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March 20, 2018

Please visit NABCA's new website at www.nabca.org

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.](#)

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 - 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 website.

JUNE 3-5, 2018

2ND Annual Beverage Alcohol Retailers Conference - Denver, Colorado

Registration is open and sponsorship information is available at www.BevRetailersConference.com.

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

JULY 18-20, 2018

8th 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 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



NABCA NEWS

NABCA's 25th Annual Legal Symposium

Now in its 25th year, NABCA's two-day Legal Symposium on Alcohol Beverage Law and Regulation provided participants with timely information and dialogue about crucial issues and challenges facing state regulators, industry officials and others impacted by beverage alcohol regulation. This year's symposium provided for the first time, the option to participate in the full conference via webcast.

To follow are summaries of several of the presentations from day one of the event.

Here Comes the Judge

Themes discussed during this session provided practical insights from sitting judges, including the Hon. Selina Malherbe, administrative law judge with the North Carolina Office of Administrative Hearings, Mecklenburg County, the Hon. Marla Graff Decker with the Court of Appeals of Virginia, and former U.S. District Judge for the eastern district of Virginia, Walter Kelley who is now in private practice.

Participants were reminded of the importance of writing briefs clearly and concisely without legalese and to cite appropriate case law. Panelists discussed the pros and cons of oral arguments when given the chance, it can be a valuable tool to answer questions. Further, participants learned that getting a case before the appellate court is more about form than substance, but once before the court, the case needs the substance.

Turning focus to the federal level, panelists discussed current issues specific to alcohol advertising, the Commerce Clause, and antitrust concerns. There was a sentiment that the U.S. can anticipate more federal court cases challenging state regulatory schemes, primarily driven by aggressive sellers pushing boundaries, the craft alcohol movement, and the prevailing value of deregulation.

21st Century Technology Meets 20th Century Regulation

Nidhi Kumar, General Counsel at Drizly and moderator for this session began by sharing an interesting rumor about the potential use of Bitcoin to purchase alcohol, which shows how far innovation with alcohol technology has gone and where it can go in the future.

Patrick Cushing, attorney at Williams Mullen, spoke about the decentralization of manufacturing and retail, the change in customer trends, adoption of new technologies, and the change in ownership structure. The common triggers of regulatory movements are tragic events, consumer demand, and when new technology becomes an industry or business standard.

Skyler Genest, director of compliance and enforcement at the Vermont Department of Liquor Control, cited how technology and regulation have changed from the pre-prohibition era. Some states are hanging their hats on emerging business trends, while other "ready states" are innovative in modernizing regulations. He talked about the pros and cons of the 20th century standard regulation models, with one of the pros being that it was easy to enforce regulation during that time.

David Toomey, senior corporate counsel for the grocery delivery company Shipt, said that people today enjoy using delivery services, such as Amazon, and that alcohol delivery is an innovation that is either supported and opposed in different states.

Trade Practices: A Civil Matter?

In this session the panelists discussed cases currently in litigation where members of one tier are suing members of another tier for damages and mandatory attorney fees, which can be hefty. They also explored unfair business practices affecting state and federal laws and more specifically the "thing of value" trade practice violation.

Robert Tobiassen, compliance consultant and former TTB staff, shared that the government agency has received funding and is beginning to work with the states to better investigate trade practice enforcement matters, which if violations are found, will result in an increase in TTB cases. The panel also discussed that retailers are looking for

new avenues for consumer sales because of the change in the consumer marketplace led by players such as Amazon. It was stressed that lying to the government is not a good idea. What will occur over the next few years as TTB increases its investigations into alcohol business practices will lay the framework for the debate in civil court case matters.

John Hinman, founding partner at Hinman & Carmichael, LLP posed the question about how much competition will there be between the state investigators and the TTB. The reply was that these two government bodies will need to converse more as the state investigators know their laws and the TTB has nationwide jurisdiction.

Jim Webster, president, Webster Powell, P.C., talked about private party litigation and the causes of the shift toward it. The general feeling is that this trend will continue to increase.

Moderator for this session was Jessica Starns, founder and managing partner, Jessica Starns Law Firm.

Global Alcohol Distribution Systems

This session explored trade policy and its impact on the beverage alcohol industry. In 2017, there were \$4 trillion in imports and exports in the U.S., with top trading partners being China, Canada, Mexico, Japan, Germany, South Korea, United Kingdom, and France.

Bennett Caplan, head of secretariat FIVS, provided a conceptual framework for attendees to think about trade, outlining different trade agreement levels: Multi-lateral, where there is no real action; a regional level, which have been less of an interest for the current administration; and bi-lateral agreements, where most of the trade negotiation action have been.

Panelist CJ Helie, the executive vice president of Spirits Canada, spoke about the strong business relationship between Canada and the U.S., and the efforts they are doing to ensure policymakers and stakeholders at the federal level understand the history and importance of this relationship as the uncertainty around trade agreements persist.

Matthew Weston-Dawkes, deputy general counsel of E & J Gallo Winery in California shared that they are concerned about disruption of the export business even though wine was not on the list of proposed tariffs, and shared the frustration among the other panelists regarding the lack of progress toward trade agreements in the U.S.

Moderator for this session was Arthur Decelle, counsel, McDermott, Will & Emery, LLP.

The Legal Relevance of “Toward Liquor Control”

What can a book about alcohol regulation over 80 years old bring to the table today? That was the topic of this session, moderated by Nicholas Capezza from NABCA. He provided an overview of the history leading to national prohibition under the 18th Amendment and the Volstead Act, and the history leading to their repeal. He noted that national prohibition was a popular decision but the unforeseen consequences of it led to the passage of the 21st Amendment, and the regulation of alcohol mostly left to the states. *Toward Liquor Control* came from a desire to implement the best regulatory methods possible in the post-prohibition world.

Kentucky’s Department of Alcohol Beverage Control’s General Counsel Stephen Humphress discussed how *Toward Liquor Control* continues to serve as a relevant resource for government regulators and attorneys. Among other things, the book explores alcohol license structures, the prevention of tied house situations, and outlet density issues. It has continually been cited in legal opinions up to the present day and provides insight for constitutional issues that have arisen including First Amendment and Commerce Clause challenges.

Professor Brannon Denning of Samford University’s Cumberland School of Law reviewed current matters facing the alcohol regulatory world including the rise of the craft alcohol industry and e-commerce. He suggested a “modest proposal” to update or rebrand the goals stated in *Toward Liquor Control* to make it more accessible for a modern world as well as look at the general goals that alcohol regulation should have moving forward.

The panel and session participants expressed a consensus that *Toward Liquor Control* remains relevant and an important tool for attorneys and regulators though the terminology and goals set forth may need an update.

ADA Digital Compliance

Kristina Perry Alexander, moderator, opened this session by introducing each speaker and provided an overview best practices for website compliance particularly in the area of alcohol.

Karen Elliott, partner at Eckert Seamans, discussed what compliance looks like as it relates to web accessibility. Karen explained how compliance laws apply to the federal government, federal contractors, private businesses and at the state level. Courts may require a website to be compliant if the website affects access to a physical place of accommodation. If a website is non-compliant, an advocate may file a lawsuit or send a demand letter on behalf of a person with disabilities because they were unable to freely move through a website based on their need.

Joel Erb, senior director of digital growth at Padilla talked about ADA web accessibility requirements. Accessibility ensures a digital experience is made easier for people with physical and/or mental disabilities. This is about 20% of the US population. To see if your website is compliant, one way to determine is to use POUR. POUR stands for Perceivable, Operable, Understandable, and Robust. Another is WCAG which are the web content accessibility guidelines. Both options can help to determine if a website is compliant. A person can use an online tool, i.e., Google Chrome which includes an add on that will perform a check on a website for any compliance issues. Joel also suggested hiring an outside company to perform an audit. Remember “accessibility means empathy.”

Background Checks: How Much is Too Much?

Kate Hardy, partner at Strike & Techel, was the moderator of this session. She talked about her firm, and asked the two panelists about their specific company and experiences with licensed background checks.

April Renée Randall, assistant general counsel at the Alcoholic Beverage Regulation Administration (ABRA) in the District of Columbia, provided insight into the agency, which issues and renews ABC licenses in the District. Categories and types include manufacturer’s licenses, wholesaler’s licenses, and off-premise and on-premise retailer’s licenses. The general applicant must meet seven qualifications, including being of good character and generally fit for licensure, at least 21 years of age, and cannot owe D.C. more than \$100. There are many elements involved in receiving a license, including conflict of interest and special qualifications for wholesale and retail license holders.

Jill Valachovic, senior paralegal at Dave & Buster’s, offered her perspective about background checks and the required information licensees must provide. Her concern was the level of privacy when applying for licenses as the questions asked require divulging family details such as personal financial statements, fingerprinting, every address ever lived, and the social security numbers and dates of birth of children.

Ethics: Protecting Client Data in a Mobile Digital World

Neal Insley, moderator, opened the session by introducing Seth Guggenheim who is the assistant ethics counsel at the Virginia State Bar.

Mr. Guggenheim discussed the importance of and how to protect data. He provided examples of data that was leaked or hacked and said that law firms are desirable targets because they are “one stop shops” for high value information, with weak security. He also discussed basic terms and definitions such as cyber security, two-factor authentication, phishing, encryption and other terms. He explained that companies have a duty to safeguard confidential information and should make great effort in doing so.

Day two of the conference will wrap up tomorrow after several impactful morning sessions for which summaries will be available. Thank you for your interest in reading them.

CONTROL STATE NEWS

MD: Beer reform taps out as Maryland House panel rejects Franchot brewery bill

The Baltimore Sun

By Michael Dresser and Wesley Case

March 17, 2018

The hopes of Maryland's craft brewers for sweeping changes to the state's beer laws flattened Friday like an open beer left out too long as a legislative committee rejected Comptroller Peter Franchot's "Reform on Tap" initiative.

Unhappy with Franchot's bold venture into policy making, a House committee voted 17-4 against a bill the Democratic comptroller had been touting for months as the best way to fix what he viewed as flawed beer regulations approved last year by the General Assembly.

The panel then compounded the repudiation by passing a measure seeking to examine whether the comptroller's office should retain its role as the state's alcohol regulator.

Franchot's proposal sought to lift various restrictions on Maryland's brewers, including curbs on the amount of beer they can make and sell directly to the public. While the limits rankled the state's burgeoning craft brewing industry, other sectors of the alcoholic beverage industry defended the regulations.

Franchot issued a statement calling the rejection of Reform on Tap "more business as usual in Annapolis."

"The corporate beer lobbyists did their job and got their money's worth," he said. "Our independent craft brewers ... have once again received the message that our state's leaders are fundamentally hostile to their line of work."

Franchot said Virginia would be "the big winner" because of the committee's decision, predicting it would lure Maryland brewers across state lines with more favorable rules. He vowed to continue the fight in this year's elections and next year's legislative session.

Throughout the push, Franchot portrayed himself as the champion of the little guy against entrenched liquor interests and their General Assembly allies. Franchot's initiative won praise from his frequent ally, Gov. Larry Hogan, but the Republican chief executive stopped short of adopting it as his own.

While Franchot's campaign won him praise from some brewers, it did not play well with lawmakers of either party who say the comptroller not only excluded them from the policy-making process but insulted them along the way. The tension culminated in an hours-long, rancorous February hearing that Franchot advertised as "The Fight for Maryland Beer."

Democrats and Republicans on the House panel were united in rejecting his recommendations.

Delegate Dereck Davis, chairman of the committee, decried the acrimonious tone of the debate over the bill.

"It's been sort of like an us-against-them kind of thing," the Prince George's County Democrat said.

The panel also rejected a bill that would have rolled back gains the brewing industry made in legislation last year after its sponsor, Democratic Delegate Talmadge Branch of Baltimore, withdrew it. Lawmakers privately conceded that the bill, which Franchot said was a threat to the craft brewing industry, was intended more as a message than a serious proposal.

Davis said he hopes that after the June 26 primary he can sit down with craft brewers and discuss other proposals to allow more modest deregulation of the industry.

The committee further showed its displeasure with Franchot by unanimously approving a bill that would set up a task force to study whether the comptroller's office should continue as the state's regulator of the alcoholic beverage industry. Its sponsor, Democratic Delegate Benjamin F. Kramer of Montgomery County, said Franchot had ignored public health concerns in his zeal for beer industry expansion.

If approved by the full House, the bill would go to the Senate.

Deputy Comptroller Len Foxwell described that measure as a "joke" and a "colossal waste of time."

Brewers lamented the demise of the Reform on Tap bill.

Stephen Demzcuk, founder of the Baltimore beer company RavenBeer, called its failure “very disappointing.”

“It simply makes no sense not to support such a popular business model that all of our neighboring states have openly embraced, and are experiencing the rewards in having done so,” Demzcuk said. “The public truly wants a change in Maryland’s beer laws.”

Demzcuk said he suspected pressure from wholesalers and restaurant associations, opponents of Franchot’s bill, led to the decision.

“Many people are afraid of change,” he said. “We think a rising tide will lift all boats. They’re thinking the other way around, and it’s unfortunate.”

The decision was “neither surprising nor unexpected,” said Kevin Atticks, executive director of the Brewers Association of Maryland.

“Our goal is to get to transformative change, one way or another,” Atticks said. “This is something we’re committed to.”

Eric Best, general manager of the Bob Hall LLC beer distributor in Charles County, welcomed the vote.

“This bill would have had devastating consequences for many family-owned small businesses that have been in Maryland for generations,” said Best, vice president of the Maryland Beer Wholesalers Association. “We’re glad to keep working with brewers to sell more Maryland beer in what’s been a historic year for craft beer expansion in the Maryland brewing industry.”

Franchot launched his “Reform on Tap” initiative last spring after the legislature approved a bill lifting some restrictions on brewers’ direct sales of beer through their taprooms.

The legislation, spurred by the Guinness brewery’s ambition of opening a tourism-oriented plant in Baltimore County, was a compromise among various industry sectors. But some craft brewers complained it did not go far enough in freeing them from restrictions.

In response, Franchot created a task force he charged with developing recommendations for what he called reforms of the state laws governing how breweries can operate. In an unusual move for a comptroller, he did so on his own — without seeking the input of the General Assembly leadership.

The comptroller included members of various sectors of the alcoholic beverages industry on the panel, including wholesalers, retailers, tavern owners and restaurant owners. But its membership was heavily skewed toward brewers and their allies.

The Reform on Tap task force held hearings across the state last summer and fall, earning news coverage. But the panel never voted on making recommendations to the legislature. Instead, the comptroller’s office wrote its report and drafted the legislation.

Del. Luke Clippinger was one of the four lawmakers, all Democrats, who supported Reform on Tap. But the Baltimore lawmaker also supported the bill to examine whether the comptroller still should regulate alcohol.

Clippinger said Franchot’s advocacy did not help the brewers.

“He has left brewers in the lurch and he has left people who would like to support brewers in the lurch,” Clippinger said. “The comptroller has screwed this up for them in the worst possible way.”

Foxwell called that “an excuse that just doesn’t hold water.”

LICENSE STATE NEWS

WI: Not so grape: Winery bill expected to die in Senate over tailgating fears

Chippewa Herald

By Samantha Stetzer

March 17, 2018

A bill making its way through the Wisconsin Legislature could have winemakers and wineries raising a glass of their own goods in celebration.

Dubbed the winery bill and passed amended in the State Assembly during its session earlier this year, the bill would allow state wineries to stay open to midnight rather than the current limit of 9 p.m. Supported and pushed for by the Wisconsin Winery Association, according to local winemaker and winery owner Donna Sachs, the potential time extension would allow wineries and vineyards to serve weddings and parties longer into the night.

Sachs, owner of River Bend Vineyard and Winery in Chippewa Falls, said while the bill doesn't impact her business since River Bend is licensed as a winery and distillery, she is still supportive of bill for her peers.

"For the wine industry it would be a great thing," Sachs said.

For the nearly five years, Sachs said the Wisconsin Winery Association has had extending hours to the top of its list of items to address.

About 16 miles north of River Bend in Bloomer, O'Neil Creek Winery co-owner Joe Wynimko is also supportive of the bill, but he doesn't anticipate having later hours.

"We're a mom and pop operation, and I'm kind of glad to get out of here at 9 o'clock," Wynimko said. "The other wineries that host weddings, it's important to them."

While the bill won't be a "big game changer," for Wynimko and his wife and co-owner, Dorinda, Wynimko said Wisconsin has a growing appreciation for local wineries, distilleries and craft beers.

"We're working on it. We're a new industry. (It) takes some time for people to understand it, especially in Wisconsin, because it's a beer-heavy state but slowly but surely we'll come thru on the other end where everybody's going to have an opportunity to enjoy our crafts," Wynimko said.

But an amendment to the bill made in the assembly has enough (grape) juice to kill the bill in the Senate.

The amendment requires private properties to obtain a liquor license when renting space for a party. The Wisconsin Institute for Law and Liberty made waves in the wine barrels earlier this week when it notified lawmakers and the public that the amendment could apply to tailgating around stadiums in Wisconsin, including Lambeau Field, Camp Randall and Miller Park, according to the Wisconsin State Journal, specifically to those parties that charge for parking.

The institute explained in a memo that while a clause was included in the amendment to exclude stadiums, wording does not include the actual parking lots at the stadiums, especially in the case of Lambeau Field, which has a liquor license to cover the stadium only.

The Tavern League of Wisconsin, a strong supporter of the bill, has disputed the institute's claims.

The State Journal reported the bill's author, John Nygren (R-Marinette) said he doesn't expect the Senate to take up the bill.

But Sachs said the potential death of the bill — again — would be a huge disappointment to those she has come to know through the industry.

"(I) know a lot of my colleagues would like to stay open mostly for wedding receptions and events," Sachs said. "How many receptions want to be over at 9 (p.m.)? For a lot of people, especially for people that got into it as a wedding venue, if this dies again that's very limiting. Even though it doesn't impact us directly, I'd be very disappointed if it failed."

Wynimko was also disappointed in the bill's possible failure due to wording.

"It's a lot of this stuff is pulling teeth; it's common sense stuff you always have push back from somebody on it," Wynimko said. "It's unfortunate because the wine industry, especially in Chippewa County, we bring a lot of people. Wine is an international beverage. The townships benefit from people coming here."

Sachs is hopeful for the wine bill to at the very least pass in the legislature's next session, given most scrutiny is coming from the assembly's amendment wording and the implications on tailgating.

CA: Is there a proliferation of retailers selling alcohol in Pomona?

Inland Valley Daily Bulletin

By Liset Marquez

March 17, 2018

Resident Arturo Jimenez is concerned with what he believes is a proliferation of alcohol licenses in Pomona.

At a recent City Council meeting, as members voted to allow alcohol sales at a newly constructed convenience store gas station, Jimenez made a plea that officials consider looking the density of alcohol licenses in neighborhoods.

"I encourage you to start looking at a different format to start making these decisions," he said. In other words, stop looking at them piecemeal and consider the bigger picture.

According to the California Department of Alcoholic Beverage Control, there are 87 active "off-sale retail" licenses in Pomona. That figure was updated as recently as March 14.

"It's important we step back and look at it holistically," Mayor Tim Sandoval agreed. He proposed creating a task force, which could include representatives from Pomona Unified School District and local leaders, "to ensure we minimize, particularly, alcohol in the hands of our children."

However, in the case of an ampm Arco Gas Station franchisee seeking to sell alcohol at 805 Rio Rancho Road, the council went ahead on March 5 and approved it, acknowledging its set of circumstances was unique.

In 2015, the then-City Council approved an agreement to allow alcohol sales there, even though the station had not been built yet, Mario Suarez, Pomona's development services director, said. The gas station has since opened.

According to the staff report, the project was sold to a new developer who let the agreement with the city lapse before applying for the alcohol license.

Two years later, the Planning Commission approved the request for the offsite sale of beer and wine. As a final step, it went back to the council for review July 2017. But the council, now with several new members, denied the alcohol license request.

The owner, Sater Oil, filed a lawsuit, prompting the item to come back to the council for a review, Suarez said.

To uphold the 2015 agreement and issue the license, the council had to consider if Sater Oil's request was a public convenience or necessity, a finding required whenever an alcohol license is requested in a high crime reporting district or there is already an over-concentration of ABC licenses in the area, Suarez wrote in a report to the council.

The State Department of Alcoholic Beverage Control allows four off-sale licenses in this particular U.S. Census tract in South Pomona, Suarez said. The gas station is also in a high-crime district, according to figures provided by the Pomona Police Department, he told the council.

Suarez said attached to ampm's conditions of approval were requirements dictating how and where the alcohol would be stored. The alcohol would be limited to a designated refrigerator area in the back of the store, not to take up more than 90 square feet in the 4,100-square-foot convenience store, Suarez said.

Sater Oil has been in business for more than 35 years. It manages 31 ampm Arcos on the West Coast and is one of the larger Arco franchisees operators in the system. The owner the company told the council it does not sell hard liquor at any of its locations and provides quarterly training on ABC guidelines.

“We follow the rules, we follow the laws,” Mike Sater said.

The council voted 6-1, with Cristina Carrizosa opposed, to allow the gas station to sell alcohol.

Councilwoman Adiana Robledo, whose district includes the newly constructed gas station, she said she believes the mechanisms in place at the gas station will be a deterrent so that there are no minors attempt to purchase alcohol.

INTERNATIONAL NEWS

United Kingdom: UK Government Asks Public For Opinion On Low Alcohol Descriptors

The Drinks Industry

By Phoebe French

March 19, 2018

The Department of Health and Social Care has opened up a public consultation on the descriptors used to refer to low alcohol products so that people can make “informed choices” following the recent growth of the sector.

A paper published by Matthew Birkenshaw of the Department of Health and Social Care includes details of a public consultation launched last week (15 March) and due to remain open until 10 May 2018.

The Food Labelling Regulations (FLR), laid out in 1996 to provide rules on how low alcohol (drinks with 1.2% ABV or less) should be described, are due to expire on 13 December 2018.

As such, the government has opened up a public consultation to determine how best to communicate information about low alcohol drinks.

This is particularly pertinent given the current climate. The low alcohol sector is booming, with sales of low and non-alcohol drinks rising by 20.5% in the 12 months to 15 July 2017, according to Nielsen.

The market for and product range of beers, ciders and wines is increasing rapidly. Retailers such as Tesco, Lidl, Aldi and Marks & Spencer have all launched their own low alcohol wine range, while brewing giants Heineken, AB InBev and Carlsberg have been developing their non-alcohol offerings.

In craft beer, London now has two breweries dedicated to the production of low and no-alcohol beers (Nirvana and Big Drop) while newcomer Small Beer Brew Co., which brews beer between 0.5% and 2.8% ABV, announced last week that it had struck a deal with Whole Foods, a move which comes before it has officially opened its brewery to the public.

In the spirits category demand for non-alcoholic options is also growing. Seedlip Drinks, the Diageo-backed non-alcoholic distilled spirit, launched in the US in 2017 after a successful first year in the UK, targeting health-conscious millennials. London retailer Borough Wines has also got in on the act, launching an alcohol free ‘gin’ that mimics the aromatic profile and complexity of the spirit earlier this year.

At the beginning of this year, Spiros Malandrakis, head of alcoholic drinks research at Euromonitor International, predicted that lower alcohol drinks would be one of the drinks trends to watch in 2018.

Currently, the descriptors used are as follows:

- Low alcohol – refers to a product with 1.2% ABV or below.
- Non-alcoholic – currently cannot be used in conjunction with a name associated with an alcoholic drink except for communion or sacramental wine.

- Alcohol free – the product must have 0.05% ABV or below.
- De-alcoholised – the product must have 0.5% ABV or lower.

The government has proposed that, rather than legislate, any future low-alcohol descriptors could be introduced through guidance which would result “in a more flexible and less burdensome approach”.

As well as providing feedback on this proposal, the consultation is calling for feedback on current low alcohol descriptors and whether the range should be extended to drinks above 1.2% ABV.

Use of the current terms is not compulsory, but if they are used, products must fulfil the criteria listed above. The current descriptors will expire in December this year following a four-year ‘sunset clause’.

In April 2018, the government is introducing a levy on soft drinks as part of its so-called ‘sugar tax’, with drinks with an ABV of up to 1.2% currently included. However, drinks that are considered an alcohol replacement drink, such as de-alcoholised beer or wine, are expected to be exempt from the levy.

The 1.2% ABV marker is also used by HM Revenue and Customs as the point below which drinks are excluded from certain alcohol duty.

The current low alcohol descriptors were adopted in England, Scotland and Wales, with Northern Ireland having its own provisions. The Department of Health and Social Care will work with the devolved administrations to share information from its public consultation, according to the government paper.

The main focus of the consultation refers to descriptors for beers, ciders and wines. The government proposes to review and assess the guidance after three years. If it feels it is not providing adequate guidance, the government “will consider reintroducing legislation, and retains the power under The Food Safety Act 1990 to make regulations”.

The consultation takes the form of six main questions which are as follows:

1. Do you agree with the government’s preferred option of providing guidance working with industry and other stakeholders to describe low alcohol descriptors rather than legislate after 13 December 2018
2. Do you have any evidence to support the case for introducing new alcoholic drink descriptors above 1.2% ABV
3. For something to be ‘low alcohol’ the amount of alcohol needs to be 1.2% or less. Do you think the government should keep this guideline?
4. Should the government keep the existing descriptor de-alcoholised?
5. Do you agree the term non-alcoholic should be permitted to be used otherwise than in connection with sacramental and communion wines?
6. Do you agree that government should maintain the descriptor alcohol free, and for this to continue at 0.05% ABV?

PUBLIC HEALTH NEWS

Heart rate increases with higher alcohol consumption

News Medical and Life Sciences
March 19, 2018

[Download PDF Copy](#)

The more alcohol you drink, the higher your heart rate gets, according to research presented today at EHRA 2018 Congress, organized by the European Society of Cardiology.

Binge drinking has been linked with atrial fibrillation, a phenomenon called "the holiday heart syndrome". The connection was initially based on small studies and anecdotal evidence from the late 1970s.

The Munich Beer Related Electrocardiogram Workup (MunichBREW) study was conducted by researchers from the LMU University Hospital Munich Department of Cardiology, supported by the German Cardiovascular Research Centre (DZHK) and the European Commission. It was the first assessment of the acute effects of alcohol on electrocardiogram (ECG) readings. The study included more than 3,000 people attending the 2015 Munich Oktoberfest.

ECG readings were taken and breath alcohol concentrations were measured. Age, sex, heart disease, heart medications, and smoking status were recorded. Participants were, on average, 35 years old and 30% were women. The average breath alcohol concentration was 0.85 g/kg. Increasing breath alcohol concentration was significantly associated with sinus tachycardia of more than 100 beats per minute in 25.9% of the cohort.

The current analysis of the MunichBREW study looked in more detail at the quantitative ECG measurements in 3,012 participants. The researchers investigated the association between blood alcohol concentration and four ECG parameters: excitation (heart rate), conduction (PR interval, QRS complex), and repolarisation (QT interval).

Increased heart rate was associated with higher breath alcohol concentration, confirming the initial results of the MunichBREW study. The association was linear, with no threshold. Alcohol consumption had no effect on the other three parameters.

"The more alcohol you drink, the higher your heart rate gets," said Dr Stefan Brunner, a cardiologist at the University Hospital Munich, Munich, Germany, who is one of the lead authors.

The researchers are currently investigating whether the increase in heart rate with alcohol consumption could lead to heart rhythm disorders in the longer-term.

Dr Moritz Sinner, another lead author, said: "We cannot yet conclude that a higher heart rate induced by alcohol is harmful. But people with heart conditions already have a higher heart rate, which in many cases triggers arrhythmias, including atrial fibrillation. So it is plausible that the higher heart rate following alcohol consumption could lead to arrhythmias."

He added, "Most people in our study were young and healthy. If we conducted the same study in older people or heart patients we might have found an association between drinking alcohol and arrhythmias."

The authors speculated that alcohol creates an imbalance between the sympathetic (fight or flight) and parasympathetic (rest and digest) nervous systems. They are currently investigating how it does this.

Source:

<https://www.escardio.org/The-ESC/Press-Office/Press-releases/drinking-alcohol-makes-your-heart-race?hit=wireek>

INDUSTRY NEWS

Wine industry grapples with financial challenges

AgriNews Publications

By Karen Binder

March 17, 2018

SPRINGFIELD, Ill. — At a time when most state agencies, organizations and departments have suffered from several years of budget cuts, now so does the Illinois wine industry.

These funding losses have contributed toward the departure of several grape growing and winemaking experts, explained Cindi Fleischli, executive director for the Illinois Grape Growers and Vintner Alliance.

"We're turning over every stone we can," Fleischli said.

IGGVA in the past has benefitted from allocations from the Illinois Department of Agriculture and the Illinois Department of Revenue to help with operations of the trade group and to provide salaries for a state viticulturist and a state enologist. But the group has not received its recent promised funding.

As a result of the shortfall and uncertainty in the future, the group's last viticulturist resigned in December for a more secure position out of state, and State Enologist Brad Beam has resigned from his position to start a winemaking consulting service but making himself available to IGGVA as a contractor.

University of Illinois Extension in the past also had regional grape growing experts on staff, but those positions, too, mostly have been eliminated during budget cuts.

Losing Ground

Illinois now has more than 100 wineries throughout the state. But an estimate prepared last year by Brad Taylor, a Southern Illinois University horticulture instructor, indicated that approximately only 10 percent of Illinois-made wine will be made with state-grown grapes within the next several years, with most of the grape juice coming from out of state, mostly California or neighboring states, such as Michigan or Missouri.

"Grapes are great alternative crop for our state. We want to see the industry continue to grow," said Matt Schulte of Spirit Knob Winery in Adams County and the newly seated president of IGGVA.

Two new opportunities should help that notion. Beam will continue to oversee the state's Rosé Project, which promotes rosé wines made throughout the state's climatically diverse regions as a state style of wine. One of the parameters of the project is a requirement for wineries to follow quality standards to help ensure a certain caliber of wine.

As a coincidental result of the project, Illinois also has been selected as one of four states to participate in a national rosé showcase. California is another one, and the other two states have yet to be selected.

The other opportunity is that Illinois rosé has been declared the bicentennial wine by the Illinois Bicentennial Committee. Although not yet determined, the designated wines will receive a flag, stickers for their bottles and inclusion on www.illinois200.org.

"Everything with the Rosé Project has come together nicely," Fleischli said.

JIM BEAM Celebrates Industry First with 15 Millionth Barrel

Food + Wine News Desk
March 18, 2018

Jim Beam Bourbon, the world's No. 1 bourbon, continues to outpace the industry, filling its 15 millionth barrel of bourbon since the end of Prohibition. The milestone barrel - a first for Kentucky distilleries - was personally filled and sealed by Seventh Generation Master Distiller Fred Noe and his son Freddie Noe, Eighth Generation Beam Distiller, at the brand's flagship distillery in Clermont, Ky.

"Fifteen million is a big number, but we're a big bourbon," said Fred Noe. "When Jim Beam, my great grandfather, filled his first barrel of whiskey at our Clermont distillery after Prohibition, I doubt he would have predicted that one day we would be a brand known and enjoyed the world over."

The historic milestone, achieved less than two years after the filling of Jim Beam's 14 millionth barrel - the shortest period of time between milestone barrel fills - serves as a testament to the continued global bourbon boom. The growing momentum can be attributed to continued strong sales spurred by rising global demand and the excellent performance of the entire Jim Beam portfolio across the United States, Europe and Southeast Asia.

"We're reaching these milestones faster and faster," said Craig Christenson, vice president global marketing, Jim Beam. "From Russia and Germany to Japan and China - not to mention the United States where Jim Beam is gaining substantial market share, bourbon has become the spirit of choice around the world and we're happy to oblige them by making more. We're the first to reach 15 million and we're not slowing down."

The 15 millionth barrel, signed by employees at the company's Clermont, Boston and Frankfort plants, will join the nearly 2.3 million barrels of bourbon currently aging in Jim Beam's rackhouses across the Commonwealth. It will be stored inside the distillery's historic rackhouse D, a nine-story warehouse rebuilt by Jim Beam after Prohibition on the Clermont distillery grounds. The rackhouse is open to visitors as part of the Jim Beam® American Stillhouse tour.

Consumer Demand Fuels Category Growth

According to the Kentucky Distillers' Association, bourbon is now an \$8.5 billion state industry, supporting more than 17,500 jobs and generating more than \$1.8 million in tax revenues annually.

At one time known for one primary product, the iconic Jim Beam portfolio now offers a wide range of award-winning expressions including Jim Beam Black®, Jim Beam Distillers Cut, Jim Beam Double Oak, Jim Beam Devil's Cut, Jim Beam® Single Barrel, Jim Beam Bonded, Jim Beam Rye and Jim Beam Distiller's Masterpiece.

Jim Beam has continued to expand its operations in Kentucky, fueled by a commitment to innovate and meet surging global consumer demand.

For more information on Jim Beam, follow Jim Beam on Twitter (@jimbeam) and Instagram (@jimbeamofficial) or visit <http://www.jimbeam.com/en-us>.

DAILY NEWS

Study: One-third of young adults have ridden with an impaired driver

Journal Of Studies On Alcohol And Drugs

News Release

Eureka

March 19, 2018

PISCATAWAY, NJ - A new study led by a Colorado State University researcher indicates that riding with an impaired driver is prevalent among emerging adults, with 33 percent of recent high school grads reporting the risky behavior at least once in the previous year.

In addition, the study shows that young adults are more likely to ride with a driver impaired by marijuana than a driver who is drunk. The research, published in the March issue of the *Journal of Studies on Alcohol and Drugs*, is one of the first to ask about what specific substance was used by the driver and who the driver was.

"Parents should be a role model by not driving while impaired, and real friends should stop their friends from driving after using substances -- if using substances cannot be stopped," said Kaigang Li, Ph.D., M.Ed., a Colorado State University assistant professor of health and exercise science.

In their investigation, researchers at Colorado State University, the Colorado School of Public Health, Yale University, and the Eunice Kennedy Shriver National Institute of Child Health and Human Development of the National Institutes of Health used data from Waves 4 and 5 of the NEXT Generation Health Study, collected in 2013 and 2014. Young adults at one and two years after graduating from high school were asked about a variety of health topics, including risky behaviors surrounding substance use.

Questions included, "During the last 12 months, how many times did you ride in a vehicle driven by someone who had been drinking alcohol?" The question was repeated for marijuana use and illicit drug use (including ecstasy, amphetamines, opiates, cocaine/crack cocaine, glue or solvents, LSD, or anabolic steroids). The answer "at least once" was given by 23 percent of respondents for a marijuana-impaired driver, 20 percent for an alcohol-impaired driver, and 6 percent for a driver impaired by other illicit drugs.

"We've put a lot of emphasis on drinking and driving, but less effort on driving under the influence of marijuana," Li said. "Maybe we need more of the latter."

One factor that made this study unique was that participants were also asked who the impaired driver was: a friend or relative about the same age, an unknown or little-known person around the same age, an older relative, an older known adult, or an unknown older adult. The risk of riding with an impaired driver was much higher for peer drivers than for older adult drivers (21 percent vs. 2.4 percent for marijuana, 17 percent vs. 4 percent for alcohol, and 5.4 percent vs. less than 1 percent for illicit drugs).

Some study subjects showed an increased risk of driving with an impaired driver, including those who don't attend a four-year college and those who attend technology school, as well as those who live on their own or on campus. The researchers also found that riding with an impaired driver in the past was associated with an increased risk of subsequent riding with an impaired driver -- making it important to instill in young adults early on the dangers of riding with an impaired driver, Li said.

"It makes me think of my daughters," he said. "My oldest is only 11, but they'll be driving soon. If I drive after drinking, it sets an example, so they may think it's not a bad thing. If they realize early on that driving under the influence is not good, we can reduce the chances that they will perceive it as OK in the future."

Li also pointed to research showing that engaging in one risky behavior can increase the risk of others -- specifically, that young adults who ride with impaired drivers often become drivers who get behind the wheel while impaired. Li said there is a need for programs tailored to this age group to prevent the perception that riding with an impaired driver is acceptable.

"These behaviors are not isolated, especially in young people," Li said. "When one risk behavior is present, it can definitely influence other behaviors. We want them to conclude that 'friends don't let friends engage in risky behaviors.' If they know that their friends don't do these risky things, they won't do it themselves."

The takeaway from the research, Li said, is that early and frequent riding with an impaired driver leads to more of this behavior in the future. And when that impaired driver is a peer, it's more likely that their passengers will eventually become impaired drivers themselves. Li believes that there is an opportunity to reduce motor vehicle crashes, starting with the relatively passive behavior of riding with an impaired driver.

"Emerging adults are entering the transition period from being kids to being adults, so their behaviors, perceptions, knowledge, and beliefs can still be changed during this period of time," says Li. "If they realize the problem associated with risky behavior now, they can reduce that behavior and reduce crash risk. But if they don't, and they're influenced by peers who are engaging in risky behavior, that behavior becomes a habit."

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Funding for the NEXT Generation Health Study was provided by the National Institutes of Health and the Maternal and Child Health Bureau of the Health Resources and Services Administration.

To arrange an interview with Kaigang Li, Ph.D., M.Ed., please contact Jeff Dodge at 970-491-4251 or Jeff.Dodge@colostate.edu.

Li, K., Ochoa, E., Vaca, F. E., & Simons-Morton, B. (March 2018). Emerging adults riding with marijuana-, alcohol-, or illicit drug-impaired peer and older drivers. *Journal of Studies on Alcohol and Drugs*, 79(2), 277-286. doi:10.15288/jsad.2018.79.277

The *Journal of Studies on Alcohol and Drugs* is published by the Center of Alcohol Studies at Rutgers, The State University of New Jersey. It is the oldest substance-related journal published in the United States.

To learn about education and training opportunities for addiction counselors and others at the Rutgers Center of Alcohol Studies, please visit AlcoholStudiesEd.rutgers.edu.

BarDog Launches New Mobile Liquor Inventory App for Restaurants and Pubs

Small Business Trends

By Michael Guta

March 18, 2018

One of the challenges of running a bar is conducting an inventory. This is because the inventory is fluid (pun intended) and very hard to keep track of if you are not on top of things. The new liquor inventory app from BarDog Technologies looks to simplify the process by matching the content of your shelf directly to the app, making it easier to track.

The BarDog app has a single user interface which lets you organize your inventory, count it, log purchases and view your gross margins. And you can do this no matter where you are, whether it is on your mobile device or desktop from remote locations.

According to the American Nightlife Association and based on IBISWorld data, there are around 70,000 locations primarily engaged in the retail sale of alcoholic drinks — and this doesn't include restaurants. The industry is dominated by small businesses owned and operated by families. More than three quarters or 77.6 percent employ nine people or less. So the BarDog app is going to help many small businesses eliminate a labor-intensive task. In fact, one app user said just that.

Pete Sittnick, Managing Partner for Waterbar & EPIC Steak, San Francisco, said on BarDog's official website, "BarDog takes an outdated process and simplifies it. This means less time doing low-value work, and fewer errors."

The Bardog Bar Inventory App at Work

BarDog lets you create a master catalog to organize all of your inventory while at the same time remembering what's on the shelf, the order size, who you ordered from and more. It matches your shelf directory with the mobile app so you can make quick counts on the go alone or simultaneously with your staff.

The reporting mechanism has a dashboard with counts, total values, pour cost, spend by category and other data you can import to a spreadsheet or PDF.

It also integrates your vendors and distributors with a list containing payment terms, the name of sales representatives and contact information.

Pricing and Availability

BarDog is now available with three different pricing structures. The Pup, which starts at \$35 per month provides unlimited inventories, master catalog, purchase and transfer log and more for three users.

The Dog goes up to \$99 per month and includes all of the features of the Pup but includes unlimited users, staff training, user activity tracking and more. The pricing for the Pack is not available without contacting the company but is structured for multi-location management along with region and location reports.

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