

# DAILY NEWS UPDATE

#### **Control State News**

UT: Utah lawmakers consider shifting liability away from bars, restaurants

#### License State News

TX: How the TABC gave Amazon authority to sell and deliver beer and wine in Texas

#### International News

Canada: Federal government mulling changes to national beer standards

China has banned ads suggesting alcohol can help women be less shy about sex

Canada's Cannabis Legalisation Paves the Way for Innovation in The Drinks Industry

#### **Public Health News**

Daily cannabis use is on the rise in American adults

## **Industry News**

Is Originality Overpriced When It Comes to Wine?

## **Daily News**

Craft Brew Alliance Announces Departure Of CFO

WineGame Launches in App Store

CO2 shortage threatens World Cup beer supply

June 21, 2018

#### **NABCA HIGHLIGHTS**

The Public Health Considerations of Fetal Alcohol Spectrum Disorders (White Paper)

Native American Nations & State Alcohol Policies: An Analysis (White Paper)

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

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

NABCA Survey Database (members only)

**Upcoming NABCA Meetings** 

**Statistical Data Reports** 

www.NABCA.org



# **CONTROL STATE NEWS**

UT: Utah lawmakers consider shifting liability away from bars, restaurants

Deseret News By Dennis Romboy June 20, 2018

SALT LAKE CITY — State lawmakers are looking to shift liability for the bad actions of drinkers away from bars and restaurants that serve alcohol within the law.

If a person drinks at a couple of establishments, then drinks more at home and does something stupid, the lawyers go after everyone involved, said House Majority Leader Brad Wilson, R-Kaysville.

"They just sue everybody," he told the Business and Labor Interim Committee on Wednesday. "Are we punishing people who followed the rules to the benefit of people who didn't follow the rules?"

Rep. Norm Thurston, R-Provo, is working on legislation that would place more of the burden on the drinker rather than the bar or restaurant.

Under Utah law, juries award damages based on how they believe each party contributed to the actions of someone who has had too much to drink. Wilson said if establishments are following the rules, they shouldn't be subject to a lawsuit.

Rep. Tim Hawkes, R-Centerville, said he has a hard time with legislation shifting the liability.

"Isn't this exactly what juries are for?" he asked.

Juries are in the position to assess blame after hearing the facts in a lawsuit, he said.

In Nevada, those who sell alcohol have blanket immunity from being sued and all the liability rests with the drinker, Wilson said, adding Utah is on the other end of the spectrum.

Melva Sine, Utah Restaurant Association executive director, told the committee that it's sometimes difficult for servers to know when someone has drank too much or consumed alcohol or taken drugs before going into a bar or restaurant. She said she favors legislation that says alcohol establishments aren't responsible for a customer's bad behavior.

# LICENSE STATE NEWS

TX: How the TABC gave Amazon authority to sell and deliver beer and wine in Texas

Dallas News Written by Maria Halkias, Retail Writer June 20, 2018

Amazon has added beer and wine to its Prime Now two-hour delivery service in Dallas, Fort Worth, Austin, Houston and San Antonio.

Buying beer and wine online with one- and two-hour deliveries already exists in D-FW and most major markets. The option was added to Florida markets in May.

Amazon launched Prime Now deliveries from Whole Foods stores in February. At that time, some select beer was available, but no wine. The launch represented the first time Amazon started using Whole Foods stores to fill online grocery orders since it purchased the Austin-based organic grocery chain a year ago. Amazon had been using Sprouts Farmers Market, but that partnership has ended.

Alcohol delivery times are 8 a.m. to 10 p.m. Monday through Saturday and noon to 10 p.m. on Sunday.

Amazon previously had not applied for a permit to sell alcohol in Texas, said Texas Alcoholic Beverage Commission spokesman Chris Porter. But recently it obtained "wine only package store" permits and "beer off premise" licenses for five of its warehouses in Texas.

The permits allow Amazon Logistics, which holds a TABC "carrier's permit" to deliver beer, ale, and wine to consumers within the counties where their warehouses are located — in this case, Bexar, Dallas, Harris, Tarrant and Travis. The drivers are trained to check for IDs and to collect an adult's signature before delivering the alcohol, Porter said.

Other online delivery services that operate in Texas had to partner with a retailer in order to deliver beer and wine. Amazon is now a retailer in Texas, from the standpoint of beer and wine sales, Porter said.

7-Eleven started testing online deliveries — including beer — with its 7-ElevenNow app from 10 Dallas stores in December. The Irving-based convenience store chain this week expanded that test to 68 Dallas-Fort Worth stores and expects to roll it out nationally this year.

Locally, hundreds of beer and wine choices are in Amazon's mix, including popular brands of Miller Lite, Corona Extra and Kendall Jackson and local brands Deep Ellum IPA and Community Mosaic IPA.

Since starting Prime Now deliveries from Whole Foods stores in Dallas and Austin, the service has been expanded to 14 cities. Prime Now, which started in Manhattan in 2016, is in more than 30 more cities.

Shoppers are used to being able to buy "everything" from Amazon, and not being able to buy wine with the fixings for dinner was a gap. Walmart trained customers to expect one-stop shopping in the physical world starting in the early 1990s with its Supercenters. Now, the two retailers are battling online, but so far, Walmart doesn't offer beer and wine online in D-FW. Walmart has been trying to sell liquor in its Texas stores.

The most popular items D-FW shoppers are buying online from Prime Now are fresh fruit —avocados, strawberries and bananas and pantry staples like paper towels and bottled water. That may change.

# INTERNATIONAL NEWS

Canada: Federal government mulling changes to national beer standards

CTV News By Jordan Press, The Canadian Press June 21, 2018

OTTAWA - Your beer is about to undergo a government makeover.

Federal officials are proposing changes to national beer standards that would widen the number of ingredients permitted in a pint and force brewers to list every ingredient on a can or bottle.

Even the Canadian definition of "beer" would change.

The changes would mark a major overhaul of beer standards introduced more than 30 years ago, but they must first go through public consultations quietly launched days ago.

Beer aficionados who have closely watched the industry for years say the proposals would help regulations catch up with an explosion in styles and types of beers. Between 1990 and 2017, the number of Canadian breweries jumped to over 750 from 62, while the number of beer brands has grown to over 7,000 from about 400.

Stephen Beaumont, co-author of The World Atlas of Beer, said there are any number of beers on the market today that violate the existing standards, either through ingredients or fermentation methods.

"This is all stuff that is going on and the regulations just haven't been there to catch up to all of it," Beaumont said.

No longer would beer be required to "possess the aroma, taste and character commonly attributed to beer" or be categorized into different styles or types like ale, stout, porter and malt liquor. Instead, officials are proposing to set limits on sugar content and simplify language around the use of additives that would set define what is a beer.

Added to that would a wider list of herbs and spices among other ingredients that can be used in the brewing process.

"We're not going to be excluding anything that is currently defined as a beer, but it does provide a criteria for brewers to work with," said Luke Harford, president of Beer Canada, a national trade association that represents more than 50 companies that make about 90 per cent of Canada's beer.

"It allows them to hold on to what is traditionally thought of as a beer while at the same time allowing them to innovate within that category."

Brewers could use different fruit, lavender or coriander for instance, providing options to smaller operations which want to test something new in the marketplace, said Dirk Bendiak, technical adviser for Ontario Craft Brewers. He said the proposed regulations won't stifle creativity.

"If anything, they are there to make it more creative for different people."

Lastly, beer would be subject to stricter labelling rules, which would require a longer list of ingredients on bottles and cans, so the approximately 1.75 million Canadians with food allergies, celiac disease and sulphite sensitivity can better decide what they want to drink.

A government analysis says the changes would allow for innovation in the beer industry, but said some small craft breweries could find meeting the new requirements difficult and some drinks may no longer be considered or marketed as beer.

"The most important thing you could do if you're a craft brewer would be to get a handle on how to add ingredients these lists," said Jordan St. John, co-author of The Ontario Craft Beer Guide.

"The labelling component and making sure people understand what they're getting - that's really beneficial for the consumer. It's just that getting there is going to be a bit of a pain."

The government is proposing a two-year implementation period starting in 2019. Between then and 2029, the government expects the new rules to cost the beer industry in Canada about \$5.48 million.

#### China has banned ads suggesting alcohol can help women be less shy about sex

#### Quartz

Written by Ziyi Tang and Josh Horwitz June 21, 2018

In one ad, a nervous woman in a cafe drinks a few glasses of a carbonated beverage and works up the courage to confess her love to a man. In another, after sipping on a drink, a woman jumps on a male volleyball player and plants kisses on him—prompting a crowd of other women to shout, "You're so brave, we envy you!"

Now, China's media regulators have ordered broadcasters to stop showing these ads, citing (link in Chinese) they "misguide the development of young people." The crackdown, and the ads themselves, show how Chinese society is awkwardly balancing progressive attitudes about gender alongside traditional conservative values—and plain old sexism.

The ads are for Taiwan-headquartered snacks giant Want Want's sparkly malt beverage called Sawow, which is 3.5% alcohol by volume, and available in flavors like peach and lychee. They're sold in pink bottles, some of which have slogans printed on them that read "I need courage." At a promotional event in March, the company's brand manager described the drink as "a new cocktail specifically for the female market."

Regulators also banned Want Want's ads for a non-alcoholic, flavored milk drink called O Pao depicting budding young romance in its spots. Want Want didn't immediately reply to a request for comment.

Taken as a whole, the ads reflect complicated perceptions about female sexuality in China.

On the one hand, several of the ads show women taking a proactive role in their sex lives, a reflection of increasingly open attitudes about sex in Chinese society. More and more Chinese people have begun having sex before marriage since the '90s—though limited sex education in schools is a sign of the continued discomfort around teenage sexuality.

Elizabeth LaCouture, who teaches gender studies at the University of Hong Kong, says that the ads link alcohol consumption with forming relationships, which is especially problematic given how they appear to target underage consumers.

"Before we celebrate gender liberation, we should think about how the alcohol functions in the advertisements," she says. "In the end, the product and the advertisements suggest the need to teach and discuss responsible alcohol consumption in Chinese secondary schools and on Chinese university campuses, and how to have healthy dating relationships without alcohol."

Some of the Sawow ads, such as the woman in the cafe making a move (video in Chinese) or the one involving the volleyball player (video in Chinese), depict shy women becoming more sexually confident. In one of the O Pao ads showing young couples being affectionate, one woman lifts up her boyfriend playfully.

But other ads featuring women losing their inhibitions as they drink appear uncomfortably out of touch in light of the #MeToo moment, which has steered public attention to women's experiences of harassment and men's understanding (and misunderstanding) of consent.

For example, a heartbroken woman in one ad (video in Chinese) is seen sipping Sawow alone on the couch and pretending to flirt with the male model on a magazine cover as she become increasingly tipsy.

In another innuendo-filled ad (video in Chinese), two women—one shy and one confident—are depicted sitting at a bar. "Is this your first time?" the confident woman asks, and the other woman nods. "The first time is very important. Choose the right one, and life is a little more joyful. Choose the wrong one, and your life is missing a little something," she continues. After drinking Sawow, the shy woman loses her inhibitions on the dance floor.

#### Canada's Cannabis Legalisation Paves the Way for Innovation In The Drinks Industry

The Canadian government has officially passed a bill to legalise cannabis for recreational use, paving the way for a seismic shift in the nation's drinks industry.

The Drinks Business By Edith Hancock June 20, 2018

The Cannabis Act passed on Tuesday in a 52-29 vote in the Senate and is expected to receive Royal Assent next week.

The new bill regulates how the drug can be grown, distributed, and sold, with laws varying from province to province.

Canada is only the second country in the world to legalise recreational cannabis use nationwide.

Over the past year, Canada's drinks firms and distribution providers have been preparing to capitalise on the newly-legalised cannabis market.

Drinks giant Constellation Brands bought a 9.9% stake in Canadian marijuana company Canopy Growth Corp for £141 million last October, with plans to make cannabis-infused drinks.

In February, a Canadian company has filed a technology patent for the production of beer brewed from cannabis, using a method that sees the grains traditionally used to make beer completely replaced with marijuana.

Cannabis producer Hydropothecary signed a five-year deal with Quebec's alcohol distributor — the Société des alcools du Québec (SAQ) — back in April, with total volume estimated at more than 200,000kg.

The deal sees SAQ become "the preferred supplier of cannabis products for the Quebec market for the first five years post-legislation".

Last month the Canadian branch of distributor Southern Glazer's Wine and Spirits created an off-shoot of its business dedicated to cannabis products — the first drinks firm in the country to so.

The new market has the potential to damage the drinks industry, as analysts in the US have already warned that drinkers are moving away from wine and beer to no-ABV alternatives infused with THC; the psychoactive chemical component of the plant.

Some have even questioned why there is a limit on legal possession of cannabis when there is not for alcohol or tobacco, which campaigners claim are far more damaging to someone's health.

# **PUBLIC HEALTH NEWS**

#### Daily cannabis use is on the rise in American adults

Medical Xpress Columbia University's Mailman School of Public Health June 20, 2018

Cannabis use may be decreasing among teens, but a new study by researchers at Columbia University's Mailman School of Public Health showed that American adults have increasingly used cannabis daily since 2007. The findings are published online in the Journal of Studies on Alcohol and Drugs.

The legal status of cannabis for medicinal and recreational use rapidly evolved between 2007 and 2014, with the number of states with medical cannabis laws doubling from 12 to 24. As of September 2017, 29 states and the District of Columbia had medical cannabis laws, and 8 states and the District of Columbia had recreational cannabis laws.

The study found that nondaily cannabis use decreased among those aged 12 to 2J and 35 to 49 before 2007, increased among all adults after 2007, particularly among adults 26 to 34—the latter by 4.5 percent. Daily cannabis use decreased among those 12 to 17 years of age before 2007 and increased among adults in general after 2007. Daily cannabis use was highest among 18 to 34-year-olds but overall, the rate of daily cannabis use increase did not differ significantly and ranged between one and two percentage points among adults 18 to 54.

"Increases in daily and nondaily cannabis use among adults after 2007 could be due to increasingly permissive cannabis legislation, attitudes, and lower risk perception," said Pia M. Mauro, Ph.D., assistant professor of Epidemiology at the Mailman School of Public Health and first author.

Using the National Survey on Drug Use and Health, a survey of individuals ages 12 and older, the researchers examined trends in cannabis use among six age categories between 2002 and 2014. They compared change over time to identify ages that may have disproportionately increased use of cannabis. Daily use was defined as 300 days or more in the past year.

"We saw a steady increase in more frequent use among people who reported cannabis use, including young people," Mauro noted. "We found significant increases in daily cannabis use across adult age categories after 2007 that contrasted with stable prevalence before 2007 and decreases among adolescents."

"Not all adults use cannabis at the same rate," said Silvia Martins, MD, Ph.D., Mailman School associate professor of Epidemiology and senior author. "Understanding the ages at which young people and adults use cannabis can help target appropriate reduction or prevention interventions."

Middle-age adults ages 50 to 64 were the only group with increases in nondaily cannabis use both before and after 2007. If trends continue, prevalence estimates of cannabis use among ages 50 to 64 could surpass those of adults ages 35 to 49.

"Research about the patterns and consequences of cannabis use in baby boomers in particular is needed, since use is high in this birth cohort and is expected to continue to increase," said Martins. "Moreover, significant increases in nondaily cannabis use among adults 65 and older defy perceptions that older adults do not use cannabis, although daily use in this age group remains rare."

# **INDUSTRY NEWS**

#### Is Originality Overpriced When it Comes to Wine?

Replica Wine, a Colorado company, is reverse-engineering famous wines to produce less expensive bottlings.

WineEnthusiast By Liza B. Zimmerman June 20, 2018

Replica Wine, a Denver-based company with a production facility in Healdsburg, has made nine wines under its label that they say reproduces top brands such as Rombauer and Far Niente, for about half the price of the iconic labels.

The company's motto? "Originality is Overpriced!" Replica started reverse-engineering famous names about three years ago. Its lab measures what's in the bottle they are looking to reproduce, which gives their scientists a roadmap of different wine brands' attributes, says Brett Zimmerman, a master sommelier and chief wine officer for Replica (he is unrelated to the reporter). That data is then used to make blending and aging decisions.

The company markets the results as knockoffs of more expensive brands on social media and their website. They produce 36,000 cases annually with distribution in 49 states and the District of Columbia.

On its web site, Replica suggests comparing its \$20 bottle of its Retrofit, a California North Coast Chardonnay, to Rombauer's Chardonnay which averages about \$40 a bottle.

However, on the bottles themselves, the company does not state the brand of the wine it is "replicating."

"Our brands are sold about 40% in chains, 50% in independent retail and 10% in restaurants," said Zimmerman.

Southern Glazer's Wine & Spirits and Republic National Distributing Company distribute the wines.

Producers' whose wines Replica are imitating, include Rombauer, Far Niente, Alamos and La Crema, declined to comment for this story.

#### Value in a Label

Jim Dean, the store manager of Hazel's Beverage World in Boulder, said that his target demographic is millennials. Dean also points out that sales of name brand wines have not decreased as a result, but that Replica represents additional sales.

However, to some, comparisons go beyond what's in the bottle. "Part of what people are buying is an image on the label," said Jon Moramarco, a Napa-based partner in Gomberg & Fredrikson Associates. "Just because it tastes the same doesn't mean it is worth the same."

"The core fans of each wine would like want the real thing," said Christian Miller, a Berkeley-based wine analyst who is a proprietor of Full Glass Research. "People who like the flavor of one of the target wines might be somewhat interested, but in many cases, the savings aren't that great."

# **DAILY NEWS**

#### Craft Brew Alliance Announces Departure of CFO

News Release WV News June 20, 2018

PORTLAND, Ore.--(BUSINESS WIRE)--Jun 20, 2018--Craft Brew Alliance, Inc. ("CBA") (Nasdaq: BREW), a leading craft brewing company, today announced that Joseph K. Vanderstelt, chief financial officer, will be departing the company, effective July 13, 2018. Mr. Vanderstelt has resigned his position at CBA to accept another career opportunity on the east coast.

"Joe's management and focus on building the right team with the right level of experience and leadership have helped establish CBA in the best financial health of our company's history. We appreciate his many contributions and wish him the best in his next endeavor," said Andy Thomas, Chief Executive Officer, CBA. "Looking ahead, we feel really good about the team we have in place and their continued strong financial stewardship and management of CBA. As a result of their great work, CBA has never been in a stronger position to invest behind our Kona Plus strategy and continue moving the company forward."

"It was not an easy decision to leave CBA, but I feel really confident in the team that's in place and their ability to continue building on the strong progress we've made over the past few years," said Vanderstelt. "Given today's increasingly complex and challenging beer market, the work that Andy and the team have accomplished is remarkable."

#### WineGame Launches in App Store

First-to-market game app for blind wine tasting available for free download

PR Newswire News Provided By WineGame Jun 20, 2018

WASHINGTON, June 20, 2018 /PRNewswire/ -- Ready, set, sip: Rob Wilder, previously CEO and Co-founder of ThinkFoodGroup, is excited to announce the launch of his newest venture, WineGame. A free, simple app that instantly turns any bottle into a fun, multiple-choice blind tasting game, WineGame offers an inventive way to enjoy wine with friends—and learn a little something along the way.

WineGame started as a late-night lark: Wilder and his partner-in-wine, José Andrés, would challenge each other to name the wine cloaked in a paper bag. Innovating this friendly competition has been a long-time goal of Wilder's, and now, the hi-tech version of WineGame is available for all smart phones, powered by proprietary software designed by WineGame Co-founder, Gary Mendel.

Based on an all-encompassing database including nearly every bottle in the world, WineGame challenges players to identify the grape, country, region and vintage/label of a wine. The platform generates logical answers to each question, so gamers learn even when answering incorrectly. Three tries are allowed per question, with points awarded at each level.

"Our goal was to utilize technology so that all players—from experienced drinkers to those new to wine—can be winners," explains Wilder. "WineGame's mission is to replace intimidating stigmas about wine education with a fun experience where all can experiment, engage with wine and learn."

All it takes to play is the WineGame app, a few bottles of wine, a means to disguise them, and of course, some friends. The host uses the app to scan each wine label to create the game before the bottles are concealed—and the fun begins.

While WineGame is easy and fun for home use, WineGamePRO is also launching for hospitality partners, meaning wine-lovers can play WineGame virtually any place that serves the tasty tipple.

"Wine is certainly having a moment – the market right now is huge, and still growing. And everyone loves to game on their phones, especially Millennials, our most enthusiastic wine-lovers," adds Wilder. "This might be the only legitimate time you can enjoy wine, hang out with friends, AND play with your phone without attracting disdain for being anti-social."

Let the games begin – go on, Play with your wine!

#### CO2 shortage threatens World Cup beer supply

CNN By Rory Smith June 20, 2018

(CNN) — The football World Cup usually means barbeques, beer, and big summer parties, but these plans could fall flat for many Europeans this year.

A massive shortage of carbon dioxide gas used to inject the fizz into many canned and bottled beverages is said to be threatening stocks of beer and soda.

And the CO2 drought couldn't have come at a worse time.

High summer temperatures, combined with an exciting start to the FIFA World Cup finals in Russia were supposed to be a major boost to beer sales, as spectators across Europe hit bars and pubs to watch the games.

"We are aware of a situation affecting the availability of CO2 across Europe," says Brigid Simmonds, chief executive of the British Beer and Pub Association. "Given the time of year and the World Cup, this situation has arisen at an unfortunate time for the brewing industry."

No CO2, no fizz

CO2 gas is pumped into some beers to carbonate it. If there's no CO2, then there's no fizz. It's also used in the pouring and packaging of beer.

The shortage is apparently a knock on effect of trouble in the ammonia production industry.

Most food grade CO2 is made using ammonia but a shutdown of various ammonia plants across Europe has caused widespread supply shortfalls, leading to a slowdown in CO2 production.

The shutdowns, according to Richard Ewing, ammonia market editor for petrochemical market information provider ICIS, have been caused by regular maintenance of ammonia plants.

However, the current high prices for natural gas -- used to fuel ammonia production -- is discouraging facilities from reopening.

Recent waves of warm weather rippling across much of Europe have further helped spike demand for soft drinks and carbonated beverages, according to the trade journal Gas World.

'On their hands and knees'

"The shortages of CO2 across northern Europe is impacting a wide range of businesses across the food and drink sector," says Gavin Partington, director general at British Soft Drinks Association.

And with no notable increase in ammonia supplies arriving to the large European shipping centers of Antwerp and Rotterdam, it's likely the CO2 crisis will become worse in the next few weeks, says Ewing.

"The CO2 companies are practically on their hands and knees begging the ammonia producers not to shut down," says Ewing.

It's enough to drive anyone to drink... while stocks last.

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