

SB 763 & HB 996

Alcohol in Grocery Stores

Will Not End Obesity

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RESPONSIBLE ALCOHOL MARKETING (RAM)

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About the Author:

Steve Myers has been in the Alcohol Beverage Industry (ABI) since 1974. Certified in Alcohol Management since 1985, recertified in 2008 and Water Chemistry (1995), he has marketed alcoholic beverages for wholesale distributors and owned and operated multiple retail stores in the State of Maryland. As a member of the Maryland Liquor Store Assn., the Baltimore County Tavern & Restaurant Assn. and the Queen Anne County Licensed Beverage Assn. he supported legislation that would require all three tiers of (ABI) to become more responsible in the manner that alcoholic beverages are marketed. He is the Founder and President of **Responsible Alcohol Marketing (RAM)**, an alcohol education company and the author of *The ABCs of Alcohol and Nutrition – A Reciprocal Relationship*, an educational textbook for consumers and the members of the ABI. RAM is the only Maryland-certified Vendor Training Program that has a consumer counterpart – Simple Alcohol Management (SAM).

He is currently the Wine Buyer/Alcohol Educator at Plaza Liquors in Pasadena, MD.

INTRODUCTION

The purpose of this report is shed a scientific spotlight on the notion that granting alcohol beverage licenses to grocery stores will combat obesity. The science reveals this legislation will do just the opposite.

The timing of this paper comes in the wake of two bills introduced in the Maryland Legislature recently, namely Senate Bill 763 (McCray) and House Bill 996 (Qi), to repeal longstanding laws in Maryland of prohibiting the sale and promotion of alcoholic beverages within chain stores, and establish a special Class A license in an attempt to end obesity and provide healthy foods to certain regions of the State.¹

Within the Preamble of the bills the word “Obesity” is used three times. The word “Healthy” is used four times. This section would violate U.S. alcohol labeling laws of making health claims from the consumption of alcohol if used by a producer.²

Where as, both bills reference Center for Disease Control in the Preamble, the accepted authority of alcohol research in the United States is the National Institute of Alcohol Abuse and Alcoholism (NIAAA), a component group of the National Institute of Health (NIH) located in Rockville, MD. The institute just celebrated its 50th Anniversary on December 31, 2020.

Regardless, neither agency recommends the consumption of alcohol as part of a healthy diet.

¹ Preamble of SB 763 and HB 996

² <https://www.ttb.gov/consumer/alcohol-beverage-labeling-and-advertising>

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Dr. Charles S. Lieber

Charles S. Lieber, M.D., MACP, FACG
Mount Sinai School of Medicine
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THE LEGISLATION'S REAL INTENT

The real intent of these two bills lies in the efforts initiated by the Maryland Retailers Association – Time For Choice. Their website utilizes all those catchy phases like – “New Revenue”, “New Jobs”, “New Stores”. They also provide a study that documents the increase of sales in Colorado that recently opened sales of beer & wine in grocery stores. However, there is no mention of the fact the state also legalized marijuana and is suffering from a severe downturn of public mental health.³ Increased consumption has its consequences.

ALCOHOL RESEARCH – NIAAA

In the current Five-Year Strategic Plan of the NIAAA (2017-2020) it states:

“The Centers for Disease Control and Prevention estimates that alcohol misuse costs the United States \$249 billion per year due to health care expenses, lost workplace productivity, crime, property damage, and other adverse outcomes.”⁴

“Alcohol misuse has wide-ranging adverse consequences. In the United States, nearly 88,000 people per year die from alcohol-related causes”⁵

In all of the studies I have reviewed in my years as an Alcohol Researcher and Educator, never is alcohol vital for a healthy diet.

ALCOHOL and NUTRITION RELATIONSHIP

One of the major contributors to the NIAAA was Doctor Charles S. Lieber, formerly with the Mount Sinai School of Medicine (MSSM) and the James Peters Veterans Medical Center in New York.

³ <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5623152/>

⁴ NIAAA Strategic Five-Year Plan, Executive Summary p.4

⁵ NIAAA Strategic Five-Year Plan, Introduction p.9

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Sales Per Man/Hour⁶

Department	\$/Man Hour
Grocery	\$528
Produce	\$297
Pharmacy	\$343
Deli/Bakery	\$114
Meat/Seafood	\$322
Wine & Beer	\$802⁷
Overall Store	\$189

⁶ Easton, MD Grocery Store week ending 6/4/19

⁷ DC/VA stores W&B is \$0. Labor performed by distributors

Dr. Lieber was the foremost authority on the effects of alcohol on the body. He authored a chapter in Total Nutrition – The Only Guide You’ll Ever Need, by the faculty and staff of MSSM. The title of the chapter is *The Nutritional Effects of Alcohol*⁸.

In the chapter he writes “*alcohol is sometimes called the anti-nutrient nutrient: Not only do its empty calories replace the nutrient-rich calories of food but it also directly interferes with the body’s absorption, storage and use of nutrients, even if they are present in adequate amounts in the diet.*”⁸

GROCERY STORE ALCOHOL MARKETING

From 2012-2019 I worked for three different grocery chain stores in Florida and Maryland. One of those employers was a store in Talbot County, Maryland with a beer & wine department. Talbot County is exempt from the Maryland statute prohibiting grocery chain alcohol beverage licenses.

I was hired as the store was being built and headed a department with six other employees. Within six months I was the only employee left. The Operations Manager refused to hire any additional help. I was doing the work of four people, not only the purchasing of both beer and wine, but the pricing, display and shelf stocking of all that I purchased, not to mention customer service. I was restricted to a 40-hour workweek (no overtime allowed) and had off on Mondays and Fridays – the two days beer distributors delivered. In my absence the merchandise would sit on pallets until I arrived the next day.

The grocery industry tracks several weekly statistics. The most important is the ratio of sales to labor. The Wine & Beer department consistently had the highest sales per man/hour ratio than any other department.

⁸ Total Nutrition, The Only Guide You’ll Ever Need, P. 349

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This same chain in their Washington DC and Virginia stores, the Wine & Beer man/hours are zero. The distributors perform replenishment and shelf stocking – a prohibited practice in Maryland.

MARKETPLACE ALCOHOL EDUCATION

Though I suspected that alcohol use had some long-term harm, it was not until 2004 that I discovered the NIAAA website. I found it by following the paper trail of Dr. Lieber's studies.

The research identified eight adverse effects. Many of the researchers developed nutritional solutions. Thus, by improving the diet a consumer could protect the body from the harms of alcohol metabolism. I realized this material would be a more responsible way of marketing alcohol; after all, it is part of a larger food & beverage industry.

In 2009 I decided to start an alcohol education company. It took over three years to complete the research. When finished I accepted a position of Wine and Spirit Consultant with a large adult beverage chain in Florida. Could the science of alcohol metabolism be used to market adult beverages? The answer was a resounding yes.

After documenting how sales increased using this methodology, I offered to share my intellectual property with my employer. The management called it "anti-establishment".

I presented the material to my State Senator, Bill Galvano (now member of Congress), in an attempt to educate the Florida Legislature. He chaired a committee that reviewed alcohol bills. He referred me to a lobbyist for Wal-Mart. The company was petitioning the legislature to modify a statute concerning alcohol. I made the same offer to share my intellectual property with Wal-Mart. Management rejected the offer. I later submitted a proposal to Publix, Florida's largest grocery chain. It was rejected.

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“FOLLOW THE SCIENCE”

In 2016 I moved back to Maryland. I submitted my material to the Office of the Comptroller as a vendor-training program. The Office certified RAM. It is the only vendor-training program in the nation with a consumer counterpart (SAM – Simple Alcohol Management).

Afterwards I offered the material to Safeway, Acme, Giant Foods and Whole Foods. Each chain rejected the offer. It was then that I accepted a job with Harris Teeter for a new store being built in Easton. Within one year I was producing outstanding sales. The material resonates, especially with mid-adults and seniors who are concerned with their overall health. I offered the material to upper management. It was rejected.

After three years I accepted the position of Wine Buyer with an independent store, Plaza Liquors in Pasadena, MD. Not only did they accept my offer to share my intellectual property, they sponsored a radio podcast I produced called SAM's Happy Hour. One of my first guests was Jeffrey Kelly, now with the Alcohol and Tobacco Commission.

So why did my current employer give me carte blanche to market alcohol differently? I believe it is because they are Indian-Americans. Their culture embellishes a more holistic approach to health (Mind-Body-Spirit).

The best place for alcohol education is within the marketplace. For this to come to fruition licensed establishments must have a higher Employee to Customer ratio. I just revealed the Grocery Industry is fine with only one employee. However, in the independent small business licensed retail store, the ratio is much higher. The average independent retailer has an executive staff of at least two, two to three department managers and three to four stock clerks/cashiers.

The experts all agree. You combat obesity with *diet & exercise*. Taking extra steps to patronize small businesses is a good start.