

A toast to the state's ABC system

By JOSEPH E. WALL

RALEIGH

The N.C. Association of ABC Boards' July meeting at the Grove Park Inn in Asheville has come in for some editorial criticism, but not much has been heard about the conference's positive aspects. In particular, attention should be paid to programs for improving the appearance of ABC stores and attacking the problem of underage drinking.

Our "Not So Extreme Makeover" program is a new and innovative effort to help (and inspire) smaller Alcoholic Beverage Control boards to spend a little money to improve the appearance of their stores. The association gave three of the smaller boards small grants totaling approximately \$8,700 to make improvements to their stores. We photographed the stores "before" and "after," and we used the photographs at the conference to demonstrate how all the local boards could make significant improvements with relatively small expenditures.

We also concentrated on ABC law enforcement and on methods to combat underage drinking. First lady Mary Easley, who spoke at the conference, is very involved in national efforts to combat underage drinking. Her speech is posted on the Commission's Web site, www.ncabc.com. Click on "First Lady Mary Easley, Keynote Speaker").

Yes, the conference included social events, but on balance it provided a reasonable combination of serious, educational programs and some lighter events. The spirits industry is a highly regulated industry, and federal regulations provide that industry members may display products at a convention or trade show, and that they may provide hospitality to the attendees.

In other words, such activities do not constitute illegal inducements to favor one industry member over another. The idea that the acceptance of hospitality from members of the spirits industry constitutes a conflict of interest is unsupported by any state or federal rules or regulations. Ultimately, the consuming public determines what products

are sold in the local ABC stores — ABC boards order and stock the distilled spirits that their customers request and purchase.

In Wake County, the sale of spirituous liquors results in annual revenue distributions in excess of \$24 million, which goes to help fund state and local government operations. In round figures, Wake County ABC Board sales for the 2005-6 fiscal year resulted in nearly \$16 million going to the state's general fund, over \$3 million in revenue to Wake County's general fund, almost \$2 million to the 12 cities and towns in the county, over \$3 million to fund local alcohol education and rehabilitation efforts, plus \$725,783 to fund ABC law enforcement here.



North Carolina pursues a policy of control — making liquor available to adults who choose to drink, but not promoting the sale of liquor. By keeping spirituous liquor out of the private marketplace, the economic incentive to maximize sales, open a multitude of additional stores and to sell to underage persons is eliminated.

Instead, state and local policies promote moderation and emphasize strict enforcement of liquor laws.

With our ABC system, citizens get both control and revenue. Adult per-capita consumption of liquor in so-called "license" states is considerably higher than per-capita consumption in "control" states such as North Carolina. Per-capita revenue from ABC sales is higher in North Carolina than in practically all of the license states.

The system promotes control and responsible drinking, while producing more revenue per capita than do other systems in other states. It is no coincidence that we are eighth in revenue distribution but 45th in consumption.

The members of the local ABC boards are instrumental in making the system work. They deserve appreciation for their efforts and for their service to their communities.

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of the N.C. Association of ABC Boards.*

POINT
OF VIEW