.

"We currently have the rights to sell wine directly to retailers and restaurants and we hope to convince the legislature that this is a vital part of the wine industry," said Dick Faltz, winemaker and president of the Illinois Grape Growers and Vintners Association. "Currently it (retail sales) is about 20 percent of our business. But, it's part of our business that is increasing every year at about 20 percent per year so to cut that off would have a very negative impact on the Illinois wine industry."

Right now, winemakers are allowed to distribute directly to restaurants, bars and grocery stores. But because of a law passed shortly after the fall of prohibition, beer makers must send their suds through a distributor before a customer can buy them.

Questions have been raised about the ability of winemakers to ship their product since a 2005 U.S. Supreme Court decision held that states cannot allow instate wineries to ship directly to customers while also banning out-of-state wineries from doing the same.

Beer distributors defend the three-step distribution practice as a way to ensure the integrity and quality of the product and provide a means of checks and balances on the flow of legally made booze.

Officials from Associated Beer Distributors of Illinois, a consortium of 70 distributors across the state, argue that winemakers are sidestepping a law which was meant for all alcoholic beverages, including wine.

Donna Spagnola, chairman of the Board of Directors of ABDI, said the importance of the bill goes beyond profits.

"It's a safety issue," she said. "What happens when you ship things direct is you lose that ability to trace it. It (distribution) addresses quality and freshness issues. It ensures the product is rotated, ensures you don't have tainted products."

Spagnola added that forcing wineries to go through distributors also ensures that people under the legal drinking age do not end up with any wine.

The measure is expected to begin winding its way through the legislature this spring.

The legislation is House Bill 429.



# 24. Underage Drinking Proposal Fails (Wyoming)

*Billings Gazette*

February 18, 2007

CHEYENNE - An attempt to close a legal loophole allowing minors to drink alcohol died in the Senate Judiciary Committee on Friday.

Under existing law, minors aren't guilty of underage drinking in Wyoming unless they're considered drunk or under the influence, according to Rep. Keith Gingery, R-Jackson.

"So a minor in Wyoming can drink alcohol as long as they don't get to the point of being drunk," he said.

Gingery co-sponsored a bill that would have made it illegal for a minor to drink alcohol.

But Gingery's bill would have preserved an existing law that allows minors to drink with their parents in public, except at bars or restaurants. Some members of the Senate Judiciary Committee didn't like how the bill would have continued that exception.

Sen. Drew Perkins, R-Casper, offered an amendment that would have restricted drinking with parents to private places. But the amendment failed. And so did the bill.

Gingery said the bill would have passed had the parental exemption not drawn attention.

<http://www.billingsgazette.net/articles/2007/02/18/news/wyoming/56-fails.txt>



**25. Wyoming House OKs Container Ban (Wyoming)**

*Beverage News Daily*

February 23, 2007

The Wyoming House of Representatives yesterday approved, 52-7, a bill banning open containers of alcohol in private vehicles on the state's highways.

Many Wyoming municipalities already ban open containers, but open containers have remained legal on state highways.

The House this week amended the bill to require that alcohol being transported in recreational vehicles must be secured in a cabinet or other compartment not readily accessible to the driver. Ross said he believed the slight differences between House and Senate versions can be resolved in conference.

Before voting to approve the bill on third reading, the House considered and rejected an amendment that would have exempted drivers of private vehicles in which passengers were drinking from prosecution as long as the drivers themselves hadn't been drinking.



# 26. Champaign Council Supports Tougher Alcohol, Party Rules (Illinois)

*News-Gazette*

February 16, 2007

CHAMPAIGN – The city council is tentatively backing a proposed ordinance giving city police clearer authority to shut down nuisance parties.

Mayor Jerry Schweighart also appears likely to get additional powers as liquor commissioner to restrict alcohol sales to try to deal with Unofficial St. Patrick's Day, which is scheduled to occur March 2.

Council members are expected to give final approval to both measures at Tuesday's regular meeting.

Both proposals won wide support Thursday in city council straw polls. The meeting was held two days later than normal due to the blizzard earlier this week.

The nuisance party ordinance is modeled after one in Bowling Green, Ohio, that survived a court challenge. The proposal gives police officers clear authority to shut down a party that has become a public nuisance, and the ability to cite the host or hosts if they have been warned within the last 12 months about allowing a nuisance party on the premises. A minimum fine of $290 would be issued for a violation.

Police officers could shut down a party without a warning, but would not be able to write a ticket unless the host had been previously warned. A ticket could be issued without a warning if the host refused to obey an order to shut down the party, said Assistant City Attorney Joseph Hooker.

The proposal "has a lot of merit," said police Sgt. Scott Friedlein. "There are real clear rules for the hosts and officers to understand."

A party could be declared a nuisance party and shut down if a single serious violation of the city code occurs, such as an assault, battery, fighting, a false alarm, damage of private or city property, disorderly conduct, possession of drug paraphernalia, possession of firearms or discharge of firearms.

A party could also be shut down if two or more code violations occur, including underage drinking, public indecency, public urination, possession of cannabis or disposal on public ways and places.

Police Lt. Holly Nearing said city police receive about 1,000 loud party complaints a year and shut down about 5 percent of them.

The proposed ordinance and its clear standards take away "some of the tension that comes when police want to shut down a party and some individuals are claiming a First Amendment right," Nearing said.

Council members also supported giving the mayor additional powers as liquor commissioner to restrict campus liquor sales to deal with Unofficial St. Patrick's Day, a drinking holiday promoted by campus bars. Schweighart would be given the power to prohibit sales of shots of alcohol, to prohibit keg sales throughout the city and to require campus bars to have employees age 21 or older check identification at entrances.

Schweighart said he would only restrict sales of shots by "shot girls" who carry them in a tray.

He also said he wouldn't ban keg sales this year because students would just go to other communities to buy them. However, parties will only be allowed one keg of beer on March 2, he said.

University of Illinois associate counsel Peg Rawles said the university will be conducting a public-relations campaign about Unofficial, asking students "to respect themselves" and to be mindful of the 103 arrests of students that occurred at last year's event.

The UI will also have staff at some of the larger lecture halls on March 2 making sure that intoxicated students don't disrupt classes, as occurred last year, Rawles said.

<http://www.news-gazette.com/news/local/2007/02/16/champaign_council_supports_tougher_alcohol_party_rules>



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# 27. Retailers Square Off on Beer Sales (Indiana)

*Post-Tribune*

February 21, 2007

Six hundred gas stations with beer and wine sales have liquor stores in revolt at the Statehouse.

And it could mean Indiana caps the number of the mini-groceries with beer at 600, and restricts licensing such outlets.

Two major retail lobbies, both claiming the other is seeking competitive advantage, will square off today over the right to sell beer and wine.

At issue is the spread of convenience stores and grocery stores that sell beer and wine.

Senate Bill 339 would restrict new stores from selling beer and wine if they do not meet the state's definition of a grocery store. It will be heard today by the Senate Commerce Committee. Under Indiana law, retail stores which can sell closed containers of beer and wine include groceries, pharmacies and package stores. Each permit has different standards.

Grocery stores are measured by inventory size, for example.

Supporters of the bill say too many gas stations have beer displays which are not segregated from the rest of the store. They say the gas stations are masquerading as groceries when they are, at best, convenience stores.

That has the Indiana Grocery and Convenience Store Association irked. They say the bill is an attempt to give advantage to package stores.

"We're believers in free enterprise," said Joe Lackey, president of the grocery association. Lackey said the competing industrial group, the Indiana Association of Beverage Retailers, is out to monopolize alcohol sales as the nation sees a drop in per capita consumption of beer, wine and liquor.

Lackey said over the decades of alcohol regulation, package stores have been given sometimes bizarre advantage. One such law, Lackey said, is that grocery retailers cannot sell cold beer.

Indiana is the only state in the nation that forbids such sales at groceries, Lackey said.

But John Livengood, lobbyist for the beverage retailers, said package stores have survived for decades in a regulated environment and cannot compete in a increasingly unregulated one.

He said as gas stations increasingly use grocery-store classification, neighborhood associations and Mothers Against Drunk Driving get riled up. Such groups have spoken out in favor of Senate Bill 339 at its initial hearing.

Lackey said the beverage retailers are mucking up the debate, and insists the convenience stores are allowed to be classified as grocery stores.

"That's garbage they like to throw (into the debate)," said Lackey. "There's no such thing as a gas-station permit."

Lackey points to stores such as Meijer and Wal-Mart, which both sell gasoline and groceries. Lackey said his members need to sell beer and wine to keep their sales from being taken over such so-called "Big Box" retailers.

A number of other bills exist that would regulate sellers of beer, wine and liquor, including one which would segregate beer and wine sales to a closed-in part of the store. Lackey said his members cannot afford the provision, even though big-box retailers can.

<http://www.post-trib.com/news/266035,gabeer.article>



# 28. Cooperative Forces Crack Down on DUIs (West Virginia)

*The Parthenon Online*

February 21, 2007

Members from every law enforcement agency in West Virginia met in front of Marshall University's Joan C. Edwards Stadium Tuesday.

The West Virginia State Police, the Alcohol Beverage Control Administration and the Cabell County Sheriff's Office, along with the Police Departments of Huntington, Barboursville, Ceredo, Kenova and Milton attended a news conference to kick off a comprehensive campaign to get impaired drivers off the road.

For the next 10 months, law enforcement agencies will use funds provided by the West Virginia Governor's Office of Highway Safety and the Safe Traffic Operations program. The funding will allow for sobriety checkpoints, saturation patrols, directed patrols and underage compliance events throughout the county at a rate of two or more law enforcement events per week.

"This is a community problem and will be a community issue; it involves more than just police effort," Larry Kendall, project coordinator and traffic safety director for the city of Huntington, said. "Just like 'click it or ticket,' we want people to know if they drink and drive they will get busted."

With participation from eight different departments, this level of involvement is unprecedented.

"This level of corporation has never been attempted," Gary Winter, program manager for the Governor's Office of Highway Safety, said. "Every law enforcement agency in Cabell County plus the West Virginia State Police and the ABC are all working together for this cause."

With the involvement of the Cabell County Prosecuting Attorney's Office, arrests and citations could lead to prosecutions.

"These officers have the skills necessary to arrest drunk drivers and make cases I know I can prosecute," Shawn Hammers, prosecuting attorney, said. "As a citizen I know these officers are out making my community safer."

Police are not only targeting impaired drivers who are out at night, but also setting up stings in the afternoon and evening hours as well.

"DUI's are not just a serious drinker's problem," Kendall said. "Older drinkers tend to be out during the evening. We're targeting the happy hour crowd as well, around 4 until 8 p.m."

Craig Shelton, enforcement supervisor for the ABC, feels it is important to collect information from DUI checkpoints to learn where underage drinkers purchased their alcohol. The ABC also will be targeting underage drinking and fake ID use in bars.

"Every time we're out we usually see about one or two fake IDs," Shelton said. "When someone presents a fake ID, we will write them a citation. Fake ID use can lead to loss of a license for up to six months."

Funding for the year-long operation has started at $130,000 with a possibility of increased funding if needed.

<http://media.www.marshallparthenon.com/media/storage/paper534/news/2007/02/21/News/Cooperative.Forces.Crack.Down.On.Duis-2732198.shtml>



**29. Retailers Square Off on Beer Sales (Indiana)**

**By Jim Stinson – *Post-Tribune***

February 21, 2007

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And it could mean Indiana caps the number of the mini-groceries with beer at 600, and restricts licensing such outlets.

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Grocery stores are measured by inventory size, for example.

Supporters of the bill say too many gas stations have beer displays which are not segregated from the rest of the store. They say the gas stations are masquerading as groceries when they are, at best, convenience stores.

That has the Indiana Grocery and Convenience Store Association irked. They say the bill is an attempt to give advantage to package stores.

"We're believers in free enterprise," said Joe Lackey, president of the grocery association. Lackey said the competing industrial group, the Indiana Association of Beverage Retailers, is out to monopolize alcohol sales as the nation sees a drop in per capita consumption of beer, wine and liquor.

Lackey said over the decades of alcohol regulation, package stores have been given sometimes bizarre advantage. One such law, Lackey said, is that grocery retailers cannot sell cold beer.

Indiana is the only state in the nation that forbids such sales at groceries, Lackey said.

But John Livengood, lobbyist for the beverage retailers, said package stores have survived for decades in a regulated environment and cannot compete in a increasingly unregulated one.

He said as gas stations increasingly use grocery-store classification, neighborhood associations and Mothers Against Drunk Driving get riled up. Such groups have spoken out in favor of Senate Bill 339 at its initial hearing.

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Lackey points to stores such as Meijer and Wal-Mart, which both sell gasoline and groceries. Lackey said his members need to sell beer and wine to keep their sales from being taken over such so-called "Big Box" retailers.

A number of other bills exist that would regulate sellers of beer, wine and liquor, including one which would segregate beer and wine sales to a closed-in part of the store. Lackey said his members cannot afford the provision, even though big-box retailers can.



**30. General Assembly Approves New Winery Law (Virginia)**

By Shannon Sollinger – *Loudoun Times*

February 21, 2007

Sometime in the next few months, Virginia's farm wineries will go back to delivering their wares directly to local shops and restaurants.

It's going to be something like the right they had until last July, but a lot more complicated. It's going to involve a wholesale company set up within the Virginia Department of Agriculture and Consumer Sciences. Any winery in the state can distribute up to 3,000 cases a year through that "virtual" distributor.

Winery owners and entrepreneurs say, in general, it's better than being forced into using commercial wholesalers, but it's not a free market.

"It's better than nothing, like having one leg rather than two," said Chris Pearmund, Pearmund Cellars in Broad Run.

"Croatia has a better free market economy than we do. I want to be treated like a pornographer - sell on the Internet, sell across state lines, no franchise rules. Anyone over 21 who chooses to buy my product has it available."

A 1980 bill gave small Virginia wineries the right to self-distribute. It was intended to encourage the development of wineries in Virginia.

It worked. The number of wineries in the state grew to 107 in 2006. The number in Loudoun County went from zero to 13 and more are planned.

Then in 2005 the Supreme Court ruled that the law must be the same for in- and out-of-state wineries. Let both distribute directly, or let neither.

That was Virginia's solution, and since July 1, 2006, all wineries, in and out of state, have had to sell only through a distributor.

A bill before the General Assembly in 2006 that would have allowed both in- and out-of-state wineries to ship up to 250,000 bottles (about 10,000 cases) directly to retailers would have solved the Constitutional probe. It died without a recorded vote in Rep. David Albo's (R-Fairfax) subcommittee.

Albo's campaign received nearly $50,000 from the distributors that year.

Under the new system, which will go into effect as soon as the governor signs the bills, and the state can set up the corporation, a restaurant owner places an order with the state-run wholesaler. The wholesaler forwards the order to the winery. A winery employee (who has been "leased" to the corporation) moves the case of wine to a separate section of the winery (which has been "leased" to the corporation), then loads it in a truck (which has been "leased" to the corporation) and delivers it to the restaurant. The restaurant owner sends a check to the corporation.

Sometime in the next month, with luck, the winery will get a check, minus taxes and some paperwork fees.

Chris Blosser, general manager at Breaux Vineyards north of Hillsboro, called the new law "a step in the right direction. But that's the nature of the wine business in Virginia -- a new law, a new tax form."

Breaux, which bottles and sells about 10,000 cases of wine a year, contracted with a distributor last summer. Under Virginia's franchise law, they can't cancel that agreement.

Contracts with distributors in Virginia have been likened to a marriage. You can't get out of the deal unless both parties agree. Then the state has to agree.

Danny Johnson, Peaks of Otter Winery in Bedford, said the new law is a step in the wrong direction. Look at Vermont or the state of Washington, he advised. Let any winery ship a certain number of cases anywhere. This new scheme, Johnson said, will be challenged in court by out-of-state wineries, and will cost the consumers and taxpayers more.

Freed from a forced marriage to wholesalers, Johnson said, small wineries will grow. When they get to 5,000 cases or more a year, they will hire a distributor because it makes good business sense.

<http://www.zwire.com/site/tab1.cfm?newsid=17879602&BRD=2553&PAG=461&dept_id=506035&rfi=8>



**31. Vintner Says Bill Banning Self-Distribution of Wine Could Destroy Industry (West Virginia)**

By Justin D. Anderson, Staff – *Daily Mail*

February 21, 2007

Just as state farm wineries are starting to get their act together, one of these small vintners says the Legislature that created them is now trying to put him out of business.

Senators Jeff Kessler, D-Marshall, and Andy McKenzie, R-Ohio, both members of the judiciary committee, introduced a bill this week that seeks to level the playing field for the wine trade in the state.

Kessler, the judiciary chairman, said the bill was requested by the state Alcohol Beverage Control Administration to head off any potential lawsuits arising from a recent U.S. Supreme Court decision that said states could not discriminate between in-state and out-of-state wineries.

At least one lawsuit already was filed in Kanawha County Circuit Court regarding the constitutionality of the $1-a-gallon excise tax on wine. The suit used the Supreme Court's ruling as a basis of argument.

Alan Wolfe, who runs Jones Cabin Run Vineyards in Gilmer County, said the Senate bill would put him and the rest of the clutch of state farm wineries out of business for good.

Beyond raising licensing fees and requiring farm wineries to pay the liter tax, the bill takes away the small vintners' right to self-distribute their products.

That's the problem, Wolfe says. Distributors don't want to deal with farm wineries, he said. The volume's not big enough to be profitable for them.

"I think distributors want to put us out of business," he said. "Distributors think that the wine business is a zero-sum gain -- that every bottle we sell is one they don't sell. That isn't true, but that's what they believe."

About 60 percent of Wolfe's sales come through self-distributing his products to small specialty and wine shops, he said. The law would take that ability away and only permit direct shipping.

Wolfe says he's only allowed to ship two cases to an individual per month, and he doesn't really do that much business by shipping anyway.

The majority of his business comes from people going into the specialty shops and pulling a bottle of his wine down off the shelf and pulling out their wallets.

Wolfe said he'd like to see lawmakers amend the bill and create special licenses for farm wineries that allow self-distribution. He said other states have complied with the Supreme Court decision without harming their farm wineries.

"They've done it in Maryland, Connecticut, Texas, California, and they've done it in Washington," he said.

Farm wineries were authorized by an act of the state Legislature in 1981. Regulations ever since have been eased for these fledgling entrepreneurs.

It's taken the state's farm wineries more than 20 years to get rolling. There are about a dozen of them now, and owners recently formed the West Virginia Wineries Foundation Ltd.

Wolfe, 59, is the secretary and treasurer.

He and his wife, Elaine, planted their first vines in 1991, a year after he retired from the Navy as a chief petty officer.

'It's a growing industry," he said. "The future of West Virginia lies in tourism and recreation. Wineries are a tourist destination. They spend the weekend touring wineries and buying wine. It's a major addition where the states have helped out the wineries."



**32. Cooperative Forces Crack Down on DUIs (West Virginia)**

Katlyn Goots – *The Pantheon*

February 21, 2007

People who think it's OK to drive even after one or two beers are in danger of being caught.

Members from every law enforcement agency in West Virginia met in front of Marshall University's Joan C. Edwards Stadium Tuesday.

The West Virginia State Police, the Alcohol Beverage Control Administration and the Cabell County Sheriff's Office, along with the Police Departments of Huntington, Barboursville, Ceredo, Kenova and Milton attended a news conference to kick off a comprehensive campaign to get impaired drivers off the road.

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"This level of corporation has never been attempted," Gary Winter, program manager for the Governor's Office of Highway Safety, said. "Every law enforcement agency in Cabell County plus the West Virginia State Police and the ABC are all working together for this cause."

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Police are not only targeting impaired drivers who are out at night, but also setting up stings in the afternoon and evening hours as well.

"DUI's are not just a serious drinker's problem," Kendall said. "Older drinkers tend to be out during the evening. We're targeting the happy hour crowd as well, around 4 until 8 p.m."

Craig Shelton, enforcement supervisor for the ABC, feels it is important to collect information from DUI checkpoints to learn where underage drinkers purchased their alcohol. The ABC also will be targeting underage drinking and fake ID use in bars.

"Every time we're out we usually see about one or two fake IDs," Shelton said. "When someone presents a fake ID, we will write them a citation. Fake ID use can lead to loss of a license for up to six months."

Funding for the year-long operation has started at $130,000 with a possibility of increased funding if needed.



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# 33. Lower Drinking Age (Vermont)

*Addison Independent*

February 22, 2007

MIDDLEBURY — Former Middlebury College President John McCardell is worried about underage drinking.

In 1984, McCardell, then a Middlebury professor, watched federal legislation raise the legal age to consume and publicly possess alcohol to 21, in an effort to combat underage alcohol use. But since then, McCardell has noticed something else: the youth drinking culture has been rising right beside it.

“Legal age 21 creates an impossible situation on college campuses,” he said. “It did little to reduce either the amount or effect of students drinking and yet it purported to be a necessary reform, to reduce alcohol fatalities and prevent underage drinking. But it has driven drinking underground.”

McCardell’s newly formed nonprofit organization, Choose Responsibility, seeks to lift the curtain on underage drinking, educating the public about the effects of setting the legal drinking age at 21 and urging legislators to lower the drinking age to 18. The Middlebury-based organization, which currently includes McCardell and two research assistants, is focused on research and can’t officially lobby legislators.

The organization, introduced last week, also advocates instituting an educational permit program that would allow 18-year-olds, after taking a course on responsible drinking, to legally drink alcohol. That way, young adults would be able to discuss alcohol use in a safe environment with educated adults.

But why 18?

Because it is the age of majority, McCardell said. And more importantly, it is an age when most young adults still live with their parents.

The current law marginalizes parents, he said. At 21, most people are not living with their families, leaving mothers and fathers with no control over how their children get to know alcohol. But at 18, young drinkers are more likely to come home to their parents, who are able to supervise, advise and educate them, McCardell argues.

“We believe that an educational program modeled on drivers’ ed., that involves family, government and the individual and leads to a license, will increase the likelihood of responsible behavior and reduce underage drinking,” McCardell said.

Porter Hospital’s Emergency Room physician Fred Kniffin said current alcohol regulations are not perfect, but he is hesitant to believe that lowering the drinking age would be an improvement. If it were up to him, Kniffin said, he would impose an educational program like Choose Responsibility’s, but still keep the legal age at 21.

“We see bad stuff when kids are out drinking and driving,” he said. “Anything we can do to decrease that is a good thing. I’m just worried that lowering the drinking age will make the situation worse.”

Since the drinking age was raised to 21, the number of alcohol-related traffic fatalities has gone down. But a 2002 report by the National Highway Transportation and Safety Administration shows that number has declined for all age groups, not just the young people who can no longer legally drink. In fact, the 21- to 24-year-old cohort has seen the least significant decrease in fatalities.

“The greatest number of fatalities occurs at ages 21, then 22, then 23, in that order,” McCardell said. “That has led us to conclude that legal age 21 has simply postponed fatalities and that the age at which one is first ‘legal’ is a more critical factor than any particular age.”

More variables are clearly at play, concluded McCardell and his team. The across-the-board decrease in drunk-driving accidents can be attributed to safer automobiles, an increase in seatbelt use and stricter drunk-driving enforcement.

“It is a stretch to say that legal age is principally responsible for that decline,” McCardell said.

The drinking age debate too often focuses on drunk-driving as the only effect of underage drinking, he said, while one of the nastiest side effects of the 21-year-old age of majority, binge drinking, is often overlooked.

“Fewer young people now are choosing to drink than might have been the case a generation ago,” McCardell said. “But those who do, are drinking in a surreptitious and reckless fashion. It’s gone behind closed doors, under ground.”

Scott Guenther, a recent Middlebury College graduate and research assistant for Choose Responsibility, said that binge drinking — officially defined in the mid-’90s as downing four to five drinks in a single sitting — has become a common practice in young people, especially college students. He also noted that in the past couple years, researchers have altered their definition of the term, doubling the intake of drinks to eight or 10 in one sitting.

“Binge drinking, as a term, didn’t exist 20 years ago when the drinking age was 18,” Guenther said, noting that the need for a new word to fit the practices of American culture is itself indicative of a major change.

The Choose Responsibility team also found that the law has had little effect on underage drinking. A long-term study called “Monitoring the Future” showed that in 1975, 27 percent of high school seniors reported they first used alcohol in eighth grade or earlier. While in 1993, 36 percent of high school seniors reported the same, suggesting that compared to the 1970s, when the legal age was 18, more people are now drinking at younger ages.

**LAW BREAKING**

McCardell stressed that this widely practiced law breaking is detrimental to American society.

“It creates a whole range of ethical compromises,” he said. “A law that is routinely disobeyed breeds disrespect for the law in general.”

But Middlebury Police Chief Tom Hanley asserted that many laws are routinely disobeyed, from running a stop sign to not putting on your blinker before a turn. This is no reason start changing traffic regulations.

“(Underage drinking) is fairly prevalent,” he said. “The fact that it is illegal does act as a little deterrent. It keeps the lid on the problem. Why would we want lift that lid and make something legal that’s harmful to young people?”

He added that in his 33 years as a police officer, he has noticed the effects of alcohol on the underdeveloped brains of people under 21 are often more dangerous than those of adults.

“If the state is going to say that this is an acceptable behavior, the state has got to be ready to accept the consequences,” he said.

McCardell made a similar statement, but with a different slant.

“If you infantilize a young adult, you should not be surprised by infantile behavior in response,” he said. The fact that 18-year-olds are trusted with all the responsibilities of adulthood — they can vote, get married, raise children, fight for their country — but they aren’t trusted with a glass of champagne at their wedding, sends a very mixed message.

“It’s time to step back and look at this issue in an informed and dispassionate way, to try to factor emotion out of it and to come up with ways where responsible people are able to have this debate in a mature way,” McCardell said. “The greatest hope for this is with young people.”

<http://www.addisonindependent.com/?q=node/423>

