

# North Carolina considering liquor sales privatization

By Caitlin Byrd

STAFF WRITER  
MCBYRD@UNCA.EDU

North Carolina has been an alcohol control state for 75 years, but a letter from Gov. Bev Perdue to the General Assembly could change the way N.C. residents purchase liquor in the future.

"Personally, I don't see what the issue is with pursuing reform for the liquor distribution in North Carolina," said junior drama student and certified bartender Taylor Collins.

In the letter, Perdue suggests potential privatization of all or part of the current Alcoholic Beverage Control system. No definitive legislation is called for within the document.

However, the mention of privatization was enough to prompt discussion about the issue in a Feb. 23 city council meeting.

At the meeting, Asheville ABC board member Charles Worley said he discouraged both the privatization of liquor sales and making ABC stores directly state-run. Asheville ABC CEO Curtis Canty echoed these sentiments.

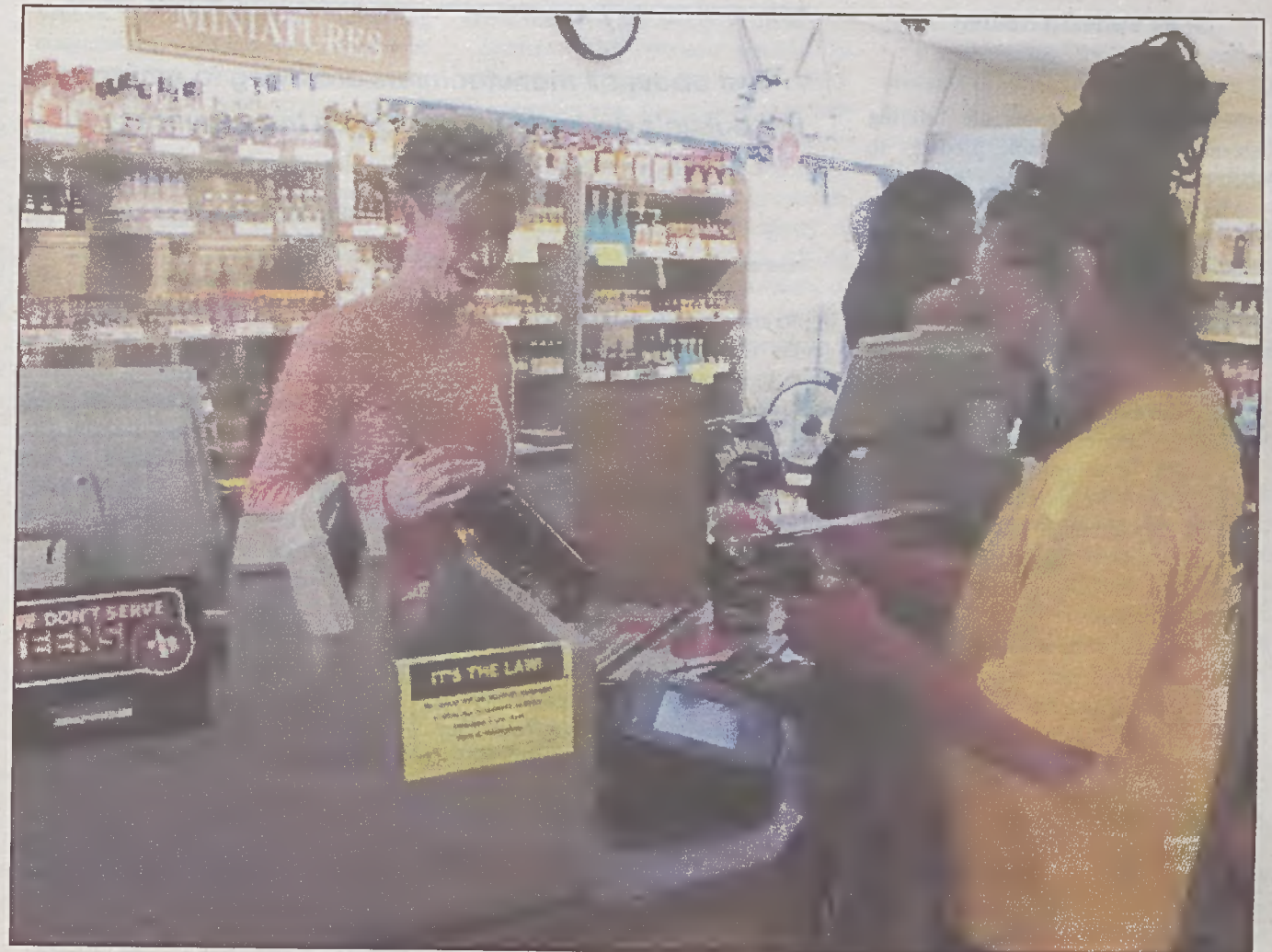
"Our entity operates like any other private business does. The distinctions are that the board has certain state requirements that it must meet," Canty said. "The boards have a mandate that all profits go to the city or municipality, and that money is placed back into the city's hands directly in some form. The boards that operate in a lot of the larger cities and counties, like Asheville, generate a tremendous amount of revenue."

This year, the Asheville ABC System made \$1 million for the city, a drop from \$1.2 million in 2008.

Collins said he does not entirely disagree with the current ABC system and its contributions to the city, but privatization should not be ignored.

"I have never had any issue with it in the past, but I do support the argument that if liquor distribution is privatized, it would be a good way for local businesses to find a new source of revenue. I am a big supporter of small local businesses," Collins said. "I can see how if used to benefit the town, the ABC stores are a great asset to the city, but if privatization is put forth, why not let the two coexist?"

According to a live caller poll of 600



Steven Hall- Assistant Photography Editor

**Pam Mann, 39, an employee at the ABC store on Merrimon Avenue makes a sale to Christian Smith.**

likely voters conducted by the Civitas Institute in February, 47 percent of callers supported privatization, 37 percent opposed it and 16 percent were unsure.

"The truth is, unlike privatized local businesses, we aren't watching our overhead everywhere. They're in it for the buck and short-term," he said.

According to Canty, privatization of liquor sales will help neither the city nor the economy in the long term due to the nature of business incentive.

Curtis also said privatization would place local liquor stores at a disadvantage.

"I would dare say that the citizens would be hit with different prices on different products, no different than the way that grocery stores operate. It all just depends on that store's operating," Canty said. "The big box stores that have the purchasing power are able to offer some of the best prices, but that would

just be defeating the purpose. Your price control model would be gone under privatization. And of course, there are those that say that the fair market drive and demand would bring the price down, but when does that honestly ever work?" Canty said.

Canty's other concerns relate to the employees who would work behind the counter of these local liquor stores.

"We can provide our employees with a livable working wage, health benefits, a 401K plan and things like that. But what would these workers of the local business get? Long hours and minimum wage that just wouldn't be enough," Canty said.

According to Gov. Perdue's letter, there are other components of the N.C. ABC system that are not sufficient. Perdue also said she wants to strengthen the system's ethical standards.

"If the ABC distribution and sales

system remains unchanged, more needs to be done for local ABC Boards and stores to regain the public's trust – and I will ask for tighter controls and stronger oversight and restrictions on operations," Perdue wrote.

For Canty, this remains high on his list of priorities.

"If we have a problem, we want to be the ones to find it first," Canty said. "The law states that you must be 21 to purchase. You must be 21 to even be in the store. We train our customer service representatives to be attentive and sensitive and there are terrible repercussions for clerks who violate that. We run campaigns through our law enforcement divisions to go out and test our stores."

During these tests, an underage person; the 'tester,' goes into the ABC store

SEE LIQUOR PAGE 5