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Costco Slammed for Booze Deregulation Blitz

Alcohol Justice Calls Foul on Washington's I-1183

SAN FRANCISCO, CA (October 27, 2011) – Alcohol Justice (formerly Marin Institute) added its voice of opposition today to the primarily Costco-financed alcohol privatization initiative I-1183 in the state of Washington. The alcohol industry watchdog is encouraging the state's voters to reject, once again, a profit-driven corporate retailer effort to steal state alcohol sales.

"Costco, Trader Joe's and Safeway are buying this election so they can exponentially pump up their alcohol sales and profits," stated Bruce Lee Livingston, Executive Director and CEO of Alcohol Justice. *"Last year, voters defeated Costco's lonely hail Mary deregulation attempt. This year it's a corporate retailer blitz with Costco throwing a \$22.7 million tailgate party for votes."*

If passed, I-1183 will dismantle the protections that Washington's current control system promotes. Now the state is able to directly and efficiently ensure that liquor is being sold in a responsible manner. Shifting liquor sales to the private sector will further burden state resources by requiring the licensing of many grocery and retail stores to sell liquor, and additional enforcement officers to ensure that all these new licensees are complying with state law. Considering that privatization will cost the state revenue in the long term, enforcement and regulatory activity will not keep pace with the costs associated with an increased number of privately licensed alcohol retailers.

"The corporate interests behind I-1138 transparently wrap their rhetoric in choice, convenience, and quick, one-time profits for the state," said Sarah Mart, Director of Research at Alcohol Justice. *"Yet the truth is that deregulation seeks to merely replace a socially responsible method of collecting revenue with one that allows for private profits while increasing harm."*

In addition to long-term state revenue losses, privatization of liquor sales negatively impacts public health. Liquor control states have a lower prevalence of drinking and binge drinking among people between 12 and 25 years of age. Furthermore, control states have a lower death rate for people under the age of 21 killed by alcohol-impaired driving. More broadly, history has shown that in states where alcohol sales were privatized, alcohol outlet density dramatically increased. Studies consistently demonstrate that increases s in availability and outlet density are correlated d with increases in alcohol-related harm.

"Ultimately, I-1183 will cost the people of Washington," added Livingston. *"Whether due to decreased revenue, increased harm from alcohol consumption, or both – the Costco-led corporate blitz to privatize Washington's alcohol sales will hurt the state's bottom line."*

Alcohol Justice formally opposes passage of I-1183, and joins with the [Protect Our Communities - No on 1183 campaign](#) to defeat the initiative.

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