

March 16, 2018

Please visit NABCA's new website at  
[www.nabca.org](http://www.nabca.org)

## HAPPY ST. PATRICK'S DAY

### JOB OPPORTUNITY

#### Oregon Liquor Control Commission

##### PUBLIC AFFAIRS SPECIALIST 3

The Oregon Liquor Control Commission is seeking a creative and dynamic individual for our Communications Division. The Public Affairs Specialist 3 position oversees, researches, develops, implements and measures effective ways to educate and inform the public, elected officials, news media, employees, partner organizations and other internal and external target audiences about the agency's Distilled Spirits, Public Safety, Liquor Licensing, Marijuana and Administration programs activities, initiatives, policies and projects with a focus on alcohol communication.

[Click for more details.](#)

### SAVE THE DATE

[Registration Is Now Open for the Legal Symposium!](#) Visit [www.nabca.org](http://www.nabca.org) to register.

#### **MARCH 18-20, 2018**

**25<sup>th</sup> Annual Symposium on Alcohol Beverage Law & Regulation** at the Crystal Gateway Marriott in Arlington, VA.

Join government, legal and industry professionals for a symposium that offers the chance to hear the latest on legal issues related to alcohol beverages. Session topics currently planned include *Here Comes the Judge*, *The Lens of Time: 1st versus 25th NABCA Legal Symposium*, *Trade Practices: A*

*Civil Matter?* plus many others. Watch for registration materials in the coming months! Continuing Legal Education (CLE) credit is available for many states. For more information, go to [www.nabca.org](http://www.nabca.org).

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Climate change affecting taste and cost of beer

U.S. Binge Drinkers Have Billions of Alcoholic Drinks Each Year, Says CDC

'Facebook detectives' sought to ID suspect in ABC store liquor theft

Innovative Lives: How Women Shaped the Alcohol Industry at the National Museum of American History

**APRIL 11-13, 2018****Alcohol Policy 18: Evidence To Action - Building an Evidence-Based Social Movement**

Renaissance Arlington Capital View Hotel, Arlington, Virginia. For additional information on hotel, important dates and more, please visit the AP18 Conference website.

**AP18 Registration Now Open!**

**APRIL 30–MAY 1, 2018**

**2018 RRForum National Conference** - hosted by the Michigan Liquor Control Commission and will be held in Detroit.

**! MAY 3, 2018****Invitation to Attend the Las Vegas Independent Spirits Expo**

*Modern Distillery Age* is a media sponsor for this year's Las Vegas Independent Spirits Expo, which takes place May 3 at the conclusion of the WSWA 75th Annual Convention & Exposition. A free pass is available to *Modern Distillery Age* subscribers, independent spirits distillers/ importers, wholesalers/ distributors and others covered all year in *Modern Distillery Age*. This pass allows entrance to the press/trade part of the Expo (5-9 pm) at the Hard Rock Café (3771 Las Vegas Blvd. South).

If you want to attend, please RSVP to Dave Schmier, Independent Spirits Expo producer, at this email address - [indiespirits@gmail.com](mailto:indiespirits@gmail.com) - and mention *Modern Distillery Age*. - There's no need to reply. Dave will maintain the guest list.

**MAY 21-24, 2018****!REGISTRATION IS NOW OPEN FOR THE Annual Conference!**

**81st Annual Conference** will be held at the Arizona Biltmore, Phoenix, AZ.

**Theme: Bridging Divides;** For more information, visit [www.nabca.com](http://www.nabca.com) website.

**JUNE 3-5, 2018****2<sup>ND</sup> Annual Beverage Alcohol Retailers Conference** - Denver, Colorado

Registration is open and sponsorship information is available at

[www.BevRetailersConference.com](http://www.BevRetailersConference.com).

Secure your early bird rate before prices increase on February 9.

Seating is limited.

**JULY 18-20, 2018****8<sup>th</sup> Biennial Northwest Alcohol & Substance**

**Abuse Conference**

Riverside Hotel, Boise Idaho

The Pre-Conference Sessions are on Wednesday. The official conference kicks off Thursday morning. Visit [NorthwestAlcoholConference.org](http://NorthwestAlcoholConference.org) for more information.

**NABCA HIGHLIGHTS**

**Native American Nations & State Alcohol Policies: An Analysis**

**Sunday Alcohol Sales** (July 2017)

**Alcohol Technology in the World of Tomorrow - (White Paper)**

**The Control State Agency Info Sheets.** Please view website for more information.

**NABCA Survey Database** – now available for members on the website.

[www.NABCA.org](http://www.NABCA.org)

**CONTROL NEWS**

VA: Boozy bites: Va. bill creates confectionery license for alcohol-infused goodies

CBS Fox 59 WVNS

By Evanne Armour  
March 15, 2018

RICHMOND, Va. (WRIC) — - We are always hearing about wineries and breweries booming in Virginia. But there's an offshoot sector that's been stunted — until now. New legislation will make it easier to eat, not just drink, your favorite adult beverages.

Rachel Bolling has been making and selling cupcakes for about two years through her business Lush Cupcakes. Her not so secret ingredient? Alcohol.

"We are taking the alcohols, we are infusing the flavor into the cupcakes and it enhances it even more," she said.

Her 'Godiva Hennessy' dessert starts with a Godiva Chocolate Liqueur cake and is topped with a Hennessy-infused vanilla buttercream and salted caramel drizzle. The 'Old Fashioned' cupcake includes Reservoir Whiskey, bitters buttercream and a traditional maraschino cherry on top.

But when she launched Lush Cupcakes out of her Mechanicsville home, she realized Virginia law and Virginia Department of Alcoholic Beverage Control (ABC) rules didn't match, making it difficult for businesses to get off the ground. So she teamed up with her husband, lawmakers and ABC to try and streamline the process.

It inspired two bills — HB1602, which Del. Chris Peace (R-Hanover) introduced, and SB61, which Sen. Barbara Favola (D-Arlington) carried. They both passed.

The legislation creates a confectionery license so people can whip up and sell their boozy bites, following certain guidelines. Bolling said it's a growing industry.

"There's a wonderful person out in Chesapeake that we were supporting for her pudding business. We have somebody here local in Richmond who has this amazing family wine jelly recipe that she wants to do," said Bolling. "We had a couple other people involved with barbecue sauces and other cupcake businesses as well."

The license will help the state track who is making what. It will also require testing to make sure they're staying under the 5 percent alcohol by volume limit. All while giving these creative chefs and bakers a bigger bite out of the booming booze business.

"It really is going to open the door for these people who have these fun, unique products that they want to be able to share with people," said Bolling.

Bolling has already teamed up with Richmond breweries and cideries to create custom-infused cupcakes. She recently worked with Isley Brewing Company and Buskey Cider.

She hopes to continue collaborating with other local businesses. The legislation goes into effect July 1.

## LICENSE NEWS

### NY: Growth of New York state craft alcohol industry continues

WBNG News 12  
March 16, 2018

ALBANY, N.Y. (AP) - New numbers show New York state's craft beer, wine, cider and alcohol industries are continuing to grow.

Statistics released Thursday by the office of Gov. Andrew Cuomo show the state is now home to 715 businesses that make beer, wine, cider or spirits using New York-grown agricultural products. That's a 150 percent increase from 2012, when the state held its first ever summit for craft alcohol producers.

The state is now No. 1 in the country when it comes to the number of hard cider manufacturers, No. 2 for craft distillers, No. 3 for breweries and No. 4 for wineries.

Cuomo, a Democrat, says the state's craft alcohol industry is "booming" and that the state has tried to boost business further by cutting red tape and prohibition-era regulations.

## WA: Tasting Room Violation Penalties Bill Before WA Gov

Brewers Association

March 15, 2018

Before the Governor for action, H.B. 2517 requires the Liquor and Cannabis Board (LCB) to adopt, by rule, a schedule of penalties applicable to a licensed alcohol manufacturer who has committed a regulatory violation as part of the licensee's activities involving the public and relating to serving samples, operating a tasting room, conducting retail sales, serving alcohol under a restaurant license, or serving alcohol with a special occasion license and provides that the schedule of penalties may not include the suspension, revocation, or cancellation of an alcohol manufacturer's license.

Links

1. [H.B. 2517](#)

## PUBLIC HEALTH NEWS

### Figuring Out How Alcohol Does Its Dirty Work

*UNM Neuroscience Day 2018 Highlights Research Toward a Cure for Fetal Alcohol Spectrum Disorders and Related Genetic Mutations*

UNM HSC Newsbeat

By Kara Leasure Shanley

March 15, 2018

When it comes to disrupting brain function, alcohol is an equal opportunity offender, affecting many different neural receptors at once.

"This gives new meaning to the phrase 'dirty bourbon,'" joked neuroscientist C. Fernando Valenzuela Thursday as he delivered his remarks for the Michael C. Wilson Memorial Lecture, a highlight of the UNM Health Sciences Center's annual Neuroscience Day event.

Unlike many other drugs, there is no single brain region affected by alcohol or receptor molecule that it binds to, said Valenzuela, a professor in the Department of Neurosciences whose research centers on the effects of alcohol on the brain, starting from pregnancy and stretching throughout a person's life.

Alcohol disrupts the balance of neurotransmitters – chemical messengers between brain cells, Valenzuela explained. Under normal conditions, neurotransmitters that silence brain cells are balanced with those that increase the communication between cells. Alcohol tips the scales not only reduces brain cell activity, but it also causes the brain to overcompensate later by increasing activity to abnormal levels after alcohol is no longer present.

About 56 percent of adults say they have drunk alcohol in the past month, with 7 percent saying they have engaged in binge drinking, according to the 2015 National Survey on Drug Use and Health. Some 15.1 million adults were found to have alcohol use disorders, but only 6.7 percent had been treated.

“That is really sad,” Valenzuela said, “and we need to do better.”

The effects of alcohol differ depending on amount consumed, brain regions, a person’s age, environment and even their genetics, Valenzuela said. “Heavy drinking, for sure, has many direct effects throughout the brain.” Adolescents experience fewer of alcohol’s negative effects than seniors, but they are more prone to hazardous behaviors and substance abuse later on in life.

It is this developmental aspect of alcohol exposure that Valenzuela and his team have jumped on – fetal alcohol spectrum disorders (FASD) in particular. These disorders afflict children who have developed physical, growth and mental abnormalities due to their mothers’ drinking during pregnancy.

Valenzuela likened it to an iceberg. In the case of FASD, the tip of the iceberg are the physical and growth anomalies that can be readily diagnosed. In contrast, many more children who are on the FASD spectrum, but do not have physical abnormalities, may have severe neurological deficits that remain hidden.

“This is one of the most devastating effects of alcohol consumption and it should not happen,” Valenzuela said.

His research has revealed that alcohol given to mice during pregnancy causes brain cell death during fetal development. He also found that a single amino acid change within a gene involved in nervous system development – brain-derived neurotrophic factor (BDNF) – can affect mice exposed to alcohol before birth and after. He observed that mice with this genetic mutation had smaller brain volumes in areas related to memory and emotion.

Valenzuela is optimistic that his team’s research may help these children someday. If researchers can identify those who have this genetic mutation, they may be able to predict who is at risk for alcohol abuse.

“There is hope,” Valenzuela said. “There are a lot of things in the pipeline in research that will go live soon.”

Neuroscience Day 2018, sponsored by UNM’s Brain & Behavioral Health Institute, drew nearly 200 registered participants, including presenters, faculty and students from across the University of New Mexico, as well as community members and advocates for those with neurological disorders.

Neuroscience Day is held annually during Brain Awareness Week, which aims to “provide understanding internationally of the brain,” said BBHI director Bill Shuttleworth, PhD, Regents’ Professor in the Department of Neurosciences. Neuroscience Day itself aims to connect neuroscientists and researchers with community members and advocacy groups from around the state.

The Michael C. Wilson Memorial Lecture is named for a Neurosciences colleague who passed away in 2014. Michael Wilson was “an intellectual force,” Shuttleworth said. “He was a really amazing neuroscientist, and we were really lucky to have him at UNM.”

## INDUSTRY NEWS

### Tequila and Mezcal Are So Hot in U.S., Even Vodka Makers Want In

Bloomberg

By Jennifer Kaplan

March 15, 2018

An alcohol company synonymous with vodka is pushing into tequila and mezcal, a sign of the liquors’ burgeoning popularity in the U.S.

SPI Group, the company behind Stolichnaya vodka, is starting its own tequila and mezcal brands in the U.S. The idea is to capitalize on a shift by consumers toward the Mexican liquors, which have outpaced vodka and other spirits that once dominated bars. It’s the first time the company has developed its own brands from start to finish. In the past few years, closely held SPI group acquired the distribution and marketing rights for established brands such as Achaval-Ferrer and Arinzano wines, Bayou rum and Kentucky Owl bourbon. A wide-ranging spirits portfolio is essential to serve customers that demand variety, according to Chief Executive Officer Hugues Pietrini.

"We saw very clearly the opportunity to develop our own program and to create a new brand in the category," Pietrini said in a phone interview. He said there's a special energy for the agave-based spirits in markets such as the U.S.

"There's a whole thing happening in these markets around mixology," he said.

A product called Cenote tequila goes on sale this month -- with blanco, reposado and anejo versions available -- while a cristalino variety will be available later this year. The company will also launch SeBusca Mezcal in anejo, reposado and joven varieties.

#### Rapid Growth

Tequila and mezcal have been growing at a rapid clip, while vodka volume growth has slowed. Tequila volumes gained 8.5 percent from 2016 to 2017, according to the Distilled Spirits Council, a trade organization. Meanwhile, vodka volumes grew just 2.2 percent.

The world's largest distillers, Diageo Plc and Pernod Ricard SA, have made acquisitions in order to cash in on the trend. Bacardi Ltd. has also moved in, acquiring Patron Spirits International AG earlier this year in a deal valuing the company at \$5.1 billion.

SPI Group, known as Stoli, decided to make its own brand. Pietrini, who took over as CEO about a year ago with a pledge to expand the company's portfolio, said this lets the Luxembourg-based spirits maker focus on developing a product using the best ingredients.

"We are very excited," he said. "Today the customer does not only want vodka."

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### New Excise Tax Reporting Guidance: TTB Form 5000.24

Brewers Association  
March 15, 2018

The Tax and Trade Bureau (TTB) has posted further information of interest to brewers as part of the continuing effort to provide guidance concerning the recently reduced excise tax rates. The new information follows and complete information is available on TTB's Craft Beverage Modernization and Tax Reform page.

How should the reduced tax rates and credits be shown on the tax return, TTB Form 5000.24?

For beer and distilled spirits, the Act provides for reduced rates of tax for certain products removed during calendar years 2018 and 2019. Those rates should be used to calculate the tax due. The total tax due for distilled spirits should be shown on line 9 and the total tax due for beer should be shown on line 11.

For wine, the Act provides tax credits for certain products removed during the calendar years 2018 and 2019. The calculated tax due prior to accounting for the credit should be shown on line 10 and the credit should be calculated in Schedule B, with the resulting decreasing adjustment incorporated into line 20.

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### This UK Brewery Is Selling Cannabis Oil-Infused Beer

The Drinks Business  
By Edith Hancock  
March 15, 2018

A brewery in Teeside has become the first in the UK to start selling its own cannabis oil-infused beer, according to the brewers.

The Stockton Brewery Company has come up with the UK's first beer brewed with cannabis oil following consumers' rapidly developing taste for weed-based drinks in the US.

The beer, a 3.8% ale billed as "refreshing and blonde" called Buffalo Soldier, contains traces of CBD oil, the non-psychoactive chemical compound found in cannabis.

The ale is named after the reggae song of the same name written by Bob Marley.

CBD oil has become hugely popular in the UK as a health supplement for reducing pain and inflammation, and has also been used to treat insomnia and anxiety.

“The lads were excited about creating the product and are happy to be part of the first ale in the UK to contain cannabis oil,” a Buffalo Soldier spokesperson told Gazette Live.

“The first batch will be ready in six weeks and after many inquiries we’ve got a feeling the product will be in demand and sell out quickly.”

Punters will be able to purchase their own British canabeer next month, with Buffalo Soldier priced at £3.50 per bottle.

Cannabis-laced drinks are already gaining traction in the US drinks industry after a number of states relaxed their own laws around the drug.

Chris Burggraeve, former marketing boss at Budweiser, compared the growth of interest around weed-infused drinks with the rise of craft beer in the US and globally over the past decade.

“The same way that craft beer started and, for the longest time, was ignored and then exploded, there’s no reason why the same thing wouldn’t happen in this space,” Burggraeve told Bloomberg in 2017. “There will be part supplementing and part complementing. The jury is out on how and where that will happen.”

Cannabis-infused drinks have also proved popular elsewhere. In February, a Canadian brewery filed a technology patent for the production of beer brewed from cannabis, using a method that sees the grains traditionally used to make beer completely replaced with marijuana.

## DAILY NEWS

### Climate change affecting taste and cost of beer

WGAD 8

By Eric Sorensen

March 16, 2018

On St. Patrick’s Day, many celebrate with good music, food, and drinks. But according to research by one investment firm, March 17 ranks fourth behind New Year’s Eve, Independence Day, and Christmas Day in the amount of daily alcoholic drinks consumed in the U.S.

As the world’s climate warms, an interesting effect is happening on beer’s core ingredients: hops, water, and barley.

Hops are affected by heat and drought, and with 99 percent of U.S. hops grown in Washington, Oregon, and Idaho (with over 70 percent grown in Washington alone), the drier climate developing in the West will impact production.

Water available for irrigating the hops largely comes from annual melting of winter snowpack from the mountains. A warming world means more rain versus snow in the winter, meaning irrigation may depend more on ground water, which has a higher mineral content and affects the beer’s taste.

Barley, the most common grain used in fermentation, is primarily produced in the Upper Midwest and Northern Rockies, and like many cereal crops, it is particularly susceptible to heatwaves and droughts. U.S. farmers are planting less of it to reduce their financial risk. Last year, Montana farmers planted 23 percent less barley for the beer market than in 2016, meaning the final cost of beer at the pub or market may be going up.

Beer is also big business. Increasingly, locally owned craft brewers are having an impact on the industry landscape and on the economies in which they are located. According to the Brewers Association for Small and Independent Craft Brewers, a craft brewer produces six million barrels of beer or less a year, with less than 25 percent of the brewery controlled by a larger organization. In 2016, sales of craft beer were up 10 percent, accounting for nearly a quarter of the total U.S. market. Local craft brewers contributed \$67.8 billion to the U.S. economy in 2016, representing more than 456,000 jobs.



Adult Iowans spend \$388.77 per year on craft beer. The amount is slightly lower for people in Illinois where \$283.70 is spent annually.

-Meteorologist Eric Sorensen

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## U.S. Binge Drinkers Have Billions of Alcoholic Drinks Each Year, Says CDC

*The average binge drinking session: 7 drinks.*

Inverse

By Yasmin Tayag

March 16, 2018

This Saturday, Saint Patrick's Day revelers around the world will celebrate the Irish icon by crushing about 13 million pints of Guinness. That's a lot of booze in a short period of time, but such feats of binge drinking are commonplace to American drinkers, according to a new report released by the United States Centers for Disease Control and Prevention on Friday. The number of drinks that U.S. adults consume each year while binge drinking, it reveals, is in the billions.

In the study, published in the American Journal of Preventive Medicine, the CDC researchers reveal that in 2015, U.S. adults drank over 17 billion drinks while binge drinking. Per person, that comes out to 470 binge drinks a year; by the researchers' estimates, that's about an average of seven drinks per binge drinking session. They pulled their data from about 408,800 people surveyed through the Behavioral Risk Factor Surveillance System about their health and risky behavior.

According to the CDC guidelines for safe drinking habits, binge drinking for men constitutes consuming five or more standard drinks in two hours, and for women it constitutes drinking four or more in the same period. A standard drink, in the U.S., is 14 grams of alcohol — about what you'd find in a 12-ounce can of beer, a five-ounce glass of wine, or in a shot of 40 percent liquor.

On average, adults consume about seven drinks in a single binge-drinking session.

The revolution will not be televised. It'll be sent to your inbox by us.

Not all binge-drinking adults binge drink at the same rate. Though young adults aged 18-34 years more commonly binge drink, the article reveals that over half of the nation's total number of binge drinks were consumed by adults age 35 and over — that's 7.5 billion drinks. Overall, 80 percent of binge drinks were imbibed by men.

The people who consumed the most binge drinks were those whose incomes were less than \$25,000 a year and those with less than a high school education.

In terms of the total amount of alcohol consumed by binge drinkers, Arkansas, Mississippi, Kentucky, and Hawaii ranked highest; Washington, D.C., New Jersey, New York, and Washington State consumed the least amount in their binges.

While the occasional binge drinking session may seem commonplace for many American adults, the consequences are nothing to shrug off. The negative short-term effects, as most drinkers know, are dangerous driving, risky sexual behavior, and violent behavior. Long-term binge drinking can lead to an increased risk of cancer, heart disease, and liver failure.

"This study shows that binge drinkers are consuming a huge number of drinks per year, greatly increasing their chances of harming themselves and others," said study co-author Dr. Robert Brewer, the lead researcher in CDC's alcohol program, in a statement. "The findings also show the importance of taking a comprehensive approach to prevent binge drinking, focusing on reducing both the number of times people binge drink and the amount they drink when they binge."

## 'Facebook detectives' sought to ID suspect in ABC store liquor theft

CBS News 6

By Web Staff

March 15, 2018

PRINCE GEORGE COUNTY, Va. – Authorities are asking for the public's help to identify a suspect wanted for stealing liquor from an ABC store in Prince George County last Saturday.

It happened at the ABC store located in the 4500 block of Whitehill Boulevard, officials said.

"Calling all Facebook Detectives," reads a post on the Prince George County Police Department page. "An employee with the ABC store... witnessed an unknown suspect stealing liquor. The female suspect was captured on surveillance video."

Officials described the suspect as a black female about 160 pounds wearing. She was last seen wearing a black jacket and black pants.

If you have any information that could help investigators, call Prince George County Police at 804-733-2773.

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## Innovative Lives: How Women Shaped the Alcohol Industry at the National Museum of American History

The Washington Post

By Going Out Guide staff

March 15, 2018

Women have been at the forefront of the alcohol industry for centuries, as both brewers and distillers. Learn about this history at a panel discussion featuring Stoudt's Brewing founder Carol Stoudt, Emily Bruno and Julie Verratti of Denizens Brewing, and Meredith Grelli of Pennsylvania's Wigle Whiskey. The post-talk reception includes beers from the two breweries, a Wigle tasting and cocktail, and themed appetizers. 6:30 to 9 p.m. \$40.

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