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March 22, 2018

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

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 – Day 2

National Alcohol Beverage Control Association
March 21, 2018

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 providing an overview.

Karen Elliott, partner at Eckert Seamans, discussed what compliance looks like as it relates to web accessibility. She explained how compliance laws apply to the federal government, federal contractors, private businesses and at the state level. If a website is non-compliant, an advocate may file a lawsuit or demand a 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. He said a website should be accessible with or without a mouse and that it should provide a way to identify a link, an image or a video. Other factors of web compliance include distinct colors and fonts that can be resized, and POUR which means is your website Perceivable, Operable, Understandable, and Robust. WCAG is a resource of rules for companies to become compliant. An online tool to check compliance is available as an add on through Google Chrome. He also suggested hiring an outside company to perform an audit.

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

NC: Alcohol referendum scheduled

Smoky Mountain News

Written by Holly Kays

March 21, 2018

A referendum vote asking enrolled members to approve a tribally owned package store and ABC store selling beer, wine and liquor will be held Thursday, May 31, following a recent announcement from the Eastern Band of Cherokee Indians Board of Elections.

Voter registration will close Tuesday, May 1, and absentee ballot requests will be accepted through Wednesday, May 16. Absentee ballots must be received no later than 4 p.m. Monday, May 21.

The announcement follows months of debate, beginning with legislation Councilmember Lisa Taylor, of Painttown, introduced in October seeking to end the issuance of permits to a handful of off-casino restaurants. Her resolution asked Tribal Council to approve a referendum vote asking tribal members whether they approved of alcohol sales on tribal land other than the casino. A no vote, she said, would end issuance of the permits while a yes vote would allow for a broader array of permits to be granted.

The controversial permits were given pursuant to a state law — known as the “Blue Ridge Law,” which pertains to tourism establishments within 1.5 miles of a Blue Ridge Parkway onramp — listing permit types not subject to a referendum. They have elicited sharp dissent from some members of the community. When Taylor introduced her legislation, she was told by attorneys for the tribe and for the Tribal ABC Commission that undoing these permits would require action on the state’s part, rather than just the tribe’s. That analysis angered some people who felt that tribal sovereignty should outweigh any agreement with the state and that the people had spoken on the issue of alcohol sales outside the casino.

Over a series of months, the resolution shifted from its original intention to hold a referendum giving tribal members the chance to end Blue Ridge Law permits to a form that would give tribal members the chance to approve a tribally owned package and ABC store but not provide opportunity to reduce alcohol availability from the current level.

The controversy over alcohol’s place on Cherokee land has been playing out for years, especially since the casino was built in 1997. Tribal members eventually voted to allow alcohol sales on casino property — in 2009, 12 years after the casino opened — but have staunchly rejected subsequent referendum questions seeking approval for off-casino sales.

“Every time the people have said no, but still we have this few, small group of people who somehow their opinion, their wants and their needs outweigh the voice of the whole people, and that’s just beyond me,” Birdtown community member Becky Walker told Tribal Council in February.

Others, however, point to the fact that the tribe has its own ABC Commission — the only one in North Carolina outside the state commission — as evidence of increasing tribal sovereignty. Besides, they say, prohibiting alcohol sales on non-casino tribal land isn’t preventing anybody from drinking. All it’s doing is keeping profits from alcohol sales in the hands of surrounding counties rather than in tribal coffers.

“Talk to anybody in commerce, and they will tell you that if we’re going to continue to diversify, we’re going to have to have alcohol sales in restaurants,” Principal Chief Richard Sneed told Tribal Council in February. “You may not like that. You don’t have to go there and spend your money.”

Alcohol has long been a contentious topic on the Qualla Boundary — for the religiously centered reasons that have made it such a lightning rod in other mountain communities, but also for a brand of sentiment unique to Cherokee.

Cherokee people knew how to make fermented drinks before European contact in the 1700s, but those drinks were substantially weaker than the hard liquor introduced by the settlers, and the soberness required to

participate in traditional ceremonies meant that there were some real limitations on how often a person could imbibe while still taking part in those ceremonies.

"If you're doing those and practicing those ways, you wouldn't have time to drink. You wouldn't have time to promote drinking," said Jatanna Feather, a tribal member who says she practices the traditional ways and staunchly opposes alcohol.

To people like Feather, the inundation of alcohol into tribal communities that came with European colonization is just another way in which Native American people were victimized by the white settlers. Alcohol was a way to subjugate and inhibit the native people, they say, a tool of colonization and oppression.

"They felt that we were stupid and they could just take advantage, and they did," said tribal member Lea Wolfe, who has also been vocal in opposing alcohol. "They came in here, they saw what they wanted and they took it. That includes human lives."

People like Wolfe see alcohol as a scourge ravaging Native American communities and say that allowing it to proliferate on tribal lands now, when the tribe has more sovereignty and political clout to call its own shots than ever before in modern history, is a slap in the face to Cherokee ancestors. Alcohol abuse and the negative stereotypes associated with it, they say, is something that must be combated rather than encouraged.

"I feel that they (tribal leaders) are numb to how it affects native self-imagery in our children and how we play into the stereotypical roles of natives," said Feather.

LICENSE STATE NEWS

TN: Tennessee lawmakers to DUI offenders: No alcohol sales to you

A bill that would allow judges to prohibit those convicted of driving under the influence from purchasing alcohol advanced in the House on Wednesday.

WBIR News 10

Author Jordan Buie, USA

Today Network

March 21, 2018

Tennessee lawmakers want to prohibit DUI offenders from buying alcohol.

A bill that would allow judges to prohibit those convicted of driving under the influence from purchasing alcohol advanced in the House on Wednesday.

The bill, sponsored by Rep. Bud Hulsey, R-Kingsport, and Sen. Frank Niceley, R-Strawberry Plains, originally sought a lifetime ban for a third conviction and discretion for judges to prohibit the purchase of alcohol by first- and second-time offenders for one and two years, respectively.

The bill, HB 1698, would also make the purchase or sale of alcohol by or to one of these offenders a Class C misdemeanor.

But before the bill advanced in the House Criminal Justice Committee, it picked up an amendment from committee Vice Chairman Rep. Michael Curcio, R-Dickson.

That change removed the lifetime ban, as well as the punishment of the sale of alcohol to DUI offenders.

Curcio said he did not want to punish store owners and restaurant workers who did not commit the crime.

Hulsey said he viewed Curcio's proposal as a friendly amendment and the committee passed it unanimously.

The committee also agreed on a verbal amendment that would make the prohibition of alcohol for DUI offenders effective on July 1, if the measure ultimately passes and is signed into law.

The bill would also require updates on driver's licenses for offenders, indicating their status.

But the sponsor offered an amendment to hold off on the implementation of this requirement until 2020 to avoid the estimated cost of \$165,000.

Several committee members praised Hulseley for bringing the measure forward.

The bill now advances to the House Finance, Ways and Means Subcommittee.

TX: Texas Liquor Stores To Appeal Walmart Booze Sales Ruling

KTSA

By Michael Graczyk, Associated Press

March 21, 2018

HOUSTON (AP) — Walmart's legal victory allowing it to sell hard liquor in Texas doesn't mean people in the state will be able to go out and buy bottles of vodka and gin at the retail giant's stores anytime soon.

An industry association representing Texas' liquor store operators said Wednesday it will appeal the decision from Austin-based U.S. District Judge Robert Pitman, who found restrictions on liquor sales licenses enforced by the Texas Alcoholic Beverage Commission amounted to unconstitutional discrimination. Pitman issued his 50-page ruling Tuesday, but delayed its implementation until any appeals are resolved, and at least for 60 days.

Walmart already sells beer and wine in Texas, but sued three years ago over restrictions that prevented it from selling distilled spirits. Texas allows privately held businesses — but not publicly held corporations such as Walmart — to own "package stores" where hard liquor is sold. It also gives some retailers unlimited liquor permits, while restricting others to just five.

Bentonville, Arkansas-based Walmart still would have to build separate buildings with their own entrances next to its existing Walmart stores under state restrictions that ban liquor sales at grocery stores. Walmart didn't challenge that ban.

The Texas Package Stores Association, which represents about 2,500 liquor retailers and joined the state in opposing Walmart's lawsuit, said Pitman's ruling was disappointing and overturns laws dating back as far as Prohibition.

"The Texas Legislature put a system in place to ensure safe access to alcoholic beverages in Texas, and that system has worked for over 80 years," the group's CEO, Lance Lively, said Wednesday. "We will appeal the trial court's decision and continue to fight for family-owned liquor store owners against the world's largest corporate entities that seek to inflate their profits by upending sensible state laws that protect both consumers and small businesses."

Texas Alcoholic Beverage Commission spokesman Chris Porter said only that the agency was reviewing the outcome with the Texas attorney general's office.

Walmart applauded the ruling. Restrictions on liquor sales licenses in Texas "prevented us from fully serving our customers," spokeswoman Anne Hatfield said.

"Texas is the only state in the nation that issues package store permits to privately owned corporations, but refuses to let publicly owned corporations participate in the retail liquor market," Hatfield said. "Texas is also the only state that gives certain favored businesses unlimited numbers of package store permits, but limits everyone else to just five permits."

"Walmart filed suit because these laws are unfair and hurt our customers."

Venky Shankar, director of research at the Center for Retailing Studies at Texas A&M University's Mays Business School, said the ruling is an important development in keeping balance between competition and the state's interest in encouraging Texas-owned businesses.

"I think broadly speaking from the consumer point of view, it's good that the consumer has competition," Shankar said. Texas "because it's a big state, it matters. ... Somebody like Walmart is looking to have a very big market."

INTERNATIONAL NEWS

Canada: New Éduc'alcool report on alcohol and cancer risk neither trivializes nor terrorizes

Benzinga

PRNewswire

March 22, 2018

MONTREAL, March 22, 2018 /CNW Telbec/ - The subject of alcohol and cancer risk is particularly charged, because of the fear that the disease still evokes and the strong emotions it arouses. That is why "Alcohol and Cancer Risk," the latest Éduc'alcool report in the Alcohol and Health series, tackles the topic with nuance and scientific discipline.

The report confirms that alcohol increases the risk of seven kinds of cancer, but the risk is relative and affects different people differently, depending on a number of variables. Of course, health is a complex matter that cannot be reduced to a single concern about whether or not one is likely to develop cancer. However, for those who are concerned solely about cancer prevention, it is recommended that drinking be reduced as much as possible. For everyone else, following the low-risk drinking guidelines remains a very reasonable choice. As Éduc'alcool has been saying for years, moderation is always in good taste.

"It's a fact that nearly one in two Quebecers will be affected by cancer at some point during their lifetime, and that many myths about cancer are still widely believed. It is therefore extremely important to provide comprehensive, serious and solidly founded information about the relationship between alcohol and cancer risk. Furthermore, the information must be presented calmly, it must distinguish relative risk from absolute risk, and it must neither trivialize nor terrorize," said Éduc'alcool Director General Hubert Sacy.

The Éduc'alcool report also shows the risk of developing certain types of cancer based on amount of alcohol consumed. It explains the biological mechanisms triggered by alcohol, which affect cancer risk. It also discusses a number of risk factors that can intensify the link between alcohol and cancer, and covers the effect of alcohol on cancer risk according to drinking profile. The report was reviewed by Dr. Philippe Sauthier, of the Centre intégré de cancérologie and director of the Quebec Cancer Foundation, which is partnering with Éduc'alcool for the distribution of the report.

There were 206,200 new cases of cancer and 80,800 deaths caused by the disease in Canada in 2017. It is estimated that alcohol was a factor in 10,310, or 5%, of the new cancer cases and 3,636, or 4.5%, of the cancer deaths.

Relative risk and absolute risk

A cautionary note is in order when assessing the true impact of alcohol on cancer. As we know, in science, it is important to distinguish association from causation, and relative risk from absolute risk.

For example, risk increases most dramatically as alcohol use goes up when it comes to cancers of the oral cavity and pharynx. Drinking an average of one glass of alcohol a day increases the risk of death from these cancers by 42%, while having two drinks a day is associated with a 96% increase in risk. However, the risk of death from oral or pharyngeal cancer among men and women under the age of 70 is between 0.2% and 0.5%. These relative increases of 42% and 96% mean the risk for people of actually dying from this type of cancer increases from 0.5 % to 0.71 % if they have one drink a day, and to 0.98% if they have two drinks a day.

Many risk factors

The Éduc'alcool report also points out that the risk of cancer among drinkers varies according to genetic profile. In addition, alcohol appears to interact with a number of external risk factors. And drinking profile is of the utmost importance. In other words, how much people drink, what they drink, and the way they drink are all factors that can affect their health.

Cancer can develop as a result of an interaction between personal genetic factors and a variety of external carcinogens. Therefore, the association between alcohol and cancer risk should be recognized while keeping in mind that cancer is not a disease with a single cause.

Finally, Éduc'alcool notes that any recommendations with regard to drinking and health must be made in light of epidemiological data and evidence for all diseases known to be caused, in part, by alcohol. This obviously includes cancer, but also includes other diseases, such as diabetes, pancreatitis and cardiovascular diseases. With regard to the latter, significant data has shown that, compared those who do not drink any alcohol at all, people who drink excessively increase their risk of coronary disease, but people who drink moderately reduce that risk.

Availability of the publication

"Alcohol and Cancer Risk" can be downloaded from Éduc'alcool and the Quebec Cancer Foundation website. Free copies may also be obtained by calling Éduc'alcool at 1-888-ALCOOL1. Copies of the publication are available in the offices of the Quebec Cancer Foundation, as well as in hospitals, CLSCs and SAQ outlets.

SOURCE Éduc'alcool

View original content: <http://www.newswire.ca/en/releases/archive/March2018/22/c5686.html>

Australia: Woolworths threatens to can new bottle shops over alcohol reforms

The West Australian

By Dylan Caporn

March 21, 2018

Woolworths' liquor retail arm Endeavour Drinks Group runs Dan Murphy's and BWS outlets. Picture: WA News

One of Australia's biggest retailers has threatened to shelve \$85 million of investment in new liquor stores in WA if the State Government's alcohol reforms are introduced.

Woolworths' liquor retail arm Endeavour Drinks Group, which runs Dan Murphy's and BWS outlets, has revealed plans for 35 new store developments over the next 10 years worth \$85 million and hundreds of construction jobs would be stopped if the legislation passes.

Among other proposals, the reforms ban new liquor stores bigger than 400sqm within 5km of existing stores.

EDG general manager Shane Tremble said the reforms placed "arbitrary" restrictions on stores, given they limited proximity to other liquor retailers.

"We appreciate the Government has a genuine desire to reduce the harm caused by excessive alcohol consumption, but blocking new liquor licences based on arbitrary size and location restrictions won't help achieve this," he said.

"Instead, it will only serve to reduce choice and convenience for responsible consumers and block investment in new store developments set to create more than 600 local jobs.

"We call on the Government to engage with industry so we can work together on the development of sensible evidence-based reform that benefits all West Australians."

Chamber of Commerce and Industry chief executive Chris Rodwell said the reforms contradicted the Government's job-creation agenda.

"One industry is being singled out on the basis of an unsubstantiated argument," he said.

"There's no justifiable reason why the liquor retail industry should be singled out when smart regulation for the responsible service of alcohol is already in place."

Racing, Gaming and Liquor Minister Paul Papalia said he was disappointed in EDG's response. "Our amendments in no way prevent Woolworths, or any other company, from applying for a packaged liquor outlet licence, under the prescribed conditions," he said.

The proposed laws are currently before the Lower House, where the Liberal Party has voted against the proximity clause.

The Opposition is set to follow suit in the Upper House, while the crossbench is awaiting a briefing before making a decision.

INDUSTRY NEWS

Brewery expansion announced in Sonora

Constellation Brands will more than double capacity in Ciudad Obregón

Mexico News Daily

March 21, 2018

International beverage company Constellation Brands has announced it will increase its beer production capacity by 5.5 hectoliters a year with a US \$900-million expansion of its Ciudad Obregón, Sonora, plant.

Purchased in December 2016, the plant will have the capacity to produce 8.5 million hectoliters annually. That output, coupled with the current capacity at its Nava, Coahuila, and Mexicali, Baja California, breweries will allow it to produce 41 million hectoliters annually by next year, said the company's Mexico president, Daniel Baima.

The Ciudad Obregón expansion will create 450 new permanent jobs.

Constellation Brands first ventured into the Mexican beer industry in 2013 when it purchased the United States rights to sell Corona, Modelo Especial, Victoria and Pacífico. At the same time, it announced a decade-long plan to invest US \$10 billion.

With the new investment at the Ciudad Obregón plant, the firm will have exceeded half its investment goal.

Baima said Corona is the brand that continues to see the greatest growth for Constellation at nearly 25% annually. Modelo Especial is not far behind at 18%.

Marketer's Brief: Should Booze Makers Be Paranoid Over Pot Profit Potential?

The Absolut Vodka of cannabis?

AdAge

March 21, 2018

Alcohol marketers have been looking over their shoulder at legalized marijuana. And according to a former Molson Coors marketer, they have plenty to be paranoid about. "All alcohol is consumed only as a liquid. Cannabis meets more consumer needs and motivations in the way that it's consumed," Torsten Kuenzlen told Marijuana Business Daily. Kuenzlen, a former executive at Coca-Cola executive and Molson Coors, where he was global chief commercial officer, has a reason to push pot. In February he was named CEO of Sundial Growers, a Canadian-based firm in the medical cannabis business. His ambition is to make Sundial the "Absolut Vodka or Coca-Cola equivalent of cannabis," he told Marijuana Business Daily, while estimating that "the profit pool for cannabis could be "as big as the entire alcohol industry in three to five years." (hat tip to Beer Marketer's Insights, which reported on the interview this week.)

But rather than fear marijuana, he says alcohol companies should consider the opportunities. Apparently many already are doing just that: "We know that all of the big companies are looking at cannabis, so obviously we're talking to many of them," he said in the interview. (Late last year Corona maker Constellation Brands took a stake in another Canadian marijuana company called Canopy Growth Corp.)

A forthcoming study should provide more insight on just how much of a threat marijuana is to established industries. Research firm Technomic this week announced it will study the impact of legalized marijuana on major industries, including adult beverage and foodservice. The report is due out in September.

DAILY NEWS

Distilled Spirits Council Launches New Branding Initiative Including Modern Logo, Website & Annual Report

News Release

DISCUS

March 20, 2018

WASHINGTON, D.C. – The Distilled Spirits Council today announced the launch of a rebranding initiative, featuring a new logo, website and annual report, as part of an ongoing modernization effort.

“The distilled spirits sector has achieved both record sales and exports, with eight consecutive years of market share growth,” said Distilled Spirits Council President & CEO Kraig R. Naasz. “To celebrate this achievement, we are introducing a modern branding initiative that reflects consumer enthusiasm for spirits and celebrates the cocktail culture both domestically and around the globe.

“Our new logo, website and annual report are clean, classic and modern, and feature an iconic image of a stemmed cocktail glass instantly associated with distilled spirits,” Naasz added.

The Council’s new website is designed for regulators, policy makers, media and Council members, and includes many lifestyle focused features. Our website’s new easy-to-navigate format showcases the Council’s key policy priorities, important economic statistics and a delightful mixture of cocktail recipes and spirits category videos.

The Council’s newly-released annual report showcases our new logo and forward-looking attitude, toasting “Cheers to the future.”

“As we approach the one-hundred-year anniversary of Prohibition’s repeal, the Distilled Spirits Council is committed to modernizing outdated Blue Laws, improving access to spirits for adult consumers and ensuring our members and their products are positioned for future success. Our rebranding initiative embodies this overall modernization effort,” Naasz concluded.

Contact: Public Affairs (202) 682-8840

Alcohol regulatory system vital

Batesville Herald Tribune

By Jim Purucker, Contributing Writer

March 21, 2018

Many Hoosiers are celebrating their kids’ spring breaks right now. Others are counting down the days until their breaks begin.

It’s an age-old tradition to travel during this time of the year. But in 2018, as families and college students have been making their plans, they’ve done so with some frightening headlines shaping them:

- “Mexico police shut down second black market tequila operation, investigate if tainted alcohol headed to resorts”
- “State Department begins tracking alcohol-related incidents in Mexico”

Mexico isn’t alone in earning this bad publicity, though. In the past few years, deaths from contaminated alcohol have been reported in Indonesia, China, Poland and Russia. Methanol – the primary ingredient in windshield wiper fluid – has been reportedly found in some alcohol outside of the U.S.

It leads you to wonder, why don’t these things happen here?

According to the Campaign for a Healthy Alcohol Marketplace, we have few problems with counterfeit and tainted alcohol because of our state-based, three-tier alcohol regulatory system. The Constitutional amendment that repealed Prohibition gave states the authority to regulate alcohol. Most, including Indiana, adhere to an effective system that requires alcohol to be sold through three separate market tiers: manufacturers/suppliers, local distributors and retailers. This closed distribution system helps prevent adulterated and contaminated products from reaching consumers because alcohol is required to go from a licensed manufacturer to a licensed distributor to a licensed retailer.

Our system of controlled manufacturing, distribution and sales of alcohol in Indiana and throughout the country has worked so well that we often take it for granted. Clearly, it's wise to think twice when someone challenges the three-tier system, because they simply want to make more money.

We only have to look to our neighbors to the south to know how good our system is.

As Hoosiers are enjoying their spring breaks, and legislators are returning home following the end of this year's session, we'd like to thank the many lawmakers who continue to stand up for the health and safety of our families, by digging in and supporting an appropriately strong and state-based system of alcohol regulation.

Why The Healthcare Industry Should Pay Particular Attention To Drug And Alcohol Issues In The Workplace

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While all employers struggle with navigating the ever-changing landscape of drug and alcohol issues in the workplace, healthcare employers should pay particularly close attention.

According to the annual Quest Diagnostics Drug Testing Index, illicit drug use among U.S. employees continues to rise, resulting in the highest drug test positivity rates in the last 12 years. While the statistics on whether healthcare workers are more or less likely to abuse drugs or alcohol are unclear, the American Nurses Association estimates that 1 in 10 nurses experience drug or alcohol addiction. These figures and medical professional's ready access to narcotics, demands healthcare employers' attention.

Some unique issues facing healthcare employers are as follows.

- Healthcare professionals with knowledge of narcotics and its side effects are often more adept at hiding substance abuse at work. Without a policy and program to appropriately identify and test for drug or alcohol use at work, many instances of substance abuse go unnoticed or unaddressed.
- When a healthcare practitioner is suspected of drug or alcohol use at work, there are serious potential ramifications—not just for the practitioner's employment, but his or her licensure or medical privileges as well.
- Drug and alcohol abuse amongst healthcare workers can significantly contribute to increased risk management concerns. Unlike liability issues facing non-healthcare employers, those in the industry have to consider the impact and liability vis-à-vis patient care.
- The line between workplace drug and alcohol issues is often blurred with the employer's regular patient care practice. Meaning, when a supervisor (who happens to be a practitioner) identifies potential drug or alcohol abuse, that supervisor often views the situation through his or her medical practitioner lens and not that of a manager. This blurring of roles can lead to "diagnosing an employee" as opposed to merely identifying potential grounds for an employee drug or alcohol test.
- Similarly, even when there are grounds to require an employee to submit to a drug or alcohol test, the drug testing is often done on-site, as opposed to having a third party vendor involved. Outside of the industry, drug test results remain confidential in the hands of the vendor and human resources. Within the industry,

often times, colleagues (especially those conducting the testing) gain access to this otherwise confidential information.

To combat these unique challenges, healthcare employers should get ahead of the issues and consider the following:

- Review policies and programs to identify what type of drug and alcohol testing makes sense for your operations. A healthcare employer focused on addiction treatment may take a very different approach to addressing drug and alcohol issues in the workplace than a skilled nursing facility.
- Think about whether merely conducting pre-employment testing is sufficient and implement programs to identify and address drug and alcohol abuse in the workplace, keeping in mind that each state has unique requirements that may limit when you can test an employee.
- Proactively implement internal measures to limit the potential for “employee diagnosis.” One way to accomplish this is to train supervisors and human resource professionals on the difference between diagnosing individuals with drug or alcohol issues versus merely identifying factors that may be grounds for employee drug and alcohol testing.
- Consider whether proper confidentiality measures, in addition to those under HIPAA, are in place when employee drug testing is conducted in-house. There may be occasions where having a third party vendor conduct the testing makes more sense.
- Ensure appropriate resources are available to employees who self-disclose substance abuse issues. While self-disclosure is not an automatic excuse from discipline, employees who proactively disclose substance abuse problems may be entitled to additional protections under the Americans with Disabilities Act and should be directed to appropriate resources. In many cases, states have physician and nurse health programs specifically designed to address these types of issues whereby practitioners who voluntarily identify a problem and participate in the program may avoid certain formal complaints or disciplinary measures from the state’s medical and nursing boards.

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