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| *June 8, 2007* |

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

**1.** **Anheuser-Busch at All-Time High on Pershing Story**

Brad Dorfman
*Reuters*
June 6, 2007

Shares of Anheuser-Busch Cos. Inc. hit an all-time high on Tuesday after a newspaper story said the largest U.S. brewer could be targeted for a shake-up by hedge fund Pershing Square Capital Management.

The New York Post reported that Pershing, led by founder William Ackman, has raised $2 billion for a fund that will be dedicated to targeting a shareholder activism assault on "one specific, iconic, American company."

The story cited potential investors in the fund as saying the company Ackman will target has a division that has "to have its value unlocked," a division to be sold and one division that is "is misunderstood."

The story said of names that a potential investor said met the criteria, Anheuser-Busch has the most-iconic brand and has a large real estate exposure from its theme park unit. Other companies mentioned were Kraft Foods Inc., Starwood Hotels & Resorts Worldwide Inc. and Marriott International Inc..

Ackman declined to comment about the story, via an email message. Anheuser-Busch also declined comment.

Shares of Anheuser-Busch, maker of Budweiser and Michelob beers, traded as high as $55.19 on Tuesday on the New York Stock Exchange and were up 62 cents, or 1.2 percent, at $53.77 on Tuesday afternoon.

Aside from the Ackman story, the stock has also rallied in recent days on talk of some sort of merger between Anheuser-Busch and Belgium's InBev.

**Prior Success**

Ackman has been successful in the past in pushing management of companies in which Pershing invests to take steps to enhance shareholder value, including pushing Wendy's International Inc. to spin off its Tim Hortons Inc. chain.

But one fund manager said that Anheuser-Busch's problems are tied to weakness in the overall U.S. beer market, where consumers are eschewing domestic beer for wine, spirits or higher-priced imported beer.

"In a normal situation, an activist can sort of shake up management to do something," Charles Norton, portfolio manager of the Vice Fund, which holds 15,500 Anheuser-Busch shares. "I think BUD's problems are more deeply rooted than management decisions. BUD is on the wrong end of some major macro issues." Roughly three-quarters of Anheuser-Busch's sales in 2006 came from its domestic beer business.

He also noted that billionaire investor Warren Buffett's Berkshire Hathaway Inc. holds about a 5 percent stake in the company.

"I don't know if Ackman is going to have any success where Buffett doesn't," Norton said.

Options analysts also noted heavy call buying in Anheuser-Busch, especially in contracts giving investors the right to buy the company's shares at $55 each in June, July and September.

In all, Tuesday afternoon option volume in Anheuser Busch stood at 64,650 contracts, dominated by 53,591 calls, six times more than normal option turnover, according to market research firm Track Data.

<http://www.reuters.com/article/consumerproducts-SP/idUSN0528857920070605>

**2.** **Bottle Tech Aims to Foil Wine Pirates**

Michelle Locke

*Associated Press*
June 6, 2007

At Colgin Cellars, a kiss is not just a kiss.

For years, vintner Ann Colgin has sealed bottles of her sought-after wine headed for auction with a bright-red lipsticked kiss on the label, a charming, and undeniably personal, certificate of authenticity.

But with concerns growing about counterfeiters, she and other Napa Valley vintners are turning to high-tech fraud prevention so customers can feel confident they're taking home genuine wine.

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| Slideshow element |
| Ann Colgin samples a glass of Cabernet Sauvignon in the wine library of her winery in St. Helena, Calif., Friday, May 18, 2007. For years, vintner Ann Colgin has added a playful seal of authenticity to bottles of her sought-after wines headed for auction, a bright-red lipsticked kiss on the label. But with concerns growing about counterfeiting, she and other Napa Valley winemakers are turning to higher-tech methods of assuring buyers they are taking home genuine wine. |

Colgin, who hasn't yet had someone attempt to fake her wine and hopes to keep it that way, recently signed a deal with Eastman Kodak Co. on a system that employs invisible markers added to inks and other packaging components.

"Our wine is essentially a luxury good and I do believe that these rare and collectible luxury goods are targets," said Colgin, whose ultra-premium wines can fetch hundreds of dollars a bottle at auction.

With the new system, buyers at auctions and other secondary markets can ask the winery to scan their labels if they have any doubts, although the measures are primarily intended to put off counterfeiters.

It's hard to gauge how wide a problem counterfeits are in the U.S. wine industry, which according to a recent industry commissioned study pumps $162 billion a year into the economy, including grape-growing, tourism and other related impacts.

Wine Spectator magazine has reported that some experts believe as much as 5 percent of wines sold in secondary markets such as auctions may be counterfeit, although others consider that figure too high.

Unlike CD and DVD counterfeiting, wine piracy hasn't become a noticeable drain on the industry yet, so U.S. vintners are acting defensively.

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|  Ann Colgin holds up a feshly-kissed bottle of Cabernet Sauvingon at her winery in St. Helena, Calif., Friday, May 18, 2007. For years, vintner Ann Colgin has added a playful seal of authenticity to bottles of her sought-after wines headed for auction, a bright-red lipsticked kiss on the label. But with concerns growing about counterfeiting, she and other Napa Valley winemakers are turning to higher-tech methods of assuring buyers they are taking home genuine wine.(AP Photo/Eric Risberg)<br /> |
| Ann Colgin holds up a feshly-kissed bottle of Cabernet Sauvingon at her winery in St. Helena, Calif., Friday, May 18, 2007. For years, vintner Ann Colgin has added a playful seal of authenticity to bottles of her sought-after wines headed for auction, a bright-red lipsticked kiss on the label. But with concerns growing about counterfeiting, she and other Napa Valley winemakers are turning to higher-tech methods of assuring buyers they are taking home genuine wine. |

There have been cases of counterfeit wines reported in Europe and China, and this spring there were reports that federal authorities in New York were investigating whether counterfeits were passed off as rare vintages, including some said to be part of Thomas Jefferson's collection. According to a lawsuit believed to have partly prompted the investigation, five bottles of wine-including four said to be owned by Jefferson-sold for $500,000.

Regardless of how many phony pinots are out there, it seems clear that interest in preventing fraud has spiked as new technology has become available, said Daniel Welty, marketing manager for Petaluma-based John Henry Packaging, which prints labels for wineries as well as other clients.

"It's more of a case the tools are becoming more available to combat the problem," he said.

Anti-fraud measures being explored include tamper-proof seals, radio- frequency identification chips sunk into corks and using inks that only show up under special lights.

The Kodak technology used by Colgin and three other high-end Napa wineries involves putting proprietary markers, which Kodak will describe only as a "forensically undetectable material" into things such as printing inks, varnishes, paper, etc., that can only be detected by a Kodak handheld reader, also proprietary, which incorporates laser technology.

The idea is to come up with something easy to use and hard to detect, meaning it's that much harder for counterfeiters to figure out and copy, said Steve Powell, general manager and director for Security Solutions, Kodak's Graphic Communications Group.

The John Henry packaging company is using technology developed by Hewlett-Packard Co. to develop multicolored codes or graphics into labels.

Colors and character combinations can be constantly changed to thwart copycats, Welty said.

The codes can be microprinted, so they're visible only with magnification, or in type that can be easily read.

"It's really cool. It's really simple, and nobody can know what the next codes are," he said.

Fine wine can be expensive straight from the shelf, but when it comes to charity affairs, such as the Napa Valley annual wine auction going on this week, prices can go sky high.

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| Slideshow element |
| Ann Colgin kisses a bottle Cabernet Sauvignon at her winery in St. Helena, Calif., Friday, May 18, 2007. For years, vintner Ann Colgin has added a playful seal of authenticity to bottles of her sought-after wines headed for auction, a bright-red lipsticked kiss on the label. But with concerns growing about counterfeiting, she and other Napa Valley winemakers are turning to higher-tech methods of assuring buyers they are taking home genuine wine. |

Last year's high bid was $1.05 million for five large-format bottles of Staglin Family Vineyard Meritage blend, along with a trip to France.

Like Colgin, the Staglins haven't run across fakes so far, but they decided to take a preemptive step and use the Kodak system on large bottles that are likely to end up being traded, said Garen Staglin.

"We want to be sure that we can give our customers the assurance of the integrity of our brand and label after we spent so much time and effort to try to accomplish what we've done over the years," he said.

In San Francisco, Jerome Zech, CEO of WineBid.com, which had $22.5 million in sales last year, doesn't think wine fraud is prevalent.

But with some high-end wines starting at $500 a bottle for pre-release prices, he's all for the industry's move toward anti-counterfeiting measures. "It'll help them and it'll help us as well."

WineBid's officials authenticate wine by only dealing with people they trust and checking bottles against a vast database, Zech said. If something seems off, "we just don't even question whether or not we would put it on our site. We would just reject the bottle."

So when someone showed up with two bottles of a famous French wine-and the glass was different for each bottle, "We go, “Are you joking? Where did you get these things," Zech said. "He had some story, and we just said, “Sorry.'"

<http://hosted.ap.org/dynamic/stories/G/GENUINE_WINE?SITE=MOSTP&SECTION=HOME&TEMPLATE=DEFAULT>

**3.** **A-B Expands Buffett Relationship to Spirits**

*Beer Business Daily*
June 1, 2007

Remember last week when A-B chief August Busch IV spoke of rolling out "high margin craft spirits tests in the Northeast as we get into the Fall of this year, through our three-tier system. We'll expand into a couple more control states that in some cases will be merchandized by our wholesalers, in some cases that's not allowed depending on which state we choose to test those products in."

That got us wondering what the heck he was talking about. It turns out that A-B's partnership with beach singer Jimmy Buffett (cousin to A-B investor Warren Buffett) on their Land Shark Lager in Florida has blossomed into bigger things. A-B is partnering with Buffet again to test Margaritaville Tequila through the A-B network in the Northeast, according to distributors. A-B is also partnering with a craft vodka producer, Vermont Spirits Company, which makes small batch vodka from molasses. Additionally, A-B distributors in the Northeast (CT and MA) have just begun to distribute Hammer + Sickle vodka, imported from Russia (though not under A-B's purview).

Says August: "We also want to look at the products that will bridge the gap between where spirits, wine and beer intersect within the US market place." August has said that spirits intrigue him because it's relatively cheap to make, has a longer shelf life, and travels well. Plus, it's a growing category. High margins and a growing category: that's just simple mathematics.

**4.** **Fortune Brands eyes Absolut Vodka Maker: Report**
**Liquor maker's CEO calls a potential buyout of longtime partner Vin & Spirit 'natural' and 'logical'; analysts say deal could be worth as much as $6 billion.**

*CNN*June 2, 2007

It would be a logical step for Fortune Brands to buy Absolut maker Vin & Sprit, which the Swedish government plans to sell, a Swedish daily on Saturday quoted Fortune's top executive as saying.

The U.S.-based home fixtures, golf equipment and liquor maker, which owns no leading vodka brand, has earlier said it would take a close look at the opportunity to build on its current partnership with Vin & Sprit.

Business daily Dagens Industri said Fortune's Chief Executive and Chairman Norm Wesley this week met with "key persons in the sale process."

"We have cooperated for a long time with Vin & Sprit ... It would be a natural and logical step after our close cooperation if we bought Vin & Sprit," Dagens Industri quoted him as saying.

Analysts have said Vin & Sprit could be worth $5 billion to $6 billion, with the key prize being Absolut, the world's second-best selling vodka after Diageo Plc's (Charts) Smirnoff.

"Absolut would be our biggest brand. But we are also very interested in other brands in Vin & Sprit's portfolio, such as Plymouth Gin and Cruzan Rom," Wesley said. "We have the financial flexibility to buy all or parts of Vin & Sprit, depending on how the Swedish government decides to do the sale."

Fortune Brands (Charts, Fortune 500) has a partnership with Vin & Sprit since 2001, and Vin & Sprit holds a minority equity stake in Fortune's spirits and wine business.

"We would just continue to develop Vin & Sprit together with the current competent management," Wesley said. "Brands like Absolut are built over a long time and it would just be stupid to try to change the brand's Swedish profile or to move production."

Sweden's center-right government, which took power last year, also plans to sell two other fully state-owned firms and stakes in telecoms operator TeliaSonera, bourse group OMX and bank Nordea in the country's biggest privatization push.

Vin & Sprit has also drawn interest from drinks giants Pernod-Ricard and privately held Bacardi, and from private equity funds.

<http://money.cnn.com/2007/06/02/news/international/absolut_fortune.reut/index.htm>



**5.** **NRA Shifts to more Favorable View of Immigration Bill**

Peter Romeo
*NRN*
June 1, 2007

After meeting with President Bush, officials of the National Restaurant Association voiced support Friday for the so-called immigration reform bill currently being considered in the Senate, but expressed hopes of nudging certain provisions in a direction more favorable to the trade.

Specifically, said lobbying chief John Gay, the group would like to rework the proposed systems for verifying the legality of a job applicant, and soften the penalties currently being considered for an illegal hire. Wrong-doers should be punished, but "we don't want to see fines that could put someone out of business," he said.

Chairman Dick Rivera expressed disappointment that the measure permits only 200,000 temporary workers to be allowed into the country on a two-year visa every year, instead of the 400,000 permitted under an earlier bill.

Those components, along with requirements that the heads of illegal households return home before the family seeks legal residency, had prompted the association to criticize the compromise bill after it was hammered out by Sens. Ted Kennedy (D-Mass.) and John Kyl (R-Ariz.) about two weeks ago. At the time, Gay called the compromise measure "worst than expected," and cited "a lot of potential concern." Similarly negative assessments were offered by the National Council of Chain Restaurants and other groups representing employers.

"While it is not likely to make everyone happy, it does have the majority of what people wanted," Rivera said Friday about the measure. "It's worthy of support." He called it "good architecture," and indicated the association would support its passage while working on such specifics as raising the number of visas that would be granted to temporary workers.

The alternative, warned Gay, senior vice president of government affairs and public policy, would be state or local measures calling for "increased enforcement" of immigration laws, "without addressing the underlying problems." He noted that 1,159 bills on immigration have been introduced in statehouses this year, or double the tally for all of 2006.

"We have concerns with the [Kennedy-Kyl] bill, but nothing can be accomplished if it dies in the Senate," Gay said. "It doesn't mean we'll not at least try to change some things. We can look to increase the numbers with the current architecture."

Speaking with industry just minutes after returning from the White House, Rivera and Gay said the President had made it very clear that he intends to push through an immigration reform bill before 2008 election campaigns kick into high gear.

"The President has said he wants this on his desk and he wants action now," said Gay.

Rivera said the President wanted to know "if we were for him or 'agin' him" on the measure." The Commander in Chief was apparently assured that he had the industry as an ally.

"The bill currently working in the Senate is worthy of support," Rivera stressed to the reporters. "The timing is right."

Gay said the Senate will likely vote early next week on whether or not to close debate on the bill, which could lead to a vote by the full Senate on Thursday or Friday.

The measure is expected to face some resistance in the House of Representatives. "It's important that it gets passed in the Senate, and by a significant majority, to send a message to the House," said Rivera. "There's an emotional, activist group out there that's making its voice heard, and most of us are trying to serve another lunch or another dinner. We need to get the grassroots going on this."

<http://www.nrn.com/breakingNews.aspx?id=340926>

**6.** **Can do - Craft-Beer Makers Kicking Glass, Going Metal**

Rick Nichols
*Philadelphia Inquirer*
June 2, 2007

If there was one reliable signal of a beer's seriousness and pedigree, not to mention cost, it could usually be spotted in the packaging: Odd-shaped bottle? Good. Ceramic-looking bottle with noir Euro-graphic? Better. Wire basket, cork stopper and monastic shield? Be still, my beating heart.

So one has a certain sympathy for the befuddlement that has descended on Monk's Cafe, the mecca for Belgian and craft brews, at 16th and Spruce Streets.

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| Why does Monk&#0039;s Cafe, famous for craft brews, offer pedigreed beer in cans? Well, for starters, they easily thwart the twin enemies of ultraviolet light and air. They chill faster, too. |
| Why does Monk's Cafe, famous for craft brews, offer pedigreed beer in cans? Well, for starters, they easily thwart the twin enemies of ultraviolet light and air. They chill faster, too. |

Monk's was the first local joint to lift a glass to a whole new galaxy of beers - Flemish sour ales and smoked beers; fizzy lambics and hazy wheat beers, and the early small-batch lagers from Carol Stoudt, the pioneering (female!) micro-brewer in Adamstown, Pa.

Expectations were raised. Style was elevated. Thus, when you belly up to the venerable bar and order a featured Pikeland Pils, the exquisite, German-style pilsner from Sly Fox, the Phoenixville brewer, there is one thing you are not in any way conditioned for: The stuff, my friend, comes in a can.

You heard that right: Craft beer(s) in a can.

Felicia, the backroom bartender at Monk's, has seen the reaction: "You slap it down on the bar, and they look surprised." Like the first time you order fine wine at a white-tablecloth place, and the waiter unscrews the cap at the table.

I'd had advance notice the other night. Co-owner Tom Peters invited me to a dinner with Lucy Saunders, the charming beer maven and cookbook author (her latest is the self-published Grilling with Beer, $20) from Milwaukee: "We'll have picnic beers, all craft beers in cans," he warned brightly.

Even so, I was taken aback as hip-looking can (21st Amendment's clean Waltermelon Wheat) after soft-green can (Butternuts Heinnieweisse) emerged from the ice. I didn't even pour it right. Saunders grabbed the first can out of my hand as I slid its contents down the side of my glass. Pour down the middle, she instructed, the better to release the eager carbonation.

I looked for bottle snobs. Couldn't find any. At least, not this night: What's up with cans? I asked George Hummel, the un-shy beer writer: "Better than bottles," he said. I asked Saunders: "They're impervious to ultraviolet light and air, the two enemies of beer."

Shaun O'Sullivan, the owner of 21st Amendment, the San Francisco brewpub, was defiant: "We've got to take this packaging back from the big brewers!"

Therein, of course, lies the image problem; we've been conditioned, Saunders offered, to expect the worst from a can - airy, insipid suds. But this ain't the can's fault, it turns out.

Indeed, the latter-day beer can is lined with polymer film, mooting the metallic-taste problem once associated with cans' welded seams. In the green department, it scores well, too: It's lighter to transport, takes less energy to chill, recycles like a charm. (Doesn't cut feet.)

Chris Fetfatzes at Bella Vista Distributors, 11th and Fitzwater Streets, which stocks cans of Sly Fox's summery weisse beer along with the Pikeland Pils and Dale's Pale Ale, is a convert, too: He thinks cans keep temperature more stable. (The Foodery, at 10th and Pine and at Second and Poplar, also carries craft beer six-packs.)

So what took so long? One, says Peters, the cost of putting a new canning line in a craft brewery has become more affordable. (They run about a third the $250,000 price of a new bottling line, and there's no need to add labels.) Second, can suppliers, who required minimum orders in the millions, are now offering smaller batches - in the tens of thousands - to small-batch brewers.

Opportunity knocks: Craft beer poised to go mobile, competing with the big boys on their own turf (and surf). Can the day be far off when beer-can chicken gets uppity, demanding its due on the city's tonier menus?

<http://www.philly.com/inquirer/columnists/rick_nichols/7749512.html>

**7.** **Whiskey Maker puts Craftsmanship into Barrels that hold key to Liquor's Flavor**

Bruce Schreiner
*Associated Press*
June 4, 2007

Not even devoted fans of Jack Daniel's would recognize the clear liquid poured into barrels at the popular whiskey's Tennessee distillery.

At that point, the potent brew looks more like "white lightning" than the world's best-selling whiskey. It's while maturing for years inside new charred white oak barrels that the whiskey acquires its amber color, plus most of its taste and aroma.

Louisville-based Brown-Forman Corp. pays close attention to producing the barrels. Its barrel plant, among the largest in the country, mixes tradition with a mechanized process to keep pace with demand for Jack Daniel's and its Kentucky bourbon whiskey brands.

"A barrel is a very important part of the recipe of the finished product," said Jerry Nalley, production manager at Blue Grass Cooperage.

Each bourbon maker has its own barrel specifications, so having its own cooperage allows Brown-Forman to make sure its barrels are tailored to its needs, Brown-Forman master distiller Chris Morris said.

The Louisville plant has a long history. It started as a furniture factory in the early 1920s, then turned into a munitions plant that made rifle stocks for the British. Once the United States entered World War II, the plant produced plywood used in bombers and fighter planes. Brown-Forman purchased the plant after the war and converted it to make barrels for its whiskeys.

Each week, 191 production workers make 10,000 to 11,000 barrels, each holding 53 gallons -- amounting to anywhere from 240 to 280 bottles of whiskey. Huge columns of oak strips are stacked in pallets outside the plant. Inside, chugging machinery noisily shapes the wood.

Some 90 percent of barrels are filled with Jack Daniel's, reflecting the brand's robust market share. Case sales of Jack Daniel's Tennessee Whiskey rose 6.6 percent last year to 8.9 million cases, and the brand is sold in 135 countries. The rest of the barrels will hold Brown-Forman's Old Forester and Woodford Reserve bourbons. Case sales for Woodford Reserve, the company's premium, small-batch bourbon, reached 100,000 last year, up 23 percent over 2005.

"We rely completely on the barrel for the color and a lot of the flavor," said Jimmy Bedford, master distiller for Jack Daniel's, which is produced in Lynchburg, Tenn.

During the summer heat, the whiskey expands into the wood. When temperatures turn colder, the liquor comes back out of the wood, each time bringing with it more color and flavor.

A master distiller decides when whiskey reaches maturity, then mingles liquor from different barrels for the desired taste. The exception is for premium single-barrel brands.

Unlike Brown-Forman, other whiskey producers buy their barrels rather than make their own. Brown-Forman won't disclose how much a barrel costs for proprietary purposes. Those master distillers are just as picky about the barrels used to age their handiwork.

"The bottom line is, if you don't have a good barrel, the product that comes out of it is not going to be good," said Parker Beam, co-master distiller at Heaven Hill Distilleries, which has several barrel suppliers for its bourbons, which include Evan Williams and Elijah Craig brands.

Beam, a descendant of Jim Beam, wants a certain moisture content in the wood. If it's too high, "the wood is going to be too porous and the whiskey doesn't age good," he said.

Even with the best-made barrels, a portion of the bourbon is lost to evaporation during aging -- which insiders refer to as the "angels share." Bourbon makers want sound barrels to minimize that loss, said Jerry Dalton, master distiller at Jim Beam, which buys its barrels.

"We don't want to make the angels too happy," he said.

Morris said having access to freshly made barrels is important in producing the company's bourbons.

Morris, who is based in Louisville, will visit the barrel plant occasionally -- a recognition of the partnership between distiller and barrel makers.

"He knows what he needs out of our wood to make his whiskey," Nalley said. "And that's our job, to give him what he needs."

To keep pace with demand, the plant uses 24 million to 26 million board feet in a year. Because of strict specifications, demand for barrels is constant. Jack Daniel's and Kentucky bourbons are stored in new charred oak barrels, as required by law.

Reusing a barrel, Bedford said, would be "kind of like using a coffee bag or a tea bag. You just wouldn't get the same effect the second time around."

Used barrels still have value. The company sells them to other spirits makers to store rum, tequila, scotch, Irish whiskey and other liquors.

The Brown-Forman barrel plant is a hive of activity. Conveyer belts move wood strips around for processing. In the char tunnel, flames shoot upward as the inside of each barrel is blackened. The outside of the barrel retains its light oak color.

To look for leaks, a worker pumps water and pressurized air into each barrel. At the end of assembly, if there are no water leaks and pressurized air shoots out when the barrel is unplugged, then the barrels are ready to be shipped to a distillery.

Other tasks remain hands on. Melissa Kappel has one of those jobs. The petite 21-year-old is a barrel raiser -- an old-fashioned job that requires piecing together a few dozen strips of wood to form each barrel. The job is one of the highest paid and most grueling.

Each barrel raiser is expected to assemble 268 barrels per shift. She and her male colleagues are constantly in motion, reaching for wood strips and putting them in place.

The pace is fast. Methodically, Kappel picks out strips with differing widths to form a barrel. She finishes by wrapping a metal ring around each barrel.

"It was kind of hard at first," she said during a break. "The hardest part was being able to get the rhythm and getting faster at it."

There were plenty of doubters when she started out 2.5 years ago.

"Everybody told me, “Just wait until you go back there raising barrels, you're not going to be able to do it"' said Kappel, who lives in Elizabethtown. "I just wanted to show them that I could do it, and I went back there and did it."

A scoreboard keeps track of each worker's pace. On a recent shift, Kappel was in the middle of the pack among five barrel raisers -- behind two men and ahead of two others.

"At first, a bunch of them (male co-workers) would jump in and try to help me," she said. "But now they won't. Now they don't want to do anything for me, nothing."

Kappel is keeping alive a tradition as rich as the whiskey her barrels will hold.

"The final product is still the same," Nalley said of the plant's handiwork. "A barrel today would look like a barrel 200 years ago."

<http://www.nctimes.com/articles/2007/06/05/business/news/17_28_596_4_07.txt>

**8.** **Anheuser-Busch to Distribute Tequila in US**

*Just-Drinks.com*
June 7, 2007

Anheuser-Busch has confirmed plans to distribute Margaritaville Tequila in the US state of Massachusetts.

The company said yesterday (6 June), that the agreement builds on the relationship with Jimmy Buffett, who A-B partnered with earlier this year to develop Land Shark Lager through its Margaritaville Brewing Company.

AB's vice president of business operations Dave Peacock said: "While our core brands remain our primary focus, we recognise that our industry is defined by change and look at all sources of industry volume for potential growth opportunities."

The US-based brewer recently reported a 3.7% year-on-year lift in Q1 net income, which hit US$518m. Net sales for the three-month period edged up 2.7%, reaching $3.8bn. US market share, however, slid in the three-month period, down to 50.2% from 50.9% a year earlier.

# grapes<http://www.just-drinks.com/article.aspx?ID=90509&lk=dm>9. For Fans of European Beer Imports, a Dry Spell?

David Kesmodel and Julie Jargon
*Wall Street Journal*
June 8, 2007

At Rosie McCann's Irish Pub & Restaurant, an upscale tavern in San Jose, Calif., patrons frequently request Stella Artois, a Belgian lager whose origins go back to the 14th century. But for nearly all of last month the Stella tap was dry. "People were frustrated," says bartender Fee Bakhtiar. "We'd say, 'Oops, we're out. There's a nationwide shortage.' It was embarrassing."

At the start of prime beer-selling season, bars and retailers are facing low inventories of Stella, one of the nation's fastest-growing imports, as well as Bass, Beck's and other European beers made by [InBev](http://online.wsj.com/quotes/main.html?type=djn&symbol=inb.bt) SA, the world's largest brewer, based in Leuven, Belgium. The reason: Anheuser-Busch Cos. has run into distribution problems since becoming the exclusive U.S. importer of 19 of InBev's European brands in February.

![[Photo]]()At the root of the supply problem are the complicated rules of the U.S. beer business. Under a U.S. law dating to the end of Prohibition in the 1930s, brewers generally must sell their beers through wholesalers, who distribute to bars, restaurants and retailers. Anheuser -- a giant that had 2006 net sales after excise taxes of $15.7 billion and nearly half of the U.S. beer market -- is known for its vast network of distributors, many working exclusively for Anheuser. This was attractive to InBev, which previously imported its European beers into the U.S. under a unit called InBev USA. Anheuser-Busch and InBev haven't revealed financial terms of their relationship.

Although Anheuser acquired the right to import InBev beers, which companies would distribute them in the U.S. remained to be nailed down. Previously, few of Anheuser's wholesalers handled beers made by InBev. Now, in many states, distributors who work for Anheuser have a legal right to take on distribution of InBev beers -- but that typically means paying the previous distributor for the contract.

These transitions have played a part in disrupting deliveries of InBev beers. Some wholesalers preparing to sell their contracts curtailed orders for InBev beers, while new distributors had to wait to place orders, InBev Chief Executive Carlos Brito told analysts last month. There's "also lead time involved in shipping product across the ocean," he added. An InBev spokeswoman said yesterday that the company is "resolving this short-term issue to ensure we can meet the very high consumer demand," and expects "conditions to improve."

Anheuser and InBev are working closely "to accelerate deliveries" to the U.S., "and have taken multiple steps to relieve the delays as quickly as possible," Dave Peacock, Anheuser's vice president of business operations, said yesterday.

![[chart]]()In a number of cases, Anheuser has filed lawsuits against distributors reluctant to give up the highly profitable class of beers. Several cases are still pending. However, more than 60% of the InBev beer imported to the U.S. is now distributed by wholesalers who also handle other Anheuser products -- better than the brewer expected at this point, Mr. Peacock said. However, much of the remaining InBev beer is distributed by wholesalers that also handle beers from Miller Brewing Co. and Molson Coors Brewing Co. -- fierce rivals of Anheuser.

The InBev deal is key for St. Louis-based Anheuser because the company's domestic-beer business is growing slowly, and imports are hot. In a time of increased wealth and brand awareness, many American beer drinkers are showing a willingness to pay more for flavor or the cachet of a foreign brand. Led by Corona Extra and Heineken, imports accounted for 13.9% of the U.S. beer market last year, up from 11.7% in 2004, according to Adams Beverage Group, a market-research and publishing firm in Norwalk, Conn.

While many European beer drinkers consider Stella Artois a standard brew, its popularity in the U.S. is rising, especially on the East and West coasts. The brand -- typically selling for $2 to $3 more than domestic six-packs in stores and about $1 more per draft pour in bars -- jumped to 1.7% in the highly fragmented U.S. imports market last year, up from 0.3% in 2002, according to Beer Marketer's Insights newsletter.

The shortages of Stella and other InBev brands are frustrating Anheuser's distributors, though on the whole they are happy to see the company make an imports deal with InBev as domestic beers, including Anheuser's Budweiser, have lost market share. (InBev's Labatt Blue, made in Canada and the company's best seller in the U.S., isn't included in the Anheuser agreement.)

"There's nothing worse than an empty tap handle," says Fred Dana, owner of Dana Distributing Inc., a Goshen, N.Y., wholesaler for Anheuser products. "If the shortages continue, we're going to lose accounts."

Mr. Dana, who distributes beer in three New York counties, says he has been having a hard time getting his hands on Stella and other InBev beers since March, when he bought the wholesale contract from a rival for a price in the millions of dollars. He's angry because he paid a premium, based on the high rates of growth of Stella and certain other beers. "Now we don't have the product to recoup our investment," he says.

Donnie Kruse, co-owner of BB's, a brasserie-style Chicago bar known for serving InBev beers Stella, Hoegaarden and Leffe, on Wednesday learned that his distributor is out of Stella, his top seller. Mr. Kruse worries his five remaining kegs of Stella will run out by the end of the weekend and that he might have to offer it in bottles.

"I only like Stella on draft," says Kelly Arst, a 33-year-old advertising executive who stopped by BB's for a Stella the same night. If it's unavailable, she says, she prefers another brand on draft to a bottle.

Another Chicago bar, the Pepper Canister, has experienced routine shortages of InBev's Hoegaarden, a Belgian wheat beer. Because of that, last month the bar switched to Blue Moon, a Molson-Coors brand. "We couldn't afford to be out of one of our draft beers; we only have eight taps," explains bartender Rebecca Martin. "We're coming into summertime and we needed a *weissbier* on tap."

<http://online.wsj.com/article/SB118127040274828739.html?mod=googlenews_wsj>

**10.** **Senior Alcohol Abuse a Growing Problem**

*Beverage News Daily*
June 8, 2007

Earlier, the National Conference of State Liquor Administrators was told alcohol abuse is a growing problem among the nation’s senior citizens. And it’s going to get worse, suggested Lynn Walding, Iowa’s ABC director.

“It’s an issue we have ignored,” he said, “because we’re focused on underage – who don’t have a vote.”

Seniors can consume about half as much as younger adults because they have less lean body mass, may have dementia and find themselves in a different social environment, he said. He predicted senior alcohol issues will become a greater issue in the future. “Twenty years ago, we didn’t care about server training, and viewed alcohol as part of a ‘rite of passage’. This needs to be on your radar: Seniors are living longer and will impact society and the alcohol industry.

There’s a lot that can be done to prevent alcoholism from becoming a serious problem, said Adam Chafetz, of Health Communications Inc, which produces the TIPS server-training program. “In retirement communities, kids are bringing their parents alcohol. The parents drink, and then the kids take their money.”

Paul Barbeau, a regional manager for Moose International and a retirement community resident, said alcohol abuse among seniors is a result, partially, of boredom. “People getting ready to retire do serious planning on where they will retire and their finances, but not about what they are going to do.

“They get depressed,” he said. “If you go to RV parks, the social activity is centered around alcohol. Or they join the Moose, the Elks or other fraternal organizations, where the social activity is centered around alcohol.”

Connie Wurm, a geriatric mental health specialist for Evergreen Health Care, Seattle, said half of all persons over 85 have dementia. “When you have dementia, you forget you had a drink five minutes ago. So you have another, and another.”

If state liquor administrators were looking for answers, they didn’t get them. Wurm suggested children tell their parents to stop drinking and get into treatment. But that could be a problem, suggested Chafetz. “Baby boomers don’t like to be told what to do,” he said, adding they’ll do just the opposite.”

One attendee suggested “going after the casinos, where Mom and Dad are drinking.” Barbeau responded that casinos “aren’t selling alcohol to you. They’re giving it to you because they want you to keep pulling the handle or pushing the button on the slot machine. Maybe you need new regulations on giving alcohol away.”

**[II. IOWA NEWS.](#II)****11. City Certifies 21-only Petition**

Stephen Schmidt
*Daily Iowan*

June 4, 2007

A 21-only ordinance submitted by a local group now has two possible destinations: directly into law or onto a November ballot.

On May 30, city clerk Marian Karr certified the Committee for Healthy Choices' 21-only petition, which would require people under the age of 21 to leave bars by 10 p.m. or face a $250 fine.



The committee submitted 4,162 signatures on May 11 and wound up with 3,576 certified signatures - 243 over the required 3,333 - that Karr matched to an Iowa City list of registered voters.

Now that the city clerk has certified the petition, the City Council is required by the city charter to act on the matter within 60 days. Karr said the council will most likely discuss the issue during council meetings on June 18 and 19.

 Rick Dobyns, a UI clinical professor of family medicine, submitted the petition as a co-sponsor in February. He said he was happy and relieved that the petition had been certified, and he said that no matter what the council decides, he feels it will further the debate on underage drinking.

"I think it will be a real opportunity [to educate people] on the issue if the council decides to put this on the ballot," Dobyns said.

Leah Cohen, the owner of Bo-James, 118 E. Washington St., said she opposes the 21-ordinance because she feels it would lead to an increase in house parties that would strain the Iowa City police force. But she agreed with Dobyns that the following months will provide an excellent opportunity for both sides to educate the public on this long-disputed issue.

If the council decides not to implement the proposal within the allotted time, the issue will go to a public referendum for registered voters in Iowa City on Nov. 6. The measure would require a simple majority to become law.

At a candidate forum on May 2, Mayor Ross Wilburn said he supports the 21-ordinance because the state drinking law is 21, but he would like to see it come to a public vote.

City Councilor Regenia Bailey said she thinks the proposed ordinance does little to address problems with house parties and the overall climate of irresponsible drinking in Iowa City. However, she agreed with Wilburn that the council should let the public decide about the ordinance.

"I think [a referendum] provides a better forum for public discussion than just seven people talking about it," she said.

<http://media.www.dailyiowan.com/media/storage/paper599/news/2007/06/04/Metro/City-Certifies.21Only.Petition-2911367.shtml?reffeature=htmlemailedition>

**12.** **21-Only Law is Wrong Way to Combat Underage Drinking**

*Daily Iowan - Editorial*

June 6, 2007

The proposed ordinance that would bar anyone younger than 21 from patronizing Iowa City bars (after 10 p.m.) has gained enough support in the community to warrant consideration by the City Council. Several councilors have indicated that they will not make a decision on the petition set forth by the Committee for Healthy Choices, allowing a decision on the issue to be made by the citizens of Iowa City. While efforts to curb underage binge drinking are commendable, passing this ordinance would be a rash move that will not have a notable effect on underage drinking.

Underage drinking - especially binge drinking - is an issue that university and city officials have been grappling with for some time. The petition put forth by the Committee for Healthy Choices appears at first glance to provide an easy solution, but the fact remains that keeping underage students out of bars will not prevent them from drinking. The oft-cited concern that underage drinkers on campus will shift their focus from the bars to house parties to quench their thirst is a very valid one. If this ordinance is passed, the comparatively unregulated house parties will continue to win a larger share of underage partygoers. Efforts to stamp out underage drinking should be focused on issues of student safety. The inevitable explosion of unregulated parties taking place in relatively unpoliced off-campus neighborhoods should be a major cause for concern.

The concentration of underage drinkers downtown on any given weekend makes it more probable that police patrolling the area will catch them; indeed, the dozens of PAULA citations issued on any given weekend are a testament to the ability of our police officers to enforce the law.

Allowing underage partiers to patronize establishments in the same area where police patrols are concentrated is a way to deter underage drinking. The strong police presence, coupled with the escalating cost of underage possession tickets, is an effective way to cause the underage drinker to think twice before reaching for a beer - surely more effective than any regulation regarding kegs and house parties, where police officers are often scarce. Underage drinkers in bars are still under the watchful eye of the sober bar staff when they imbibe. The same supervision that prevents bar fights and keeps dozens of inebriated bar-goers from getting too unruly is completely absent at house parties.

Safety concerns go well beyond the reality of unsupervised binge drinking at such parties. The spate of sexual assaults that occurred during the last academic year occurred, for the most part, in the neighborhoods around downtown that house a large percentage of the student population. Neighborhoods such as the one immediately east of downtown are also where many house parties are held, but these areas lack the constant police presence of the Pedestrian Mall. A 21-only ordinance would only increase the torrent of students that flock to these parties, and more police attention would have to be diverted from maintaining order among unruly bar goers on the Ped Mall.

There are concerns as well regarding the economic impact on bars downtown, many of which derive a portion of their income from cover charges levied on those under 21. The city generates a significant amount of revenue from issuing PAULA citations as well, income that would decline were underage drinkers to be barred from those areas most patrolled by the police. These concerns are secondary, however, to the safety of students. University and city officials should make every effort to educate students regarding the ill effects of excess alcohol consumption, and it is paramount that the ultimate goal of underage drinking laws - to protect the well-being of the young adults on this campus - not be forgotten.

<http://www.dailyiowan.com/home/index.cfm?event=displayArticlePrinterFriendly&uStory_id=fa7d2212-c996-4945-aae9-e1a8df55d154>

**13.** **Cigarette Thieves March in Boldly and Load Up**

Tom Alex

*Des Moines Register*

June 4, 2007

Cigarette thieves are becoming bold -- another indication that the dollar-per-pack state tax increase has made cigarettes a lucrative commodity for criminals.

About 5 o'clock this morning, two men walked into the Kum & Go convenience store at 2930 Hickman Road in Des Moines and loaded their arms with cigarettes and then fled from the store.

One of the men is believed to have taken 8 to 12 cartons of Marlboro cigarettes. The other man took an undetermined number of Marlboro packs.

The men jumped into a red sport utility vehicle and drove west on Hickman.

The Kum & Go theft was captured on the store's surveillance camera. But no arrests have been reported.

Police said the robbers did not bother with taking anything from the store's cash drawer.

In a similar incident Sunday night, a man walked into the Git-N-Go Convenience Store at 816 E. Euclid Ave. in Des Moines about 11 p.m. and ordered the clerk to walk out from behind the counter.

She obeyed and watched as the man then went behind the counter and grabbed more than 20 cartons of cigarettes and dumped them into a garbage container. The thief then took the container as he headed out the door.

On his way out of the store the man paused and told the clerk he was sorry.

Police will be checking the store video surveillance camera today in an effort to identify the thief.

<http://www.desmoinesregister.com/apps/pbcs.dll/article?AID=/20070604/NEWS/70604005/1001>

**14. D.M. man Charged with Waving gun at bar Patrons**

Michele Brown

*Des Moines Register*

June 4, 2007

A Des Moines man accused of pointing a gun at a crowd of people at a local bar was arrested Sunday and charged with assault with a deadly weapon.

Demetrius Tyrone Armstead, 26, of 3451 Grand Ave., was charged in the incident.

Police responded to calls of a fight at Hopper’s bar, 2515 Wedgewood Road, where a man was reportedly making threats with a handgun.

According to the police report, a man was starting arguments with various patrons at the bar. When the man's friends arrived in a gold 1990 Lincoln, the man went to the trunk of the car, removed a handgun, directed it at a crowd of people and yelled profanities, according to police reports.

When police arrived, witnesses told officers that the man had left along with several other people in the Lincoln.

According to reports, the vehicle was spotted entering a Perkins’ parking lot at 2425 E. Euclid Ave. shortly after leaving Hopper’s.

Police said they found Armstead, who matched witnesses’ descriptions, and four other suspects leaving the vehicle.

Police ordered all five men to the ground for safety precautions, at which time Armstead became verbally aggressive, refusing to remain on the ground, according to reports.

Armstead began making threats and approached police officers. Officers then placed Armstead in handcuffs. Armstead continued making threats, screaming profanities toward the officers, police reports said.

According to those reports, Armstead had a “strong smell of alcohol, blood-shot eyes and slurred speech.”

Officers later searched the vehicle a found a loaded .45-caliber handgun inside.

Armstead also was arrested on a charge of public intoxication.

<http://www.desmoinesregister.com/apps/pbcs.dll/article?AID=/20070604/NEWS/70603006/1001>

**15.** **Council to Revisit Alcohol Limits at BBQ Fest**

Ryan Brinks
*Times Republican*
June 4, 2007

Stemming from an item pulled out of the consent agenda for discussion at the Marshalltown City Council’s last meeting, the city’s elected officials will on Monday again take on the topic of where liquor sales and consumption should be allowed during events and reunions like the approaching barbecue festival in Riverview Park.

At the meeting, the council will also talk about an agreement for a federal grant that will provide 95 percent of the $62,000 in costs to plan and perform an environmental study of a future runway extension at the Marshalltown Municipal Airport. The city will be required to contribute $3,100 in order to receive the grant.

The only other scheduled discussion item involves Alliant Energy’s request to be annexed into the city limits. Public hearings on this topic will be held June 11 along with votes to approve the annexation request and establish zoning and land use designations for the property.

<http://www.timesrepublican.com/News/articles.asp?articleID=10069>

**16.** **Osage Redefining Alcohol Ordinance**

David Namanny
*WCF Courier*
June 1, 2007

While consumption of alcohol by people less than 21 is illegal in Iowa, the issue isn't quite that simple in Osage because of a quirk in city code.

So last week, council members approved the first reading of an ordinance amending the community's policy. The new language, patterned after an ordinance in Mason City, adds the words "prohibiting the consumption of alcohol by persons under age 21." The new code also sets penalties and fines the city can levy.

Existing code defines no violation if an underage passenger is found with alcohol on their breath but no containers are present in the vehicle. With the redefined policy, authorities could charge the person with possession by consumption.

Police Chief Russell Slight says the new ordinance does a couple of important things.

"It provides another tool for us to use in enforcement and actually sets fines that aren't quite as high as the state. It will also keep more of the money paid in fines in the city," Slight said.

The ordinance describes three areas of unlawful acts by minors that can now be enforced by the city: consumption of alcohol; appearing in public after consuming alcohol; and possessing alcohol with intent to consume.

Proposed fines are $50 for the first offense and $100 for the second. A third offense would result in a $200 fine and up to 30 days in jail.

The second reading of the ordinance will take place at Monday's council meeting.

In other business, council members will again consider an ordinance creating a buffer zone between property lines and areas where manure can be applied. The council discussed the issue last week and passed the first reading.

Under the proposal, manure could not be applied within 100 feet of a land owner's property line.

Some residents within city limits have horses, specifically in the areas of South Fourth Street and Division Street, and odor from manure has generated some complaints.

<http://www.wcfcourier.com/articles/2007/06/01/news/regional/00dfc812b0f60640862572ed003da2d8.txt>

**17.** **Man Guilty in Fatal Accident**

Jeff Reinitz
*WCJ Courier*
June 2, 2007

It took jurors only about 45 minutes to determine the fate of a Waterloo man charged in a fatal traffic accident.

After three and a half days of testimony and arguments, the jury found Dorray Darnell Cooper, 43, guilty of vehicular homicide Friday afternoon.

Flanked by his attorney, Cooper stood silent as the panel delivered the verdict.

Prosecutor Joel Dalrymple said Cooper was intoxicated when his Cadillac veered out of his lane on Logan Avenue Dec. 3 and collided with a Ford Tempo driven by Debra Oldenburger Ahles.

She died at Allen Hospital from the injuries.

Tests determined Cooper's blood had an alcohol level of .272, well beyond the legal .08 limit, Dalrymple said. Police estimated he was traveling 52 to 57 mph in the 35 mph zone at the time of the accident.

Public Defender Aaron Hawbaker argued the state couldn't prove his client's guilt. The defense didn't put any witnesses on the stand but relied on cross-examination of prosecution witnesses.

After the accident, Cooper first denied he was drinking but then told them he had two tall cans of beer at his brother's house. He told investigators he had just turned onto Logan Avenue and was going about 30 mph when a truck forced him out of his lane as it came up behind and passed him.

Police said footage from a security camera contradicted this version of events.

Cooper faces up to 25 years in prison, and sentencing will be at a later date.

He still faces trial for a disorderly conduct charge for allegedly causing a disturbance when he was being treated at the hospital following the accident. That trial is scheduled for June 25.

<http://www.wcfcourier.com/articles/2007/06/02/news/metro/79a8285e534d0963862572ee0019e53a.txt>

**18.** **Another Apologetic Robber Steals Cigarettes**

Tom Alex

*Des Moines Register*

June 5, 2007

An apologetic Marlboro thief robbed a Git-N-Go store Monday on the south side of Des Moines.

It marked the second time in two days that a man committed a hold-up and then said he was sorry.

Two men entered the Git-N-Go store at 2700 Indianola Ave. on Monday night, demanding money. One of the men kept a hand in a pocket as if he had a weapon, police said. The men took 10 to 20 cartons of Marlboro cigarettes.

As they left the store one of the men told the clerk, "Sorry about this."

A similar robbery occurred Sunday at the Git-N-Go store at 816 E. Euclid Ave. Some 22 cartons of cigarettes were taken in that hold-up. As one of the two robbers left that store one of them said he was sorry.

<http://www.desmoinesregister.com/apps/pbcs.dll/article?AID=/20070605/NEWS/70605005/1001/NEWS>

**19.** **3 Cigarette Thefts, 4 days in D.M.; Police say it's Tax**

**The $1 increase means a higher sales price - and a stiffer penalty for people who steal them.**

Tom Alex

*Des Moines Register*

June 5, 2007

A man walked into the Git-N-Go store at 816 E. Euclid Ave. in Des Moines on Sunday night and ordered a clerk to get out of the way. He loaded cartons of cigarettes into a garbage container and left, but not before he told the clerk he was sorry.

Depending on the number of cartons, he could be more sorry than he knows.

The higher cost of cigarettes - which is because of a tax increase signed into law by Gov. Chet Culver earlier this year - could have a heightened impact on those who steal them, Des Moines police Sgt. Dave Murillo said.

Because the severity of theft cases is related to the value of what's stolen, "what used to be a simple misdemeanor may now be a serious misdemeanor," Murillo said. "An aggravated misdemeanor may now be a felony."

A theft of $900 in cigarettes is an aggravated misdemeanor, punishable by up to two years in prison. But if the heist is worth more than $1,000 - about 40 cartons - the charge is second-degree theft, punishable by up to five years.

Culver's signature raised the tax on cigarettes and other tobacco products from 36 cents to $1.36.

Bandits have passed up cash registers at Des Moines stores and headed straight for the cigarette racks three times in the past four days, police said.

"You can't help but speculate this is due to the tax," Murillo said. "We haven't seen people just walking in and taking large quantities of cigarettes like this before."

- Two men left the Kum & Go store at 2930 Hickman Road shortly after 5 a.m. Monday with about a dozen cartons and fled in a red sport utility vehicle.

- At the Walgreens at 3501 Ingersoll Ave. on Friday morning, a man fled with $266 worth of Marlboros. He injured a clerk when he pushed her into a merchandise rack.

Wholesalers and truck drivers in Boone have been on guard since thousands of dollars' worth of cigarettes were stolen from a Boone Freight Lines warehouse March 25, less than two weeks after the tax increase went into effect.

Des Moines Police Lt. Mark Morgan said the increase in cigarette thefts has mirrored what happens when gasoline prices rise.

Des Moines police took 121 gas-theft reports last month.

<http://www.desmoinesregister.com/apps/pbcs.dll/article?AID=/20070605/NEWS01/706050384/1001/NEWS>

**20.** **Your guide to Winefest**

Olivia Gonzalez Howe

*Juice*
June 4, 2007

If you like wine (or just pretend to) this is a good weekend to be in Des Moines. 500 wines to taste? Check. Affordable ticket price? Check. Let us answer all the important questions you may have about Sips and the City and Winefest.

Q: Drinking wine sounds great. How much will this set me back?

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| --- |
| http://cmsimg.desmoinesregister.com/apps/pbcsi.dll/bilde?Site=D2&Date=20070604&Category=JUICE02&ArtNo=706060303&Ref=AR&maxw=260&Q=100 |
| Lisa Meline, 35, and Lucrezia DeFrancisco, 31, hold their glasses at as Donald Shannon of Vias Wine pours at last year's Sips & the City. |

A: Sips and the City tickets are $35 in advance, $40 Friday. Tickets to Saturday's Grand Tasting are $65 in advance, and $70 Saturday. And tickets to Thursday's Prima Dinners (high-end wine and food at spots across the metro) are $250 per person. Buy your tickets online at winefestdesmoines.com or at any Dahl's store.

Q: So what does the $35 get me at Sips and the City?

A: That ticket covers all the wine you want to taste between 6-9 p.m. and a free wine glass at the entrance. There's also free gourmet cheese, breads and other light snacks from local shops like the Gateway Market, Court Avenue Restaurant and Brewing Company, Dahl's and the Market at Jordan Creek. P.F. Chang's and Maid Rite will also serve food. And variety band Dr. Feelgood will perform their mix of dancing, Motown, oldies, contemporary and country tunes. The band will set up on the outdoor stage on the far side of the wading pool.

Q. What's the difference between Sips and the City and the Grand Tasting?

A: A lot, starting with the ticket price. Saturday night's Grand Tasting is a little more upscale and elegant, and wine tasters tend to dress up a bit more. Local restaurants serve gourmet food - including their signature dishes. The vintners also save their best wines for the Grand Tasting. For a fun, laid-back and casual atmosphere, check out Friday night's Sips and the City- a cheaper alternative to the Grand Tasting targeting Des Moines' 20- and 30somethings.

Q. How many wines can I try?

A: More than 150 vintners will pour about 500 wines from wineries as near as Indianola to vintners as far away as Italy. New this year will be several vintners from Veneto, Italy, Iowa's sister state. Several wineries will be represented at one booth pouring their own local wines and serving food from the region.

Q. Where is this little shin-dig?

A: Tasters will mingle in the center of downtown Des Moines at Nollen Plaza and Capital Square for Friday night's Sips and the City (as well as Saturday's Grand Tasting). The event moved east this year from last year's grassy lawns in the Western Gateway. The new location will move the events partially indoors at Nollen Plaza. No decision has been made about whether it's a permanent move.

Q. What else is new this year?

A: Court Avenue Brewing Company will pour samples of their beer brewed right here in Des Moines.

Q. Is there a right way to taste wine?

A: According to CJ Bienert of the Gateway Market, yes. Start with the most intense or complex wines while your tongue is still fresh. Swirl the glass to add oxygen to the wine, which brings out the flavors and aromas of the ingredients. Swish the wine in your mouth so that it reaches every point of your palette. To keep a clear head, spit after you taste.

<http://desmoinesregister.com/apps/pbcs.dll/article?AID=/20070604/JUICE02/706060303/-1/NEWS04>



**21.** **Council wants Lights out on Fights**

Hieu Pham

*Iowa City Press-Citizen*June 5, 2007

A majority of Iowa City Council members said they want to completely knock out amateur fighting in drinking establishments throughout the city.

"Testosterone and alcohol don't always mix so well," council member Connie Champion said Monday at a work session.

The topic of amateur fighting stems from safety concerns over the Union Bar's Fight Night. Every Wednesday since March, the downtown bar at 121 E. College St. has featured a popular mix of amateur boxing, ultimate fighting and grappling matches.

"The concern here is the mix of fighting and alcohol," said Iowa City Mayor Ross Wilburn, who suggested that bars could hold fight nights if they refrain from selling alcohol.

The state regulates professional fighting, but not amateur fighting. Fight Night is considered amateur because there are no prizes awarded.

In a memo released Thursday, city attorney Eleanor Dilkes advised the council to seek a complete ban in any business with a liquor license rather than get involved in regulation. She said regulation would open the city to liability issues because the components include requiring physicals, referees and other features.

Iowa City Police Chief Sam Hargadine, who attended the meeting, reported that no arrests have been linked to Fight Night. However, Hargadine said he favored a ban. He said bars should concentrate on dealing with current alcohol-related issues.

Also at the meeting were Union Bar staff and show promoter Monte Cox. Cox is one of the biggest promoters of mixed martial arts, or MMA, a combat sport that mixes a variety of fighting techniques.

"If you haven't been to the fight, you don't know," said Cox, adding that councilors are getting the wrong impression of Fight Night.

First, Cox said the fights are heavily regulated. Fighters are matched by skill level, size and fighting style. Participants don't take a Breathalyzer test but are required to sign a waiver and verify that they are sober. A certified nurse also sits ringside and a referee mediates the fight.

"We're looking for even fights," he said. "That's what people find entertaining."

On the subject of alcohol, Cox said it adds to the entertainment of the fight and draws people to the show. Although several tussles have taken place, he said they were immediately broken up by bar staff and have never bled onto the streets.

Legislative subcommittees have been considering whether to regulate club fighting for the past two years. Cox said he has urged state legislators to regulate amateur fighting and failed.

There are bar venues in various cities, including Des Moines and Cedar Rapids.

<http://www.press-citizen.com/apps/pbcs.dll/article?AID=/20070605/NEWS01/706050312/1079>

**22.** **Rural Wright County Will be “Dry” for RAGBRAI**

*ZWire.com*
June 7, 2007

Supervisors decide to prohibit all beer gardens and other outdoor alcohol service.

The Wright County Board of Supervisors gave preliminary approval to a new ordinance pertaining to RAGBRAI vendors.

The board decided a distinction should be made for existing businesses that wish to sell alcoholic beverages on July 24 when RAGBRAI passes through Eagle Grove, Clarion and Lake Cornelia. The first proposal stated, "The presence of RAGBRAI in Wright County on July 24, 2007 has the potential to overwhelm local law enforcement personnel. Therefore, to ensure public safety and to facilitate local law enforcement, the county has determined that no applicant shall be permitted to operate an outdoor alcoholic beverage garden on that date."

County Attorney Eric Simonson suggested the board specify that established businesses (such as a country club) could operate on their own property only. The board then passed the first reading of the amended ordinance, with the following paragraph added: "Established businesses are allowed to operate in their usual manner."

The supervisors could give final approval to the ordinance next week.

Wright County Chief Deputy Sheriff Jim Lester was also present at the board meeting to discuss a related RAGBRAI matter. There has been a request for a five-day liquor license for Jeff Mussman, 2217 175th Street. It is the Mussman's intent to sell alcoholic beverages for RAGBRAI riders at that location (about four miles north of Clarion). The State of Iowa has approved the request.

Lester said the county's new RAGBRAI ordinance bans outdoor beverage gardens in the rural areas for that day. "Our resources within the department are going to be stretched anyway. To have to answer problems with something like this out in the county could be very difficult, given the number of riders participating."

The supervisors voted to deny the alcohol permit.

Supervisor Stan Watne shared a letter with the board concerning a Resource Enhancement and Protection committee. Before a city or county conservation board, or a nonprofit organization, can apply for a REAP grant, it must be reviewed by a county committee. Wright County did not have a committee in 2006.

The Iowa legislature will likely fund REAP this coming year at $15.5 million, the third highest level ever. Local groups will not be able to apply without a local committee. So Watne submitted the following names as committee members: Bruce Lindner, Myron Amdahl, Carl Roberts, Tom Groom, Jim Seibert, Rex Peterson, John Meyer and Bill Drury.

The board again discussed with County Engineer Stephen Reitz the repair options on county road C-70. The road is already in bad shape, especially a four-mile stretch east of Highway 69 that is currently being pounded by trucks working along Interstate 35.

"We are now looking at subbase problems with the existing road, so I don't know if in-place recycling will work without creating other issues," said Reitz. He said the best solution might be to patch the worst areas for now and wait until the entire road is scheduled for new asphalt in the summer of 2009.

Reitz also informed the board that work will begin this Thursday on R-38. It is expected to take four weeks (weather permitting) to complete the patching project.

<http://www.zwire.com/site/news.cfm?newsid=18431766&BRD=1907&PAG=461&dept_id=133418&rfi=6>

**23. Bar Owners win one in Safety Debate**

Kelli Sutterman
*Daily Iowan*

June 7, 2007

Seven local bars will not be required to add voice alarms to their businesses after a three hour war-of-words with the Iowa City City Council.

On Tuesday night, city councilors, firefighters, and local bar owners intensely debated an amendment to the city code for fire prevention and protection.

Iowa City Fire Marshall Roger Jensen insisted that protecting the public, not cost, should be at the forefront of the ordinance debate.

"The most important aspect is to avoid confusion and have several methods to alert and protect the public."

After putting off other city business and postponing the majority of the fire issues to a later date, only one section of the new ordinance was approved. The largest bars in Iowa City will not need to add voice alarms to their already existing dual-alert systems. Vito's, 3rd Base, Summit, Sports Column, Speak Easy, Brother's, and the First Avenue Club already have sprinklers and alarms in place for fire safety. The proposed ordinance attempted to make voice alarms mandatory in these businesses, although they already had other safety precautions.

Tuesday night's meeting marks the fourth time city councilors have held discussions about the fire ordinance. The Tuesday forum fiercely debated sprinkler systems, voice alarms, smoke detectors, employee training, house lights, and sound systems, although only voice-alarm issue was resolved.

In addition, the councilors discussed whether owners of smaller establishments needed revised sprinkler-system regulations. Previously written in the ordinance was the requirement for One-Eyed Jakes, the Dublin Underground, Sky Box, and the Yacht Club to have sprinklers on the floors above or below them, in addition to their own space.

"This just isn't fair," said Leah Cohen, the owner of Bo-James. "For this to continue without making any progress or any of us knowing about this issue, as well as other bar owners who aren't aware of this issue because they aren't present at this meeting."

After making little progress, Mayor Ross Wilburn postponed the remaining of the fire-ordinance discussion until June 19.

<http://media.www.dailyiowan.com/media/storage/paper599/news/2007/06/06/Metro/Bar-Owners.Win.One.In.Safety.Debate-2912193.shtml?reffeature=htmlemailedition>

**24.** **Former Deputy Acquitted of Serving Alcohol to Underage Person**

*KCRG TV*
June 8, 2007

A former Floyd County sheriff's deputy has been found not guilty of serving alcohol to an underage person.

Darin Crooks, 34, was charged with two counts of serving alcohol to a person under age 21.

Authorities say he was working at the Comet Bowl in Charles City on March 28 when he twice served an alcoholic beverage to a 20-year-old woman.

His lawyer argued that Crooks did not have cause to believe the woman was under age because she had allegedly been served alcohol on other occasions at the Comet Bowl.

Crooks was fired from the sheriff's office in April after an investigation began. He had worked there since 2004.

He has appealed his termination to the Floyd County Civil Service Commission.

<http://www.kcrg.com/news/local/7888982.html>

1. **OTHER STATE NEWS.**

**25. Filibuster Likely Spells End to Sunday Liquor Bill (Alabama)**

*Montgomery Bureau*
June 8, 2007

A statewide bill authorizing Sunday liquor referendums in 14 Alabama cities, including Tuscaloosa, appeared dead Thursday, the last day of the 2007 legislative session.

The bill by Rep. Craig Ford, D-Gadsden, was supported by the hospitality industry, retail stores, the travel and tourism industry, and Tuscaloosa officials.

Opponents said Sunday that liquor sales would disturb the day of the week traditionally dedicated to church, family, and relief from drinking.

Ford's bill was on the Senate calendar but was in danger of dying without being called up for a vote during a Senate filibuster over political action committee contributions that began at 10 a.m.

The session was to end at midnight. As of 10 p.m., the Senate had begun voting on bills but the fate of the liquor vote remained uncertain.

Sen. Lowell Barron, D-Fyffe, undeterred by a punch to the side of the head from Sen. Charles Bishop, R-Arley, blamed the minority of 17 senators for killing the last legislative day.

"You people need to look yourselves in the eye, you put this session in shambles," Barron said. "We'll be back here in special session."

The Senate debated only three bills, then passed several amended bills sent from the House that had adjourned, and the Sunday liquor sales bill never made it to a special order calendar.

Barron, chairman of the agenda-setting Rules Committee, said it was his intention to put the Sunday liquor sales bill on a third special order calendar. The Senate never got off the first calender.

The House 59-28 passed Ford's bill, which would allow Sunday liquor referendums in numerous cities.

Florence has limited Sunday liquor sales but Sheffield does not allow Sunday liquor sales. A separate local bill authorizing on-premise Sunday sales in hotels and restaurants in Sheffield passed earlier.

Ford's legislation would authorize but does not require the city councils in each city to schedule referendums on Sunday liquor sales.

State Sen. Phil Poole, D-Tuscaloosa, predicted earlier Thursday that the bill wouldn't pass. He said he would have voted against the bill.

The legislation would have affected Alexander City, Anniston, Athens, Decatur, Dothan, Enterprise, Florence, Gadsden, Ozark, Selma, Sheffield, Sylacauga, Talladega, and Tuscaloosa.

<http://www.tuscaloosanews.com/apps/pbcs.dll/article?AID=/20070608/NEWS/706080354/1010/NEWS05>

******26. Police Strictly Enforces Underage Drinking Laws (Hawaii)**

*KHNL*
June 5, 2007

It's graduation season, a time for celebration and parties.

But state officials are sending a strong warning: they will not tolerate underage drinking.

Over the next six months, Honolulu Police will strictly enforce underage drinking laws.

Stores and bars with liquor licenses will be closely monitored to ensure alcohol isn't being sold to minors.

Lieutenant Governor Duke Aiona says 9% of 6th through 12th graders statewide drink on a daily basis.

"Over 40% of alcohol that our children use are obtained through our parents, their parents, uncles, brothers, sisters and friends and we want to cut down on that accessibility," said Aiona.

Police will also keep a close eye on neighborhood parks and private parties to make sure minors aren't drinking. The Lieutenant Governor also announced a goal for this summer -- no fatalities involving a minor.

<http://www.khnl.com/Global/story.asp?S=6611294>

******27. State Restricts Flavored Malt Beverage Advertising (Illinois)**

*WBBM 780*
June 2, 2007

Alcopops, such as Smirnoff Ice and Mike's Hard Lemonade, will no longer be able to have billboard ads within 500 feet of schools, parks, amusement parks and places of worship according to new legislation passed by the Illinois House on Thursday.

The House unanimously approved Senate Bill 1625 by a 115-0 vote. The bill, which was sponsored by Rep. Greg Harris (D-Chicago), would crack down on the liquor industry's youth-targeted marketing of "alcopops," sweet-tasting alcoholic drinks, a release from the Illinois Alcoholism and Drug Dependence Association said. Alcopops are also called flavored malt beverages.

The legislation will also prohibit alcopop sponsorship of athletic events where the intended audience is primarily young. According to a 2004 American Medical Association report, about one-third of girls and one-fifth of boys, ages 12 to 18, have tried alcopops, the release said.

"Youth, particularly young girls, report they prefer the sweet taste of alcopops over the taste of beer or hard liquor, making youth prime targets for an industry-driven alcopops marketing campaign similar to the tobacco industry's Joe Camel campaign," said Sara Moscato, CEO of the IADDA.

The bill returns to Senate and if it concurs, the legislations heads to Gov. Rod Blagojevich for approval, the release said.

<http://www.wbbm780.com/pages/533786.php?contentType=4&contentId=568397>

******28. Alcohol Education Mandatory at Indiana University (Indiana)**

*Beverage News Daily*
June 1, 2007

In an effort to curb students’ binge drinking, Indiana University will require incoming freshmen to complete AlcoholEdu, an online alcohol education program.

The program is required at about 250 colleges and universities. A 2005 University of Illinois study found that students who participate in the online program reported 250 fewer negative effects from alcohol use, such as missing class and unprotected sex, than those who don’t.

Students often think they are knowledgeable about alcohol, but the average student gets a D on a pre-test administered at the start of the online program.

Richard McKaig, dean of students, said there’s no hard evidence that more IU students are drinking now than in the past. But, he added, there are signs students are drinking more.

Nationally, about half of incoming college freshmen say in the summer they abstain from alcohol, while 23% say they engage in “binge drinking.” By the end of October, after two months of college, the figures are nearly reversed: 45% say they “binge,” while 30% abstain.

**29.** **Underaged Drinking Gets ex-Colts QB in Trouble (Indiana)**

*Associated Press*

June 4, 2007

Former Indianapolis Colts quarterback Jack Trudeau was charged Monday with refusing to give police officers a list of teenagers attending a weekend party at his home involving underaged drinking.

Officers arrested Trudeau and 13 teenagers early Saturday after complaints about a loud party at his home in the northern Indianapolis suburb of Zionsville.

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| --- |
| Image: Jack Trudeau |
| Jack Trudeau played 10 years in the NFL before retiring in 1995. |

Trudeau, 44, waived his right to an initial court hearing Monday on the felony charge of obstructing justice and misdemeanor charges of contributing to the delinquency of a minor and furnishing alcohol to a minor.

Trudeau’s attorney, Michael Andreoli, called the actions by police officers “an excessive game of gotcha for a celebrity host.”

Police reported that when officers arrived at the home, Trudeau was in front with a clipboard in his hand and told them that he was taking everybody’s names and keys so no one could leave the graduation party for his daughter and other students from Indianapolis Park Tudor High School.

Trudeau told officers if underage drinking was going on, he didn’t supply the alcohol, but that he was not checking coolers or bags as people arrived, police said.

Andreoli said teenagers were arriving at the house at the same time as police officers.

“I think the police were in the backyard before Mr. Trudeau even got into the backyard,” Andreoli said. “This sounds absolutely excessive and over the top in terms of the action they took.”

Police reported confiscating 97 unopened cans of beer and 30 empty ones, along with an empty half-gallon of vodka and an empty bottle of champagne.

Boone County prosecutor Todd Meyer said he decided to file the felony charge against Trudeau because of the importance of the guest list for the police investigation. Meyer said he was not treating Trudeau’s case differently than other underage drinking parties.

“It doesn’t much matter who you are, where you live, who your parents are, who you know, the types of resources that you have,” he said.

The Colts drafted Trudeau in the second round in 1986 out of Illinois. He played for Indianapolis until 1993, then was with the New York Jets and Carolina before retiring in 1995. He passed for 10,243 yards, 42 touchdowns and 69 interceptions in his 10-year career.

<http://www.msnbc.msn.com/id/19036966/>



**30.** **More than 50 people Charged with Underage Alcohol Sales (Louisiana)**

*KTBS*
June 4, 2007

Bossier City police said today they have charged more than 50 people with selling alcohol to those under age 21.

The Police Department vice squad conducted the operation in two phases. The first, concentrating on convenience stores, package liquor stores and restaurants, resulted in court citations issued to 38 employees at 33 businesses for selling alcohol to people under age 21.

The second phase focused on bars. Fourteen people were arrested to serving alcohol to underage customers.

Police got arrest warrants and began picking up suspects Friday night.

Police did not release details about the ages of the people they used to buy alcohol.

The vice squad said they checked 74 locations during the operation. The underage people they used were able to buy alcohol more often than they were turned away, police said.

<http://www.ktbs.com/viewnews.cfm?news_id=2171&title=More%20than%2050%20people%20charged%20with%20underage%20alcohol%20sales>

**31.** **Eateries Toast Idea of 'Bistro' Liquor License (Michigan)**

*Detroit News*
June 7, 2007

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| http://cmsimg.detnews.com/apps/pbcsi.dll/bilde?Site=C3&Date=20070607&Category=METRO02&ArtNo=706070396&Ref=V2&Profile=1009Q=100&MaxW=500 |
| Sushi chef Beyung Yim dishes up rolls in front of the sampling of alcohol on Tuesday at Sumo Sushi in Rochester. The restaurant on Main Street saw a boost in sales since it received its liquor license last fall. |

Since Sumo Sushi got its approval to serve alcohol last fall, patrons have ordered sake, wine and saketinis with their rolls -- giving the Main Street eatery a boost in sales, said manager Neal Klomp.

"Folks sit a little longer, eat a little bit more," Klomp said. "It changes the dining experience if you can add that to it."

Recognizing the draw of alcohol, city officials are talking about gearing some of Rochester's liquor licenses toward "bistros," with the aim of retaining and attracting smaller eateries like Sumo to its downtown.

"I want to see businesses like that -- that want to serve a glass of wine with dinner and not turn into a nightclub environment -- succeed," said Councilman Jeffrey Cuthbertson.

The "bistro" option, coined by Birmingham officials last year, has only been discussed at Rochester council meetings. The council has asked city attorney Sarah Cox to research the matter and report back by June 25, said City Manager Ken Johnson.

In April, Birmingham restricted its liquor license transfers only to businesses that qualify as a "bistro," an eatery of 65 seats or less with outdoor seating and no bar.

Though Cuthbertson says he doesn't think a strict, bistro-only policy should be adopted in Rochester, adopting similar guidelines for some of its licenses would better convey to applicants what the city is looking for.

"Now, we (review applications) on a case-by-case basis," he said. "It's not terribly clear what an applicant has to do, and I want to make it so."

Though the state issues liquor licenses, transfers of existing licenses require approval by local governments. They can also place additional conditions for approval, like "bistro" requirements.

Many in the business community favor the idea.

"That would give us another feather in our cap and another reason (for businesses) to come here," said Kristi Trevarrow, director of the Rochester Downtown Development Authority.

<http://www.detnews.com/apps/pbcs.dll/article?AID=/20070607/METRO02/706070396/1009>



**32.** **Michigan Triples Deposit on Kegs (Michigan)**

*Beverage News Daily*
June 5, 2007

Michigan boosted the deposit on kegs of beer to $30 from $10 because large breweries have complained about losing thousands of beer kegs a year in Michigan. They said retail beer customers have been selling off the stainless steel barrels at scrap yards rather than returning them to stores to get their $10 deposit back.

For scrap-metal thieves, anything is fair game -- siding, gutters, spools of electric cable, pipes, even beer kegs. Some of the more brazen ones raid salvage yards, then sell the stolen metal back to the businesses.

It costs a beer manufacturer about $152 to buy a new half-barrel when one disappears, according to Ken Wozniak of the Michigan Liquor Control Commission. He said a Michigan brewing company asked the commission last year to raise the $10 deposit to $90 per keg.

"The Commission thought that request was a little steep," Wozniak said. "The purpose of the increase in the barrel deposit to $30 was to ensure the return of the keg, not necessarily to cover the (beer manufacturer's) cost of the keg."



**33. Officials Hope to Halt Underage Drinking (New Hampshire)**

Donna Weaver *Press of Atlantic City*

June 4, 2007

Officials from the state Alcohol Beverage Control Division and Long Beach Island say the season for an increase in underage drinking begins with proms and graduations.

DiAnne Gove, mayor of Long Beach Township and a former teacher at Southern Regional High School in Stafford Township, said she waited each year after the prom, hoping to not get a phone call with bad news.

“Unfortunately, this is the time of year — prom, graduation — when these things happen,” she said.

A 17-year-old boy from Lawrenceville is recovering at home after falling from a third-floor deck May 27 during an after-prom party in Loveladies, police said Friday.

An investigation revealed that minors were consuming alcoholic beverages at the party; Long Beach Township Deputy Police Chief Leslie Houston said last week that the home was rented for an “after-prom party” and about 20 to 30 people were there when the incident occurred.

The home, at 50 A Duck Blind Alley, was rented by two parents of the minors at the house, Houston said. The home is owned by Clifton and Joanne King, of Boonton Township, Morris County, and was rented through Island Realty, a police news release said. Houston said the renters’ identities are being withheld because the incident is still under investigation.

Jerry Fischer, director of the ABC, said last week that deterring underage drinking begins with parents.

“It’s very sad and difficult when parents have not let the message go forth that the consumption of alcohol is illegal for a minor,” Fischer said.

Fischer said the Loveladies incident is an example of why parents need to be involved in educating children about the dangers of drinking alcohol.

“Like this kind of thing: Rent a home for your kids and let them get loaded and think that they’re safe because they’re not driving,” Fischer said. “I guess the parents of the child that fell off the porch are going to realize that drinking and driving is not the only problem.”

“You’re not a good guy for throwing a party like this,” he said. “It’s a bit of very foggy nostalgia that doesn’t measure up to the truth.”

Fischer added that state law allows local police to enter premises if they have reason to believe underage drinking is going on, but it’s up to municipalities to enforce the statute by adopting an ordinance.

Fischer said the ABC will never have the staff to closely cover the entire shore community.

A state Senate bill introduced by Sen. Leonard T. Connors, R-Ocean, Burlington, Atlantic, was approved in June 2000, prohibiting the possession or consumption of alcohol on private property by people under 21 unless it’s in connection with a religious observance, ceremony or rite.

Connors said Saturday that Surf City adopted the statute as an ordinance, but other shore communities have not followed the borough’s lead.

“Sure it’s necessary. Someone fell off a third floor balcony and he was drunk. The lead’s been there for a long, long time and I guess some have shied away and officers may not want to go on private property to arrest someone,” Connors said.

Avalon Councilman Richard Dean said Saturday that the borough stopped arresting underage drinkers on private property after settling in 1998 a $1.5 million class-action lawsuit brought by underage summer visitors cited for alcohol possession on private property.

Avalon began cracking down on underage drinkers in the 1990s. Between 1996 and 1998, Avalon police made more than 1,500 underage-drinking arrests. Police even used a converted school bus as a paddy wagon to handle the volume from some parties.

“Even with this law that came down, you still need probable cause before you arrest anyone and you better make sure the person you’re arresting is doing the drinking,” said Dean.

Gove said township officials need to sit down and discuss adopting such an ordinance. “By no way am I encouraging underage drinking or making light of it, but there are some issues that we should look at,” Gove said.

Hilferty, of the Long Beach Island Municipal Alliance, said Long Beach Township is looking at ordinances that include keg-tagging and policing underage drinking on private property.

“We’re going to recommend that the township support those regulations, but property rights need to be discussed,” Hilferty said.

Hilferty said he does not think the ordinance is meant to let police go into people’s homes randomly, but to go in when there is a complaint.

Gove said that parents still need to take responsibility.

“Do I want it to happen or go on in my community? Well, no, no one does, but it’s going to happen and there needs to be some responsibility from the parents.”

Parents and prom-goers crowded the street near the Ship Bottom Beach Arlington Park Saturday evening at 13th and 16th Streets for photos at the Sunset Point Gazebo.

Lois Raimo, of North Beach Haven, waited patiently with her camera while her daughter mingled with friends as the sun hung low over the bay. Southern Regional High School’s senior prom was Saturday at the Wildwoods Convention Center.

“Some of these kids inquired about staying in hotels and we wouldn’t allow it. You can’t do that when you want your child to be safe. Life is too precious for one night,” Raimo said.

Many prom attendees at the gazebo said they would go to an afterprom party at the home of Karter and Linda Larson, of Barnegat Light. Stephanie Karl said her son would attend and she trusts the Larsons implicitly.

“There will be no alcohol. Something like that won’t happen on our watch. First of all we would never rent a home for a party,” she said.

Devon Cocuzza, a Southern Regional senior, wore a black tuxedo and posed for photos with his date.

“That’s not in my agenda, to fall off a deck. I’m sure I can have fun without drinking. Tonight I’m coming back to the island to go to the Larsons’,” Cocuzza said.

Linda Larson said about eight teens will come to her home after the prom. She watched, smiling, as about 20 teens piled into a rented stretch Cadillac Escalade. “Conditions have to be controlled and you can’t control conditions when you have that many kids in a home,” she said. “No alcohol — but we’ll have junk food, though.”

<http://www.pressofatlanticcity.com/news/local/ocean/story/7483175p-7378140c.html>

**34.** **Underage Drinkers Can Now be Charged in Boro (New Jersey)**

*Sentinel*

June 7, 2007

Underage drinkers and the adults who provide them with alcohol now face stiffer penalties since a new ordinance took effect last week.

The law, which is similar to those enacted in several neighboring municipalities, calls for a six-month driver's license suspension for any teenager caught consuming alcohol, as well as a fine ranging from $250 to $350.

The Borough Council voted unanimously to adopt the ordinance in May. East Brunswick adopted an underage drinking ordinance earlier this year after police broke up a large party attended by more than a hundred minors with a large amount of alcohol. Police were not able to charge any of the minors, only those who provided the alcohol.

"We looked at East Brunswick's ordinance and modeled it after that," borough Councilman Anthony Razzano told the Sentinel. "It's not a big, widespread problem we're having. This is to make parents more responsible and send a strong message to the kids that this will not be condoned. It's not just South River; South River is just doing its part."

Razzano said the new law forbids adults from providing alcoholic beverages to those under age 21, except for religious purposes.

"Before, if somebody gave a drink to someone who was underage, there was some ambiguity," Razzano said. "This makes it clear. You cannot give an underage person alcohol.

"Parents aren't supposed to be their buddies, they're supposed to be their parents," he added.

Borough Council President David Sliker told the Sentinel that Deputy Police Chief John Bouthillette recommended that the governing body take this action, since state law only allowed enforcement on public property. Local government can now enforce the underage drinking law on private property as well.

The ordinance is well-intentioned, Sliker said, though he feels that officials will need to ensure it is not abused, and that residents do not face over-regulation.

"My only concern is it gives [police] the right to go into private property," Sliker said.

Still, the law can be an effective deterrent if used judiciously, he said.

There have been reported incidents of groups of teenagers being served alcohol in borough homes by the homeowner, Razzano said.

"This [ordinance] makes everybody take responsibility," Razzano said, noting the importance of doing everything possible to stop teenagers from drinking and driving.

"They are good kids," Razzano added, "but if an adult says, 'Here, it's OK,' then the adult is sending the wrong message."

<http://ebs.gmnews.com/news/2007/0607/Front_Page/018.html>



**35.** **DWI: Landing's Sober Reality (New Mexico)**

**November's deadly drunken-driving crash puts people, police at Albuquerque's Sunport on the lookout for inebriated passengers**

Wendy Brown
*New Mexican*

June 3, 2007

Officer Paul Ielacqua has run into a lot of drunks since joining the Albuquerque Police Department's aviation division.

Some of them are so drunk they drive 60 mph on the upper loading ramp at the Albuquerque International Sunport because they think they're still on the highway, Ielacqua said.

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| http://photos.freenewmexican.com/2007/06/02/52765_375x375.jpg |
| Albuquerque Aviation police officer Paul Ielacqua calls in the license plate of a vehicle parked at the southwest end of the Sunport. The driver of the vehicle had been out exercising in the area. |

Others are so drunk they hand him their credit card instead of their driver's license during the traffic stop.

And a few are so drunk they simply fall out of the vehicle when asked to take field-sobriety tests.

Ielacqua is the recognized DWI expert at the Sunport, and in his six years with the department, he has made more than 200 arrests for driving while intoxicated.

More than a third of them -- a total of 60 -- were of people who left the airport drunk, Ielacqua estimated. Others were inebriated when they arrived or were caught on roads near the airport.

“I've done a DWI on every roadway at the airport,'' he said. “Every roadway that starts or ends at the airport.''

Aviation police say they've received more calls from concerned passengers since Dana Papst got off a US Airways flight Nov. 11 and drove his truck into a family from Las Vegas, N.M., killing five of them and himself. But people continue to drink during flights and drive after they land. Three people have been arrested for DWI after drinking on flights into the Sunport since the crash, police reports show.

In February, aviation police arrested Christopher Norville, 40, of Santa Fe after a concerned passenger saw him drinking on an American Airlines flight from Chicago and notified them.

Norville told a flight attendant someone was going to pick him up at the airport, but an officer found him on the first level of the parking structure in his Jeep Cherokee with the engine running, according to the police report.

Police arrested Norville and charged him with aggravated DWI after he failed field-sobriety tests and refused a Breathalyzer test. His trial is in July, said Officer Gilbert Esquibel, who arrested Norville.

Norville could not be reached for comment, but Federal Aviation Administration records show a man with the same name, date of birth and a Santa Fe post office box address is a licensed pilot. A Christopher Norville used to be a pilot for Santa Fe real-estate developer and art dealer Gerald Peters, but he hasn't worked for Peters in more than a year, said a woman who works for Gerald Peters Gallery.

Licensed pilots are required to inform the FAA if they've been arrested for DWI, said Tony Molinaro, spokesman for the FAA in Chicago. Pilots must be medically certified as safe to fly, he said, and a DWI arrest could affect that certification.

Molinaro said he did not know if the Norville who is a licensed pilot had informed the FAA of any DWI arrests. American Airlines did not respond to a request for comment.

**Busy police**

The arrests, however, haven't stopped with Norville.

The Bernalillo County Sheriff's Department arrested Ernest Wright, 49, of Albuquerque for aggravated DWI on May 18 after he got off a US Airways flight from Phoenix and encountered a DWI roadblock on his way home. Wright's BAC was 0.16, twice the legal limit, said Bernalillo County Sheriff Darren White.

On May 22, University of New Mexico police arrested Ernest Hall, 66, of Davenport, Wash., after an off-duty police officer called and said a car with a blown-out front tire and severe front-end damage was swerving all over the road on Menaul Boulevard Northeast.

Hall was arrested at about 8:27 p.m., roughly one hour after he got off a Southwest Airlines flight from Tucson, according to police and Southwest records. Hall admitted to drinking one gin and tonic on the flight and had a BAC of more than 0.16, according to the police report.

Marilee McInnis, a spokeswoman for Southwest, said she was not aware of Hall's case, but generally speaking, the airline does everything it can to prevent people from boarding or leaving planes intoxicated. The FAA requires airlines not to allow these people to fly, she said.

Also, the airline's flight attendants receive alcohol-server training on how to spot people who might have had too much to drink, McInnis said.

Others have been arrested for DWI at the airport, but not necessarily after drinking on a flight.

Stephen Gomez, 39, of Espanola came to the attention of police after a witness saw him driving erratically in the parking garage May 17, according to a police report.

“Dispatch reported the vehicle was driving in and out of exit lanes, almost hitting other vehicles and exit walls,'' the report said.

Gomez admitted to drinking a 40-ounce beer in his car. Police found an empty 40-ounce beer bottle and two half-empty 40-ounce bottles inside. Gomez refused a BAC test.

And on Tuesday, aviation police arrested Frank Anthony Padilla, 39, of Albuquerque at 10:51 a.m. after they pulled over his brother and discovered he had a suspended license. When Padilla came to pick up his brother, he had a BAC of 0.13, police said.

Marshall Katz, chief of the Albuquerque Police Department's aviation division, said since 2003, when the division installed a computer program that tracks statistics, the division has logged 112 DWI arrests.

In the past 12 months, 30 people have called to report possible drunks, according to Katz.

After the Papst crash, the division saw a spike in the number of people reporting suspected drunken drivers, but that number has evened off, he added.

In 2006, 6.4 million people took flights in and out of the Sunport, Katz said, making it important for the public to alert police to suspected drunks.

Rachel O'Connor, the state's DWI czar, said she applauds the bill U.S. Rep. Tom Udall, D-N.M., introduced in Congress recently that would require all airlines to have their flight attendants take alcohol-server training. “I think the airline servers need to be trained just the way New Mexico servers are trained,'' O'Connor said.

Since the Papst crash, Edward Lopez, head of the state Regulation & Licensing Department, said he has been working with airline officials to make sure flight attendants are receiving effective alcohol-server training.

In a March 7 letter to Lopez from Michael Campbell, a lawyer representing US Airways in Santa Fe, the company says officials were reviewing the state's alcohol-server training materials and would consider incorporating the parts relevant for flight attendants in the airline's training program.

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| http://photos.freenewmexican.com/2007/06/02/52768_375x375.jpg |
| Albuquerque Aviation police officer Paul Ielacqua patrols inside the terminal at the Sunport. |

The problem of servers selling too much alcohol to people in airplanes and airports isn't a new one, Lopez said, but now people are beginning to question whether it makes sense to place so much alcohol within easy reach of people who don't have much to do.

Gerald Collins, great-uncle of Arissa Garcia, the sole survivor of the Papst crash, said the DWI arrests since the crash show that airlines aren't capable of serving alcohol responsibly, and alcohol sales on airplanes should be suspended.

“It's just a joke,'' Collins said. “I don't see the need to drink when you're 35,000 feet in the air.''

Ielacqua said he “almost flipped out'' when he heard after the Papst crash that flight attendants weren't required to undergo alcohol-server training. The roadways would be a lot safer if everyone had to take an alcohol-safety class in high school, he said.

DWI czar O'Connor said another way the state is trying to stop potential drunken drivers from leaving the Sunport is by making it easier for aviation police to make DWI arrests.

The state recently bought the department a Breathalyzer machine so its officers don't have to take people elsewhere for a breath-alcohol test, O'Connor said.

**Public can help**

Ielacqua, who lost part of his left ring finger after a drunken driver hit him on his motorcycle, worked the graveyard shift for five years so he could concentrate on catching drunken drivers. This year, he said, he decided to switch to the day shift to please his family. But in September, he plans to go back to graveyards and catching drunken drivers.

One of the best ways to stop these people from driving is to maintain good relationships with airport employees so they will call the police department when they see someone who might be drunk, Ielacqua said.

He recalled a case four years ago involving a man who rented a car at the Sunport and promptly ran it into a light pole because he was drunk.

Herman Silva, head of Special Investigations Division, the state agency that investigates violations of the state Liquor Control Act, said he has met with Sunport officials who agree that people who work at ticket counters and car-rental companies can be a big asset in catching potential drunken drivers.

The airport is considering holding alcohol training for those employees so they can better spot people who have been drinking, Silva said.

He also hasn't ruled out putting SID agents on airplanes, adding, “Anything's possible. We're always looking for ways to address the issue.''

In the meantime, the state continues to pursue administrative penalties against airlines that serve passengers who are already intoxicated.

Peter Olson, spokesman for the state Department of Public Safety, said SID, which is a division of the department, has issued two citations against US Airways for serving intoxicated passengers. One was for serving Papst, and the other was for serving Wright, he said.

Investigators are still deciding whether to issue a citation to Southwest Airlines as a result of Hall's arrest, Olson said.

The division was not immediately aware of Norville's arrest after leaving an American Airlines flight, Olson said.

Lopez has said the department could not pursue the first citation against US Airways because the airline did not have a liquor license in New Mexico. Criminal penalties, not the department's administrative penalties, apply if someone sells liquor without a license, Lopez said.

But the department asked the airline to stop selling liquor and apply for a license. US Airways complied and received a temporary license in March. But the airline's second citation could complicate its request for a permanent license, Lopez has said.

Bob Hagan, spokesman for the state Regulation & Licensing Department, said this week that the hearing officer handling US Airways' application sent a letter to the company saying the new citation must be resolved before the department can move forward with the application.

The department has set a hearing on the application for June 11, Hagan said, and the airline's temporary liquor license expires June 14. He declined to speculate on the impact of the new citation.

Andrea Rader, a spokeswoman for US Airways, said the airline is investigating the May 18 incident but doesn't have any further comment.

As for the liquor-license situation, Rader said the airline is working through the process and trying its best to do everything necessary to comply with the law.

Meanwhile, Ielacqua said aviation police are encouraging public assistance. In a large crowd of people, it is almost impossible to pick out someone who has been drinking unless they're loud or stumbling, he said.

People should notify police if they suspect someone is driving drunk or might drive drunk, Ielacqua suggested, by calling 911 or picking up a white courtesy phone at the Sunport and dialing 7840.

“The worst that could happen is that you call and the officer finds that the person isn't drunk,'' Ielacqua said. “But the best that could happen is that the officer finds the person is drunk, takes them off the road, and a family arrives home safely that night -- all because of you.''

<http://www.freenewmexican.com/news/62415.html>

**36.** **New York State Liquor Authority Approves Online Server Training (New York)**

*Marketwire*

June 7, 2007

360training.com (www.360training.com) announced today its partner, The Empire State Restaurant & Tavern Association (ESRTA), has obtained approval of an online alcohol seller server training in New York State. The approval was granted by the New York State Liquor Authority and is the first of its kind, designed to certify employees on responsible alcohol service at on- and off-premise establishments that sell alcohol to the public.

"We've conducted traditional classroom based server training for almost twenty years, but we expect that the convenience of online training will dramatically increase the number of servers trained in preventing underage drinking and sales to intoxicated persons," stated Scott Wexler, ESRTA's Executive Director.

"Our association has supported server training for a long time, but servers often faced barriers that prevented them from participating in these important programs," according to Wexler. "Servers no longer have to miss out on this vital training due to time and location of classes," Wexler added.

New York State Liquor Authority Chairman Daniel B. Boyle commented, "Education is the first step and an essential element in maintaining compliance with the ABC (Alcoholic Beverage Control) Law. Over the years, the ATAP (Alcohol Training Awareness Program) has proven successful in instructing servers on their responsibilities when selling alcohol, leading to fewer incidences of underage drinking and sales to intoxicated persons. Offering ATAP over the Internet will significantly increase accessibility to the program, thus helping to educate more licensees and their employees statewide. I want to congratulate ESRTA for developing the first of its kind online ATAP program," Boyle added.

The program focuses on the legal responsibilities of selling or delivering alcohol and provides training in practical skills to help licensees and their employees fulfill their legal responsibilities. Additionally, the ATAP program informs participants on the potential consequences of improper sale or delivery of alcohol. Licensees and individuals completing the ATAP program have the possibility of a limited affirmative defense in the event of an illegal alcohol sale to a minor.

The online training will be facilitated through ESRTA's Virtual University (www.esrta.org) in partnership with 360training.com, a market leader in online compliance education. "The online learning delivery approach will allow servers to benefit from consistency in training material, competency-based testing, and anytime, anywhere accessibility," said Bill Vear, 360training.com's Vice President of Public Safety Education. "The expertise and reach of ESRTA will be integrated with a nationally recognized educational platform that will be appreciated by the industry for its effectiveness and convenience," Vear added.

The new online server training program is the second major initiative launched by ESRTA this year to improve compliance with the alcoholic beverage control law. Earlier in the year the association announced its new "ABC's of the Alcoholic Beverage Control Law" developed with the assistance of the State Liquor Authority. This program is the only comprehensive training program for licensees focused on their responsibilities as on-premises liquor license holders. The "ABC's of the Alcoholic Beverage Control Law" program is also available via ESRTA's Virtual University (www.esrta.org).

"We see the development of these new compliance programs as a core mission of the association by giving licensees, managers, and servers the resources they need to meet their duties and responsibilities," Wexler concluded.

<http://new.marketwire.com/2.0/rel.jsp?id=740129>

******37. No Liquor for Teens at Parties (New York)**

Paul Nelson *Albany Times-Union*

June 5, 2007

Adults who throw a house party with teenagers where liquor is served would face a fine or jail time under a proposal officials are slated to consider this month.

Police Chief Lewis Moskowitz said the so-called social host law is another tool for law enforcement and hopefully a deterrent for adults who allow their teens to consume alcohol at their homes.

Margaret Brennan, a member of a community group that supports the proposal, said Moskowitz mentioned the idea to her after hearing about it at a police chiefs meeting.

It has gained traction in the community.

"Based on the involvement of the community at large, we are trying to take a proactive approach to an issue that is not unlike any other community in the area," he said. "We want to let people know they are responsible for what goes on in their homes."

Brennan, a member of Niskayuna Community Action Program, said parents who allow their children to drink at home, mistakenly think they are doing them a favor.

"It's not just an issue of driving," she said. "It's more of a constant problem because parents think it's OK to allow kids to drink and take away the keys, not realizing the other problems it can cause, such as alcohol poisoning and fights."

At least a dozen municipalities in New York have similar social host laws on the books and the idea is being contemplated in several other communities, said Brennan.

Without it, police are limited in making arrests when they respond to a call of large groups of teens and pre-teens consuming alcohol unless they catch them drinking or the youngster admits to providing the alcohol to partygoers.

In March, at least a dozen Niskayuna High School students received in-school suspensions for showing up drunk to a school dance. Niskayuna police have said some of the teens purloined the alcohol from their homes without their parents' knowledge.

A public hearing on the proposal is scheduled for June 12 and Town Board members are expected to take action on the resolution during their meeting two weeks later.

Violators could face fines up to $250 or a maximum of 15 days behind bars.

"We just want to make it a deterrent," she added.

<http://timesunion.com/AspStories/story.asp?storyID=595222&category=SCHENECTADY&BCCode=&newsdate=6/6/2007>



**38.** **MySpace.com page Leads to Alcohol Charges for Teens, Adults (North Carolina)**

*Associated Press*
June 5, 2007

Two adults and eight others face alcohol charges after authorities were tipped to a party featuring unlimited alcohol for $5 by an invitation that appeared on a MySpace.com Web page.

Sheridan Lee Anthony Lanning, 24, and Kellie Louise Pace, 20, are charged with the sale and possession of alcohol without a permit, said Allen Page, assistant district supervisor for N.C. Alcohol Law Enforcement.

Lanning also is charged with eight counts and Pace is charged with seven counts of aiding and abetting underage drinking.

Page said officers raided a party at an Asheville apartment complex and found a pinata filled with condoms and sex toys.

"You've got children who are being solicited to go to some stranger's house for a party," he said. "You don't know who they are or what their intentions are."

Seven people between the ages of 17 and 20 were charged with underage possession of alcohol. Two were charged with possession of drug paraphernalia and misdemeanor drug possession.

Page said he was alerted to the party when someone faxed a printout of a MySpace.com page to his office. A posting on the Web page said the party started late Saturday.

Undercover officers paid to attend the party and found a keg of beer in a bathtub. Arrests were made early Sunday after they obtained a search warrant.

<http://www.wcnc.com/sharedcontent/APStories/stories/D8PIRJ4G0.html>

**39.** **Beer-tax Breakthrough (Oregon)**

*Register Guard*
June 5, 2007

Sen. Rick Metsger may have discovered a way to get tax-averse Republican legislators to support an increase in the state beer tax: First, float a tax proposal they'd like even less, one that could pass without Republican votes. This tactic could result in the Oregon State Police gaining a dedicated source of revenue, something the force has needed for decades.

Proposals to increase Oregon's beer tax have been put forward since the beginning of the legislative session but haven't advanced until recently. The state tax on beer is among the nation's lowest and has not been increased in 30 years. An increase would raise substantial amounts of money that could be used to support worthy programs with a strong connection to alcohol consumption - Sen. Bill Morrisette, for instance, has long sought a beer tax increase to pay for chronically underfunded drug and alcohol treatment.

Morrisette's proposal and others made little headway, however, because any state tax increase must be approved by a three-fifths vote. In the House, where revenue measures must originate, Democrats control 31 seats - so even if all of them vote for a tax increase, the votes of five Republicans are needed to form a 36-vote supermajority. Republicans generally believe the state already has enough money to pay for the programs and services it needs, and many are pledged to oppose tax increases for any purpose.

Last week Metsger, D-Welches, moved the beer-tax debate in a new direction. He proposed a bill to allow cities and counties to collect their own taxes on beer. The local governments could impose a tax of any amount, and could use the money for any purpose. Because the tax would be set by cities and counties, not by the state, the supermajority requirement did not apply, and Metsger's proposal could pass without Republican support.

But if the Oregon Restaurant Association and others representing the beer brewing and retailing industries opposed Morrisette's bill, they liked the local-option idea even less. Uniformity in taxation would be lost, they warned, and local governments would ratchet the tax far beyond levels contemplated at the state level.

Suddenly, a state beer tax increase didn't look so bad after all - and now Metsger is among a bipartisan group of House and Senate lawmakers who believe a beer tax could win the support of a supermajority.

Metsger and his colleagues propose raising the 0.8-cent tax on a 12-ounce bottle of beer to 5.8 cents, exempting only beer made and sold in brewpubs. The profit margin on state sales of liquor would also be increased.

The higher taxes would yield $147 million in the 2007-09 budget period, most of which would be dedicated to funding the Oregon State Police. The proposal would restore state troopers' ranks to levels Oregon hasn't seen in the nearly 30 years since they lost their dedicated funding from state gas taxes.

A dedicated tax should have a direct connection to its purpose. Because state troopers enforce traffic laws, and because many of the worst traffic violations involve alcohol, the connection between the beer tax and the state police is strong. An even stronger link can be drawn between a beer tax and drug and alcohol treatment, as Morrisette has argued. Ideally, revenue from the tax would support both law enforcement and treatment.

Gaining a dedicated source of funding for the state police, however, would rate among the most significant achievements of the 2007 Legislature. Now, with a plan to provide health insurance for 117,000 Oregon children about to fail because of a lack of Republican support for a state cigarette tax increase, how about proposing that cities and counties be allowed to levy their own tobacco taxes?

<http://www.registerguard.com/news/2007/06/05/ed.col.beertax.0605.p1.php?section=opinion>

**40.** **Senate Panel Advances Legislation Easing Restrictions on Beer Sales (Pennsylvania)**

Alex Roarty *Pittsburgh Post-Gazette*
June 7, 2007

The state Senate Law and Justice Committee voted yesterday to send a bill to the full Senate that would give consumers more choice over the quantity of beer they purchase at distributors, restaurants and taverns.

Senate Bill 674 would allow distributors, for the first time since Prohibition, to sell beer in six-packs, 12-packs, 15-packs and a new package of 18 cans or bottles, as well as the traditional 24- and 30-can cases. Restaurants or taverns with a beer license would be allowed to sell three six-packs of beer or an 18-pack.

Currently they can only sell one or two six-packs at a time.

The chairman of the committee, Sen. John Rafferty, R-Montgomery, said the decision was "a long overdue change to antiquated provisions in the state's beer sales law. This is a change that the public has requested for decades."

Action on the bill by the full Senate and House may not come until the fall. Mark Meyer, executive director of the committee, said if the bill passed, Pennsylvania would no longer have the most restrictive alcohol laws in the country.

"For the first time ever, Pennsylvania consumers will get what they want like the rest of the country," he said.

Microbreweries would benefit also, according to Mr. Rafferty. He said consumers often are unwilling to try lesser-known beers if they have to buy a full case because it's too expensive.

Grocery stores also might be among the biggest beneficiaries. Although the stores themselves cannot apply for beer licenses, some have recently started to set up restaurants within their stores, which can apply. Consumers would have to pay for the beer at a separate register, but would be able to buy an 18-pack or three six-packs in the same place they buy their milk and eggs.

The boon to grocery stores, however, could be trouble for beer distributors because it breaks up their monopoly over selling large volumes of beer.

Mr. Meyer said he was unsure if the Senate would vote on the bill before the summer recess starting June 30 because of other pressing issues, including the budget, facing the Legislature.

The bill still has several hurdles to clear before it can become law, including potentially being sent to the Senate Appropriations Committee if it is determined the bill could have an impact on the state budget. It also must win approval in the House and be signed into law by Gov. Ed Rendell.

In another move to liberalize the sale of alcohol in the state, the committee also sent Senate Bill 896 to the Senate to allow farmers to sell wine at farmers markets.

<http://www.post-gazette.com/pg/07158/792198-85.stm>



**41.** **Wineries Popping up on Prairie (South Dakota)**

 *Sioux City Journal*
June 4, 2007

Jim and Nancy Schade opened their winery with the goal of bringing a touch of Napa Valley to the South Dakota prairie.

Visitors to Schade Vineyard, just a half hour from the homestead where Laura Ingalls Wilder penned many of her childhood stories, can tour the property, take in some Midwest hospitality and sample an array of potent potables made from locally grown grapes, rhubarb, plums, buffaloberries and chokecherries.

"I think the rhubarb wine is most unique to South Dakota," Nancy Schade said.

Schade was the third vineyard to set up shop in South Dakota after the Legislature passed a 1996 law allowing farm wineries. South Dakota's burgeoning industry, now a dozen wineries strong, produced 39,785 gallons in 2006.

About 70 acres of grapes are growing in a state more famous for corn and soybeans, but that number could soon increase. Nearly 140 people showed up for beginning grape-growing workshops offered this spring both east and west of the Missouri River, said Rhoda Burrows, an Extension horticultural specialist at South Dakota State University.

"There's a lot of people that are interested," she said.

Burrows recommends that new growers select early maturing varieties with good cold hardiness and start small with one-half to a full acre, "partly for the learning curve, and partly to make sure that they really want to do it before they go into it full bore."

While vineyards in California and Oregon have had more than a century to perfect how to grow their grape types, Burrows said, varieties hardy enough to survive South Dakota winters are the result of recent breeding, much of it at the University of Minnesota.

"Instead of having hundreds of years of experience in knowing how to grow this vine, we may have 10 years or five years," she said. "So we're still learning about the cultivars themselves and how best to grow them. And then you pit that against growing them in a state where they've never been grown before, so there's learning curves there."

South Dakota's industry is mostly a niche market, but wines produced by the state's two largest wineries -- Prairie Berry Winery in Hill City and Valiant Vineyards in Vermillion -- have been competitive internationally, Burrows said.

The Schades, who bottled their first batch in 2000, produced 3,000 cases last year using several varieties of grapes grown on their 2-acre vineyard and grapes and other fruit bought from a dozen or so area growers.

"All of our grapes and fruit are grown within 200 miles of our vineyard," Nancy Schade said.

For Don South -- as with many of South Dakota's growers -- winemaking was a hobby that blossomed into a side business.

The Renner man had been making wine since 1998 and began planting his own grape vines in 2000.

"We've got about 3,200 vines in the vineyard, so it was time to find an end market for it," South said.

So South, whose "other full-time job" is president of the Sioux Falls Sign-O-Rama franchise, opened Strawbale Winery late last year, construction a building out of straw bales covered with stucco.

Strawbale has built a loyal following, producing sweeter dessert-type wines such as a black currant wine, strawberry apple wine and a honey wine, South said.

South and his fellow winemakers network through the South Dakota Specialty Producers Association, but they're branching off into the South Dakota Wine Growers Association in an effort to create new markets and build the industry.

Unlike in other industries, winemakers welcome new entrants, South said.

"Another winery is not a competitor, because one and one basically makes three in this business," South said. "You need wineries about every 30 miles apart so you can get a viable wine trail going."

Schade Vineyard, which also specializes in sweet wines, has benefited from its proximity to South Dakota State University. Students from SDSU majoring in horticulture and landscaping have helped out as employees and interns.

Kelly O'Donnell, a recent graduate who plans to teach ag education in Arlington this fall, spends her mornings tending to the Schades' 1,800 or so vines. Maintaining a vineyard is a labor intensive endeavor, as you have to consider weed control, pruning, downy mildew, potential damage from creeping pesticides and scores of birds just waiting to swoop in from a nearby tree to munch on the sweet fruit.

The vines are equipped with a drip irrigation system, but the goal is to leave it off, O'Donnell said.

"We try not to use the irrigation system," she said. "We want the plants to develop a really deep root system."

Vineyards can be profitable on a per-acre scale -- with grape fields in full production bringing in $8,000 to $10,000 per acre -- but growers also need to factor in their time and initial investment, Burrows said.

New growers have upfront costs that can top $7,000 or $8,000 an acre, and vineyards typically don't produce their first full crop until about the fourth year -- even if the land is managed well.

That's why most vineyard operators are either retired or have another job.

"It makes a good supplemental income for most people," Burrows said.

The Schades have taken a conservative approach to growth, choosing to bottle and label by hand rather than investing immediately in high-priced equipment. It's important to keep costs down, as rural Midwesterners aren't accustomed to paying anything near what someone in the Napa Valley might consider inexpensive.

"We have to be very aware of that," Nancy Schade said.

South Dakota wineries can sell their products at the vineyards and through retailers, but they can't ship bottles within the state. They can ship to most surrounding areas, but the laws and licensing fees vary state-to-state.

Prairie Berry Winery in Hill City, which ships much wine out-of-state, uses compliance software to stay on top of more than 10,000 rules and laws that need to be verified before sending out a bottle, said Michele Slott, Prairie Berry's director of Marketing.

The winery, on Highway 16-385 near Mount Rushmore and Crazy Horse, also sells to many tourists visiting the Black Hills.

"The vast majority of our traffic is from Memorial Day to Labor Day," Slott said.

****<http://www.siouxcityjournal.com/articles/2007/06/04/news/south_dakota/95c98cec39790a15862572f0000e60e4.txt>

**42.** **Legalized Liquor: A Moral or Economic Issue? (Tennessee)**

*Monroe County Advocate*

June 4, 2007

As expected, it was the liquor by the drink referendum debate that stole the show Thursday night at The Advocate & Democrat’s forum for the June 14 Sweetwater election.

A crowd of about 75 people gathered at City Hall to listen to the four City Commission candidates, but seemed more eager to hear opposing views and to express their opinion on whether Sweetwater voters should allow liquor by the drink.

After the commission candidates answered questions from The Advocate & Democrat staff and the audience, all eyes and ears turned to the speakers for both sides of the liquor by the drink issue.

Developer Jeff Darragh, president of the Sweetwater Alliance for Smart Growth, represented those for passage of liquor by the drink and businessman Phil Roy, treasurer for Citizens Against Legalized Liquor (CALL) spoke and answered questions for those against the liquor by the drink.

Both men repeated familiar themes as they each spoke uninterrupted, then gave rebuttals and answered questions from the audience before the entire forum wrapped up in about 1 hour and 45 minutes.

Darragh spoke first and said whether Sweetwater allows liquor by the drink is not a moral issue.

“I believe it is an economic issue,” he said.

Darragh, whose company, The Worthington Group, is proposing about 500 acres of residential and commercial development at Interstate 75’s Exit 60, said the city needs liquor by the drink to attract the type of restaurants that will bring other businesses to Sweetwater.

Roy countered later when he spoke.

“This is an economic issue for a few that will gain from the sale of alcohol,” he said. “To CALL it is a moral issue.”

Roy said Sweetwater is not big enough and did not have enough per capita income to attract the restaurants Smart Growth says might come to Sweetwater if the referendum is passed.

He said that is why Chick-fil-A and other restaurants that do not serve alcohol have not located in Sweetwater.

He said the big box stores have to come first before the restaurants will locate in an area.

Darragh, who also spent some time explaining the many principals of “Smart Growth” as a way of planned development nationwide, referred to the referendum as a “restaurant referendum.”

He said passage of the referendum is not the only key to growth but would be a catalyst for bringing in sales tax revenue that could improve schools, city services and cut down on the reliance on raising property taxes.

Darragh projected his Sweetwater Mills development along the interstate could bring in $1.5 million in sales tax revenue over three to five years.

The developer of Sweetwater’s Willow Creek said he believes he has Sweetwater’s best interests at heart. But he made no apologies for wanting a successful Sweetwater Mills.

“I am a developer by trade,” he said. “I don’t believe that is a dirty word.”

Darragh stressed the referendum would not bring bars to town but only restaurants with seating capacities for at least 75 people.

Pointing to the fact that stores and some restaurants already sell beer in Sweetwater, he said, “Alcohol is already here.”

Darragh said personal choices are the problem when it comes to alcohol abuse.

The Tennessee Alcoholic Beverage Commission said when a city passes liquor by the drink, the city that passed it and unincorporated areas in the county have Sunday beer sales.

Darragh does not see Sunday beer sales in the city and county as a problem.

According to Darragh, people who have a drinking problem can already stock up on beer on Saturday night. Roy said calling the referendum a “restaurant referendum” is just a smoke screen.

“Don’t be confused,” he said. “It is not a restaurant referendum on the ballot. Let’s call it what it is. Know the facts and the issues.”

Roy at times pointed to passages in the Bible and cited statistics that say among other things, 16 people die each day in the country due to drunk drivers.

Citing the Tennessee Drug Awareness Council, he said for every $1 in alcohol sales brought in, $8.47 must be spent to counter the problems associated with alcohol.

As he did last week in a prayer rally downtown, Roy said proponents of passing the referendum contend Sweetwater should be more like Athens, which passed liquor by the drink in 2000.

He then pointed to a recent article in the Daily Post- Athenian, which quoted the Athens Police chief saying his department needed a $5,000 grant to help the department fight problems associated with people drinking too much at the handful of restaurants which serve alcohol there.

In his rebuttal, Darragh pointed out the Athens Police chief said, however, the number of DUI arrests in that city have not gone up since liquor by the drink passed.

When Roy rebutted, he pointed to some in the 1840s who were for using waterways to grow as a town rather than using the railroad.

Roy said using waterways would have turned out to be a bad idea and passage of the liquor by the drink referendum would be a similar bad idea for Sweetwater.

After the rebuttals, Darragh and Roy took a few questions from the audience.

In many ways the questions migh have been more position statements than actual questions but still at least the audience had a chance to speak out.

Former Sheriff R.H. Johnson said liquor by the drink would only bring trouble.

One woman said she believed Knoxville, which has liquor by the drink, does not allow beer sales on Sunday.

However, Knoxville city and Knox County officials told The Advocate & Democrat Friday there are beer sales there on Sunday.

<http://monroe.xtn.net/index.php?table=news&template=news.view.subscriber&newsid=141180>

**43.** **Fine Print: Alcohol Labels on Energy Drinks Too Tiny? (Utah)**

*Salt Lake Tribune*

May 31, 2007

Liquor-control Commissioner Kathryn Balmforth adjusted her glasses as she examined a can of the energy drink Liquid Charge.

"I can't see it," said Balmforth, still squinting. "Where does it say there's alcohol on this can?"

Liquor Commissioner Larry Lunt did some squinting of his own before he announced that the alcohol contents are displayed on the label's "fine print."



On Wednesday, Balmforth and Lunt instructed staff in the Alcoholic Beverage Control Department to research how an array of popular energy drinks containing alcohol might be more clearly labeled - and kept out of the hands of those under the age of 21.

Recently, a 19-year-old decoy bought a carton of Peels from a Salt Lake County convenience store. The fruity beverage, like its 16-ounce energy drink counterparts, contains more alcohol than a 12-ounce can of beer.

"The store clerk was cited for selling alcohol to a minor," said Sgt. Kyle Bushnell, of the state's Alcohol Enforcement Team. "This is a growing problem."

Worse, Bushnell said, much younger children are taking these drinks to school. Without clearer labels, teachers and administrators may not be spotting the beverages. Bushnell said one investigator's daughter reported seeing a schoolmate sipping from a can of the alcoholic energy drink Tilt.

Balmforth made it clear that if there are gaps in state laws, she would work for legislation on the issue. She also wanted to know why staffers issued approval certificates for the alcoholic energy drinks to be sold in Utah stores, without larger labels stating alcohol levels.

"To be honest, whatever the federal government approves in labels," said Compliance Director Earl Dorius, "we usually do, too."

Counties, cities and towns are authorized to pass ordinances requiring grocery and convenience stores to post signs warning consumers to carefully read labels on alcoholic beverages. But Lunt suggested statewide rules and said a patchwork of local regulations would be confusing to consumers.

Bill Christofferson, director of the Utah Wholesale Beer Association, said wholesalers know that alcoholic energy drinks are to be displayed with beer and other malt beverages.

But there's widespread confusion among the public about energy drinks that contain alcohol, said Pat Bird, prevention manager with the Utah County Division of Substance Abuse. Some stores are placing all energy drinks - regardless of whether they contain alcohol - together, Bird said.

A survey of 200 people at schools and health fairs throughout Utah County earlier this year showed that at least one-third of the respondents weren't sure which of eight energy drinks contained alcohol, even after examining the labels.

In addition, 68 percent had never heard of the standard way of measuring and comparing the level of alcohol in drinks - labeled as "ALC by weight." Some 58 percent said they didn't know a "malt beverage" label means a drink that contains nonfermented alcohol, such as alcoholic energy drinks.

Tim Baggs, president of Liquid Charge manufacturer Charge Beverages Corp., said in March the labels are clear enough and government approved. The newest label for Liquid Charge says "alcohol beverage" on the front.

<http://www.sltrib.com/ci_6026030>

******44. Virginia ACLU Fights Ban on Alcohol Ads (Virginia)**

Natasha Robinson
*Washington Times via Associated Press*June 1, 2007

The American Civil Liberties Union of Virginia yesterday asked a federal judge to throw out the state's decades-old ban on alcohol advertising in student newspapers.

Virginia Tech's Collegiate Times and the University of Virginia's Cavalier Daily filed a lawsuit last June against the Virginia Department of Alcoholic Beverage Control (ABC) claiming that a ban on alcoholic-beverage ads is unconstitutional because it violates the newspapers' free-speech rights.

ACLU attorney Rebecca Glenberg argued that the state must substantiate its interest in maintaining the ban, which was adopted in 1988 and covers all publications prepared, edited and distributed by students at Virginia colleges.

“The burden of proof is on the government," Miss Glenberg told U.S. Magistrate Judge Hannah Lauck, who did not indicate when she would issue a ruling.

Government researchers have been unable to quantify the effectiveness of such a ban, said Miss Glenberg, who advocated for other methods of curbing underage drinking that don't restrict freedom of speech.

"Studies show raising taxes and counter-advertising are methods known to curb alcohol consumption," Miss Glenberg said.

Catherine Hill, a senior assistant attorney general, said that the government has substantial interest in maintaining the ban.

The ABC wants the ban to remain in place so that a disproportionate number of underage drinkers aren't exposed to ads that may encourage binge and underage drinking, Miss Hill argued.

Collegiate Times, which is supported mostly through advertising, has said that the ban unfairly curbs its revenues because it has had to turn down some ad offers, while other area newspapers have not.

Miss Glenberg said that the regulation discriminates between types of newspapers without clearly explaining why. Miss Hill argued that a student newspaper differs from other publications.

Tucker Martin, a spokesman for Attorney General Robert F. McDonnell, said after the hearing that Mr. McDonnell thinks the regulation is constitutional "and will continue to vigorously defend it."

Some states regulate student newspaper advertising, while in other cases, colleges regulate, said Miss Glenberg, who didn't know how widespread such bans are.

The ACLU has noted that the University of Pittsburgh's student newspaper, Pitt News, successfully challenged similar restrictions in 2004. The 3rd U.S. Circuit Court of Appeals ruled that the ban placed an unfair financial burden on student-run publications and hindered their right to free speech while doing little to achieve its goal.

That opinion was written by Samuel A. Alito Jr., now a U.S. Supreme Court justice.

<http://washingtontimes.com/metro/20070531-103430-5404r.htm>

