

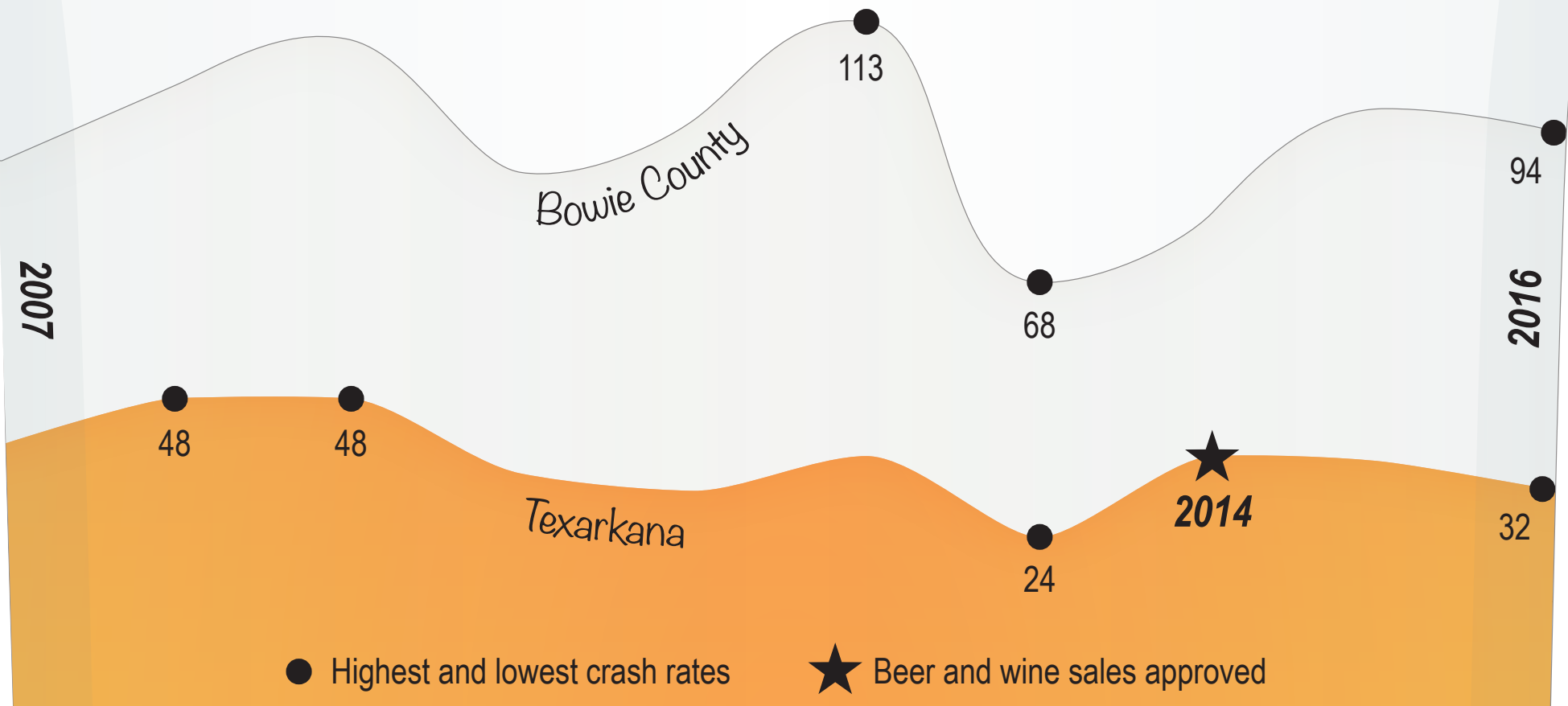
Texarkana Gazette

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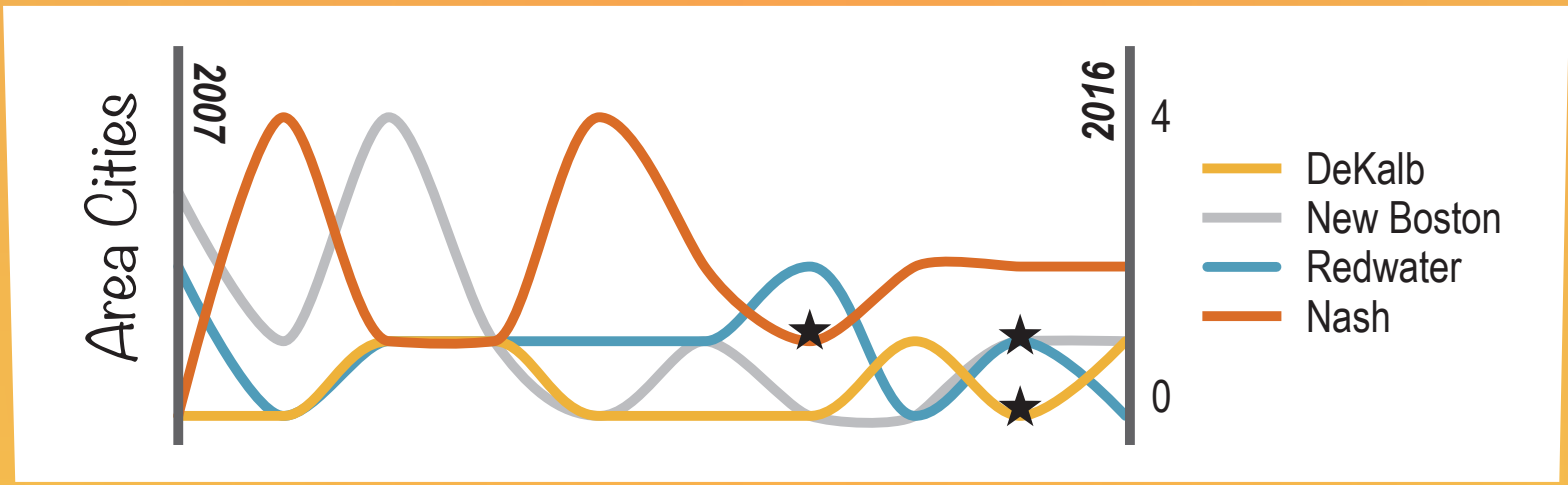
DISTILLING THE FUTURE

Drinking and Driving

Has the wider availability of beer and wine affected alcohol-related accidents?



● Highest and lowest crash rates ★ Beer and wine sales approved



SOURCE: Texas Department of Transportation

Staff graphic by Kristen Doss

‘Absolutely no increase in crime related to alcohol sales at all,’ city official says

By Karl Richter
Texarkana Gazette

The concern is commonplace: Allowing alcohol sales will bring more crime, including drunken driving, to a formerly dry town.

But local officials and police agree that no such negative consequences have become evident since 2013, when Nash became the first Bowie County, Texas, town to go wet.

The perception that drinking is generally harmful has a long history in the United States, culminating in complete prohibition from 1920 to 1933. Almost a century later the idea lives on in claims, often made by religious leaders, of a direct correlation between alcohol availability and a host of social ills, including crime.

John Miller, pastor of Texarkana’s Church on the Rock, is typical of those who argue that when alcohol comes to town, repercussions follow. He opposed the Texas side going wet in November 2014 and says his thinking about it has not changed.

Alcohol has a very bad and dark side to it,” he said. “Logically, the easier alcohol is to get, the more available it is, the more problems are going to be created.”

domestic violence top Miller’s list of the harmful results of convenient access to beer and wine. But ask those in newly wet towns who have watched carefully for any rise in such crimes, and the response is consistent: They just have not seen it.

Nash has seen “absolutely no increase in crime related to alcohol sales at all. None,” said city administrator Doug Bowers.

“We actually did exhaustive studies. We contacted the Alcoholic Beverage Commission and found out what cities had gone wet with the same permits we were looking for and contacted the chiefs of police of several of those.

“I really came to the understanding that had our crime rate increased, we would have been the only one in the state of Texas’ history. And I said, ‘I’m not saying for sure, but I’m going to bet you it’s a 99 percent chance it’s not going to increase.’ And it looks like, lo and behold, we were correct,” Bowers said.

Other city officials agree. “The sale of beer and wine in our city has had zero effect on our crime rate. There has been no increase whatsoever, and in fact there seems to be a



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decline,” DeKalb, Texas, city administrator Abbi Capps said. DeKalb went wet in November 2015.

“We have had these discussions with our local police chief, and he has not seen any type of crime rates increase because of (alcohol sales),” said Darla Faulkner, city secretary of New Boston, Texas, which also elected to allow beer and wine sales in 2015.

“There aren’t any drunks hanging around on the corner, no prostitution,” said Mayor Robert Lorange of Redwater, Texas, the third Bowie County town that went wet in 2015.

With one exception, going wet has not increased crime in Texarkana, Texas, either, according to Police Department public information officer Shawn Vaughn.

“Given that alcohol has been readily available across the state line for years, having beer and wine sales in Texas have not had a meaningful impact on us. The numbers of DWI, public intoxication, family

violence, etc., have actually remained fairly constant over time. However, the one area that we have seen an increase is beer thefts from stores. Those have remained relatively high since they started selling it on our side,” he said.

Texas Department of Transportation records reveal a similar story regarding drunken driving in Bowie County since 2013: The rate of alcohol-related car crashes has remained about level or decreased.

Countywide, such crashes averaged 95 per year from 2007 through 2013. That average dropped to 90.67 per year from 2014 through 2016.

Texarkana, Texas, averaged 37.875 alcohol-related crashes per year from 2007 through 2014; the average dropped to 34.5 per year in 2015 and 2016. There were none in Redwater in 2016, whereas the average for the previous nine years was one per year. Nash’s average has stayed virtually the same, 1.86 from 2007 through 2013 and two from 2014 through 2016. DeKalb never saw more than one alcohol-related crash per year from 2007 through 2015, and there was one there in 2016.

The only outlier, New Boston, saw two alcohol-re-

lated crashes in 2016, up slightly from the average for the previous nine years, 1.2.

Such statistics do not surprise John Hatch, whose company Texas Petition Strategies was behind most of the wet-election petition drives undertaken since 2003, when he was instrumental in changing Texas law to make them easier. Since 1998, Hatch—whose clients include Walmart, Brookshire’s and other major retailers—has pushed more than 300 petitions in almost 200 jurisdictions, forcing elections 84 percent of the time.

“The fallacy on the crime issue is simply that these towns are not dry for consumption; they were just dry for the sale. It wasn’t that people in Bowie County weren’t drinking. They were just buying it somewhere else,” he said, arguing that selling alcohol closer to buyers decreases both consumption and alcohol-related driving fatalities.

“When you’re forcing somebody to go drive 20 to 30 minutes, guess what they do when they get there? They don’t just buy a six-pack. They buy a case, they buy two cases, because they don’t know when they’re going to get back to the store again. So they buy two

or three times what they would normally buy. Oh, and do you think they might pop a top on the way back?” Hatch said.

Still, not all problems caused by alcohol will show up in crime statistics, Miller argued. He cited neighborhood deterioration, the effect on children of pervasive alcohol advertising and the personal devastation that can result from alcoholism even when the alcoholic does not run afoul of the law.

“What I do as a pastor in pastoral care is to help people recover from a lot of problems that alcohol created, whether it’s contribution to domestic violence, whether it’s a contribution to people foregoing a responsible life and just having fun drinking and partying.

“And alcohol is an entry door to drugs; most people who do drugs drink. It’s kind of a first step that our culture promotes vigorously, yet we kind of sweep under the rug the problems that happen.”

Miller said the potential consequences of the city’s wet law weigh on his mind.

“I wonder every time I hear or I read about an alcohol-related death or injury, did they buy that alcohol on the Texas side?”

High and Dry: 100 years of prohibition

Texas

1910s

1919: Texans adopt prohibition.

1930s

1933: Beer (3.2 percent) is legalized.

1935: Texans repeal the state dry law. All counties return to their status 1918 status until local elections can be held.

1950s

1950: Bowie County residents outlaw beer.

1951: By a 2-1 margin, Bowie County voters elect to keep the county dry.

1960s

1960: Private clubs may sell alcohol under a "locker law." Members may buy beer in cases or bottles of liquor to be stored at the club, or customers may buy a three-day, \$3 membership to drink at the bar.

1969: Domino incorporates as a city and elects to allow beer, wine and liquor sales.

1970s

1970: Texans repeal the last vestige of statewide prohibition, the "open saloons" ban; bars may sell mixed beverages or liquor by the drink by local option.

1980s

1980: State locker law repealed, letting private clubs act like bars with members.

2000s

2003: State makes it easier for citizens to initiate a local-option election.

2004: State lawmakers allow sampling and package sales at all wineries.

2010s

2011: Texarkana residents veto beer and wine sales for off-premises consumption.

2013: Nash voters approve a similar measure, with mixed drinks in restaurants.

2014: Texarkana allows beer and wine sales.

2015: Atlanta and Queen City voters reject beer and wine sales. New Boston, Redwater and DeKalb legalize.

2016: Wake Village and Atlanta allow package beer and wine sales.

2017: Maud allows sales of all alcoholic drinks.

Arkansas

1910s

1915: The General Assembly passes the Newberry Act, prohibiting the manufacture and sale of alcohol.

1917: "Bone Dry" Liquor Law prohibits transportation, delivery and storage of liquor except for scientific, religious or medical purposes.

1930s

1933: Beer (3.2 percent) is legalized.

1935: Thorne Liquor Act allows hard liquor package sales by local option, raises beer's alcohol limit to 5 percent. Miller County goes wet. Anti-saloon law permits beer and wine in restaurants and hotels in wet counties and some sales in nonprofit private clubs with Class 6 permits.

1960s

1969: The Arkansas Supreme Court revokes all Class 6 Club Permits, declaring them illegal. The Arkansas Legislature revokes the state anti-saloon law and allows private clubs operating in all counties to serve liquor by the drink.

2000s

2003: The Arkansas Alcohol Beverage Control Board begins granting private club licenses, giving proprietors in dry counties the right to serve alcohol.

2010s

2014: An Arkansas ballot initiative to unify the law and approve alcohol sales statewide fails; prohibition remains a county-by-county issue in the state.

2016: Little River County, Ark., residents vote for sale of beer and wine in retail stores and to allow one liquor store per 5,000 county residents.

U.S.

1910s

1919: The 18th Amendment to the U.S. Constitution is ratified, making the production, transport, and sale of alcohol—though not the consumption or private possession—illegal effective a year later.

1930s

1933: President Franklin D. Roosevelt signs the Cullen-Harrison Act into law, legalizing sale in the United States of beer with an alcohol content up to 3.2 percent by weight, pending approval by each state separately. Near the end of the year, the 21st Amendment to the U.S. Constitution is ratified.

*"The more things are forbidden,
the more popular they become."*

—Mark Twain



SOURCES

Texarkana Gazette, Texas Almanac, The Encyclopedia of Arkansas History and Culture, The New York Times, Texas Monthly

A look at beer, wine sales and regional economy

EDITOR'S NOTE: This is the first of a two-day series about the evolution of beer and wine sales in the area, of which Texarkana, Ark., long held a monopoly. Today's stories chart the changes as several Bowie County towns have gone wet in recent years, drying up Arkansas-side's revenues. Also, how Texarkana, Ark., city officials and alcohol retailers are adjusting business practices is examined. Saturday's two stories will highlight economic benefits reaped in the area and how crime trends have been affected by alcohol sales.

BY KARL RICHTER
Texarkana Gazette

Call it a beer boom: Northeast Texas is going wet, altering the region's cultural and economic landscapes. But the biggest changes caused by

the trend are happening just across the state line in Texarkana, Ark., where alcohol has been available for decades.

Life goes on in the formerly dry cities in Texas' Bowie and Cass counties, including Texarkana, that have elected to allow beer and wine sales since Nash led the way in 2013. Besides the obvious—alcoholic drinks appearing on store shelves—some reported financial benefit is the only indication that anything has changed in those places, and even that is hard to measure.

"I haven't really seen any changes, per se," said Darla Faulknor, city secretary for New Boston, Texas, which went wet in November 2015. That assessment is echoed by local officials region-wide.

DeKalb, Texas, which also

went wet in 2015, "is the same as it was before," said City Administrator Abbi Capps—the same, that is, except for increased revenues.

Taxes collected on retail alcohol sales are not tracked specifically, but the correlation seems clear: When towns go wet, sales tax income jumps.

The boost can spur economic development, Nash City Administrator Doug Bowers said.

"Because of beer and wine sales, and because of our growth, we became attractive. Growth spawns growth, and that's the mode we're in. Slow and steady, but it's growth," he said. "All we can answer is facts. Yes, it's helped us, bottom-line dollar."

It's in Texarkana, Ark., long the nearest place for Texas-side tipplers to buy

their supply, where the sudden competition is raising alarms. No longer able to count on Texans' cash, Arkansas-side beer and wine sellers and the city government have been forced to adjust to dwindling revenues. And they fear that the next step—nearby cities approving hard liquor sales—will be a death blow to the local economy.

"If that happens, we may as well turn out the lights," Texarkana, Ark., Mayor Ruth Penney-Bell said.

The possibility became real in November 2016, when voters in adjacent Little River County, Ark., approved two liquor stores there. In May, Maud, Texas, followed suit, becoming the first Bowie County city to allow not only beer and wine but also hard liquor sales.

The developments could be disastrous for small, independent stores on the Arkansas side, said Ben Brewer, owner of Southtown Liquor. Brewer worries that the recent changes could wipe out all that he and business owners like him have worked hard to build.

"We're working 70 hours a week in these stores because we own them, they're ours. They're our babies. Nobody else does anything for us," he said.

The future looks brighter on the Texas side, where store owners are happy to keep customers close to home.

"Now that Maud is able to sell alcohol, hopefully we'll gain back all the customers that we lost as a city. With the liquor aspect of it, maybe we'll gain just a few more from the Arkansas

side," said Kyle DeLaughter, owner of DeLaughter's Grocery in Maud.

The results of Maud's and Little River County's choices may not be clear for years, but nearby cities have been wet long enough that the effects are beginning to emerge. Crime including drunken driving has not increased. Texas-side sales tax revenue is up, while that on the Arkansas side has dipped. And depending on which side of the state line they call home, locals are responding to the evolving environment as either an opportunity or a threat.

In a special three-part report beginning today, the Gazette takes a close look at what the Northeast Texas beer boom has changed, what it hasn't and what it could mean for the region's future.

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Staff photo by Evan Lewis

■ Robert Lorange, mayor of Redwater, Texas, talks about one of the capital improvement projects that was made possible through added tax revenue from alcohol sales in the city. Since residents voted to go wet in November 2015, the city's sales tax income has roughly doubled, increasing from about \$3,500 a month to around \$8,000, Lorange said. The additional revenue has allowed the city to provide services and infrastructure improvements, including about \$30,000 in street upgrades in May, without raising the property tax rate. "I do everything with sales tax. My property tax is the lowest in Bowie County," Lorange said.

Cities pour revenue boost from alcohol sales into upgrades

EDITOR'S NOTE: This is the second of a two-day series about the evolution of beer and wine sales in the area, of which Texarkana, Ark., long held a monopoly. Today's two stories highlight economic benefits reaped in Bowie County cities selling beer and wine and how crime trends have been affected. Friday's stories charted the changes as several places have gone wet in recent years, drying up Arkansas-side's revenues. Additionally, Friday's stories examined how Texarkana, Ark., city officials and alcohol retailers are adjusting their business practices.

BY KARL RICHTER
 Texarkana Gazette

Precise measurements may be unattainable, but the economic benefits of allowing alcohol sales seem clear to officials in many Bowie County cities using boosted sales tax revenue to make improvements.

Calculating exactly how much tax revenue beer and wine sales generate is challenging, since Texas authorities do not track sales tax by merchandise type. However, public records and anecdotal reports show a correlation between going wet and increased sales tax income.

Nash, Texas, provides the most data because it went wet first, in November 2013. According to Texas Comptroller's Office records, Nash's average annual sales tax revenue leaped from more than \$366,000 for 2007 through 2013 to more than \$666,000 for 2014 through 2016.

"It has been very good overall, as far as finances go. But of course it was a lot better when we were

the only players," said city administrator Doug Bowers, referring to the year between Nash's wet election and Texarkana, Texas'.

In that year, when Nash was the only city in Bowie County that allowed selling beer and wine, sales tax revenue went up 40 percent, but half of that gain disappeared when Texarkana followed suit, Bowers said.

Other growth offset the decrease, however, so revenues have remained steady. Bowers cited the Nash Business Park, which provides 500 jobs, and tractor-trailer dealership Lonestar Truck Group as two engines of local economic growth.

We have started rapidly growing our retail sales tax base over here, so we have not been hurt totally by the lack of sales of alcohol. We've not lost any money, but we're at a plateau and we're staying the same."

I do know from talking to our beer and wine retailers that when Texarkana went wet, their sales dropped 50 percent on average here. And yet our sales tax continued to grow. So that tells you that we were not as dependent on alcohol as some people might have thought," he said.

Since Redwater, Texas, residents voted to go wet in November 2015, the city's sales tax income has roughly doubled, increasing from \$3,000 to \$4,000 a month to around \$8,000 a month, Mayor Robert Lorange said. The revenue increase has allowed the city to provide services and infrastructure improvements, including about \$30,000 in street improvements in May, without rais-



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ing the property tax rate.

"I do everything with sales tax. My property tax is the lowest in Bowie County," Lorange said.

The figures are similar in DeKalb, Texas, which went wet the same month, city administrator Abbi Capps said. There, the picture is blurrier because of new grocery stores opening in town since the election.

"Since that time, we have noticed about a \$3,000 to \$5,000 a month increase in sales tax revenue. However, the same month that this passed, we got a Walmart. It didn't even stay a year, and they pulled out. And so for a few months there was nothing down there, but we didn't notice really too much of a decrease in sales tax during that period of time," Capps said.

"And then Spring Market came in, and we're still holding steady. So I can say a \$3,000 to \$5,000 a month increase in sales tax revenue, but with both of those stores and a couple of other new businesses that came in, there's no way to differentiate what was from the additional businesses and what was from the sale of the beer and wine."

Capps could not say with certainty that DeKalb's choice to go wet was a deciding factor in those stores opening locations there. Neither Walmart nor

Brookshire's, which operates the Spring Market grocery store chain, responded to an interview request.

"Being a small town, having enough revenue is always a challenge, having enough funds to do what we need to do on a daily basis. So it has taken a little bit of the pressure off, as far as that goes. We do have a large street project coming up in the near future, and that increase in sales tax dollars is going to be really beneficial in helping to pay off the loan that we will get in order to do the streets," Capps said.

New Boston, Texas, also went wet in November 2015. According to state records, sales tax revenue there rose 7.6 percent, more than \$92,000, from 2015 to 2016.

Since going wet in November 2014, Texarkana, Texas, has shown the same trend, state records show. Sales tax revenue here averaged more than \$13.7 million per year from 2007 through 2014. The average for 2015 and 2016 increased to more than \$15.5 million. Total sales tax collected rose 2.79 percent, more than \$412,000, from calendar year 2014 to 2015 and another 4.3 percent, more than \$650,000, from 2015 to 2016.

Fiscal year 2015-16 saw more sales tax revenue

growth than is occurring this fiscal year, but why is difficult to determine, Chief Financial Officer Kristin Peebles said.

"We saw some favorable sales tax growth, between 3 and 4 percent. We don't know what that was attributable to, but it was a good year last year. This current year that we're in has not been as favorable. We're actually down a little less than 1 percent compared to last year. It's not that we're losing a ton of money; we're just not gaining any more this year. Down a little bit, but not huge. It's just we had hoped for another 3 or 4 percent growth, and we're just not seeing that trend in this current year," she said.

Asked if she was concerned that more Bowie County cities going wet could negatively affect Texarkana, Texas, sales tax income, Peebles took a wait-and-see approach.

"It's not something up until this point that we've worried too much about," she said. "We've been keeping a trend of the sales tax that we know we receive or anticipate receiving and go by that. I think because the detail is so limited, it's really hard to know if any one change is attributable to any one thing."

"Obviously, we hope that those who currently shop and live in Texarkana, Texas, will continue to do that if that's where their home is. Hopefully they will shop at the stores that sell alcohol in Texarkana, Texas. At this point, we're just going by trends; it's not something that we're concerned about until we see that it's a reason to be concerned."

Wake Village, Texas,

elected to go wet in May 2016. According to the Comptroller's Office, the city's sales tax revenue jumped 26.6 percent between 2015 and 2016, increasing more than \$100,000 for the year.

Kyle DeLaughter, owner of DeLaughter's Grocery in Maud, said he supported this year's successful wet campaign there, not only because it would help him retain customers and stay in businesses, but also would keep tax revenue in town.

"Alcohol is just a way for us to be able to survive. If we lose 10 customers a day because we don't sell something that everybody else sells five minutes down the road, 10 customers a day will put us out of business. Ten customers a day doesn't mean squat to Walmart or some other big store. But 10 customers a day to me or the gas station down the street, it kills us, and it almost did."

"Now we're going to be able to compete and offer our citizens something that now they don't have to leave town. And now we're going to be able to hire four or five new employees and not lay anybody off. When this finally goes through, we'll be able to have 12 employees at 40 hours a week—pretty significant for a town this size, for a grocery store."

"We're just a little guy trying to make a living. I was tired of our town losing not just sales tax money from alcohol, but sales tax money from everything: fuel, clothes, tools, groceries, everything," DeLaughter said.

Arkansas side watches alcohol sales trickle away

By **KARL RICHTER**
Texarkana Gazette

Its beer and wine monopoly broken and grip on hard liquor sales slipping, Texarkana, Ark., faces a new economic reality that threatens both business and government.

After more than 80 years of reaping most of the area's retail alcohol spending—and the associated sales tax revenue—the city now faces increasing competition not only in Northeast Texas but also in adjacent Little River County, Ark. The resultant losses, combined with other economic pressures, have made the municipal budget tighter than ever before and left mom-and-pop liquor stores with little margin for error as concern grows about their ability to remain open.

Beginning in 2013, city elections in Cass County and formerly dry Bowie County in Texas, including the third try in Texarkana, Texas—literally across the street from Texarkana, Ark.—have allowed beer and wine in stores much closer to buyers who previously had to travel to the Arkansas side for their alcohol supply.

Arkansas-side sellers' only remaining advantage, the ability to offer hard liquor, soon could be a thing of the past, as well. Little River County elected last November to allow not only retail beer and wine sales but also two stand-alone stores that can sell liquor. Eleven businesses have applied to compete for those two store licenses.

Maud, Texas, followed this May by becoming the first Bowie County city to allow liquor sales. Those moves have left many in Texarkana, Ark., worried at the prospect of the hard stuff becoming available on the Texas side.

"It makes me real nervous, there's no question, because our margins are so thin," Texarkana, Ark., City Manager Kenny Haskin said. "A little bit here and a little bit there in a clutch this tight makes a world of difference for us. We have no fat really to trim off, so if we start to hemorrhage in terms of sales, then we're right at the bone. So we have to make sure that we're extremely conservative about our approach, that we're not too aggressive. We're not panicking at all, but certainly we hear the alarm."

CITY COFFERS COULD TAKE A HIT

The city's total sales tax revenues rose from almost \$5 million in 2002 to more than \$7.07 million in 2015 and then took an uncharacteristic tumble, according to Arkansas Department of Finance and Administration records. The figure dipped 1.6 percent, more than \$115,000,



from 2015 to 2016. That loss in sales tax revenue, in addition to lower income from franchise fees, led to a 3.24 percent decrease in the city's general fund revenue, a drop feared to be a harbinger of financial woes to come.

"I expect our sales tax revenue to be negatively affected by the changes in beer, wine and liquor sales," finance director TyRhonda Henderson said.

City Hall has responded with a variety of belt-tightening and money-making measures. Haskin has cut staff and decreased work hours for some who remain. The Board of Directors has added or raised a long list of animal shelter, fire department and public works fees. And the city is even passing the proverbial hat, asking for a voluntary \$10 donation on every property tax bill.

"We've had some drastic cuts to our administration budget, to record lows. We respond the way we've always responded to citizens' needs, but in terms of having the resources that other cities have, we just don't. And things are only going to get more expensive over time. Yet our sales tax is flatlining, and a lot of that has to do with alcohol sales. So now we're saddled with trying to put together creative initiatives in hopes to generate revenue to offset our escalating expenses," Haskin said.

SMALL VENDORS FEELING THE PINCH

The city's small, independent liquor stores are also adjusting to the new Texas-side competition.

"We've lost a considerable amount of business. Our wine sales have dropped to nearly nothing, and the beer, as well. I'd say about 60 to 70 percent is just the hard liquor.

chance on anything anymore. New products come out, but unless there's something you think is going to be a guaranteed seller, you say forget it, you don't even order it. The only people that get hurt are the liquor stores, period."

The challenges of ever-increasing competition come as stores like BJ's and Southtown are squeezed by larger stores' and chain retailers' buying-power advantage. Texarkana, Texas-based convenience store chain E-Z Mart, for example, sells beer and wine in 83 percent of its 300 locations, up from 70 percent just five years ago, CEO Sonja Hubbard said in an email. In those stores, alcohol sales make up almost 25 percent of non-fuel sales. The company also operates a standalone liquor store

called E-Z Street Liquor in Texarkana, Ark., and sells hard liquor in some Louisiana locations. "Between 'must have' and 'nice to have,' selling beer and wine would probably fall into the 'very nice' to have range" for the company, Hubbard said. "While low-margin items, they do provide volume that helps offset costs of operations and ensure more financial stability and viability."

That volume may be great for E-Z Mart, but it makes staying viable hard for the little guy, Hughes said.

"It really hurts us in the way we buy the alcohol, because we have to pay more if you're not able to order the big deals. Then you pay more per bottle than anyone else, and when you start doing that, you're going to fold up if you can't come out of it. We're a

small store to begin with, and it's just difficult," he said. Brewer added that the state recently raised liquor license fees and a law just passed by the Arkansas Legislature has made it practically impossible to compete with larger stores in selling wine. Dubbed by some the "Walmart Law," it allows grocery and convenience stores to sell wine from large-scale manufacturers, not just small vineyards as had been allowed previously.

"It's a shame. You try to get through the storm, but I tell you, the state is no help to any of us. We had already been kicked hard down here by the wine sales in Texas, but when this Walmart Law got passed, the rest of the state got screwed," he said.

Store chains Walmart and Brookshire's did not respond to interview requests for this story.

Hughes is pessimistic about what would happen if the Texas side began selling hard liquor.

"I believe that some of us will go out of business immediately. That might be us. There's just not enough to go around. If they did that, I don't see how everybody would stay in business," he said.

Brewer agreed.

"It would be bye-bye liquor stores in the city, except for the two very big stores, Chubby Cheeks and The Party Factory," he said. "I would suspect that there are quite a few liquor stores just sitting on the edge."

Still, some say liquor sales are profitable enough that allowing them in Northeast Texas is inevitable.

"It'll come. Hard liquor will come on the Texas side, but I don't know when it'll be. I'm going to say within five years," said Sandy Spades, owner of Texas-side smoke shop Moderne Primitives. Spades gave beer and wine sales a try but says the economics involved made them a bad fit for the otherwise successful shop.

"It never really caught on, and it was never profitable for me. There's no margin on beer and wine. I decided to get out of it, so I'm going to sell everything off," she said.

"Now if I had had hard liquor, it would have been great. There's a good margin on hard liquor, and I think it would bring people in."

Members of the Texarkana, Ark., Board of Directors contacted for this story did not comment.



Staff photos by Joshua Boucher
■ A sign announces beer and wine for sale at Moderne Primitives, a smoke shop in Texarkana, Texas. Owner Sandy Spades tried selling beer and wine in the otherwise successful shop but found it was not a good fit. She now is selling off her remaining inventory, wine racks and coolers. "It never really caught on, and it was never profitable for me. If I had had hard liquor, it would have been fine," Spades said.

Once it dropped off, it just stayed down there; it didn't come back," said Brent Hughes, store manager at BJ's Refreshment Center, which has operated on North State Line Avenue for more than 40 years.

"We're trying to stay competitive with our pricing. And then, if we can do any advertising, which it's tough to do, we'll try and do some advertising."

Ben Brewer, owner of Southtown Liquor on East Street for the past 16 years, is seeing similar cause for alarm, and said his purchasing practices have changed dramatically since the Texas side went wet.

"Our wine sales are probably down at our store 70 percent," he said. "You're obviously ordering much, much less. It's taken about a year to determine what you're absolutely going to sell. You can't take a

chance on anything anymore. New products come out, but unless there's something you think is going to be a guaranteed seller, you say forget it, you don't even order it. The only people that get hurt are the liquor stores, period."

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Did beer, wine wars leave us thirsty for more?

There have been winners and losers as the shuffle for the alcohol dollar has unfolded in the region.

The landscape has transformed dramatically in a handful of years, with more changes on the way. Some predicted grave consequences when beer, wine and even hard alcohol outlets began popping up—with voter approval—in places that were perennially considered dry. But, as with many things, after the new wears off, people get acclimated to the idea, and it all blends into the community wallpaper.

In many ways, it doesn't seem as much a transformation as a reconciliation. In the course of a few years, we threw off the veil, changed our wardrobe and acknowledged we were pretty much like any other town along America's highways.

It was a long time coming, and not without chal-

enges and confrontations.

If you missed it, Karl Richter's special report "Shifting Spirits" in the Friday and Saturday editions is worth a read. It delineates many of the changes we have seen within the region as a result of alcohol expansion. Some have been subtle, some not so much, and a few rather unexpected.

Once, Texarkana, Ark., had almost all these eggs in its basket. Now, there are eggs everywhere.

Obvious winners: Cities that added this revenue stream, convenience, equalization of alcohol spending and fairer distribution of the proceeds, related city improvements, jobs, those who intend to take this expansion a step further.

Obvious losers: Texarkana, Ark., which lost its monopoly; eye fatigue from the abundance of signs, slogans and displays tied into this commercial-



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ism; a sense, though debatable, that Texarkana is no longer as safe; cities that got a bigger piece of the pie through this expansion, only to find nearby towns exercising the same option and taking big bites out of the original portion; those who understand that a series of small steps eventually lead to a new vista, uninspiring and unwanted as it may be.

Some would define winners and losers differently. Dry, of course, is a relative concept. Many a draft is drawn in restaurants, bars and homes in jurisdictions that have restrictions against picking up a six-pack or bottle of wine and carting it home. Millions of dollars were spent this way long before the so-called alcohol expansion.

It's all relative in a relatively reliable way, and all subject to change, including new incursions.

Last week, for example, we learned how the regional landscape might be changing again, thanks to the medical marijuana trade, which Arkansans voted in last election. The Arkansas-side Board of Directors got its first public overview of how these businesses would be regulated in the city. It's coming, and quickly. Big decisions ahead.

Just a few years ago, we

were beating each other up about beer, in convenience stores, on our street corners. Shortly, we will almost assuredly have several medical pot dispensaries in town. The important distinction, of course, is "medical." But a lot of people won't see it that way.

Some suggest Texarkana, Ark., is a prime location because of nearby markets that are currently closed, specifically Louisiana, Texas and Oklahoma. Investors are apparently looking beyond our borders, beyond the immediate.

Based on the number of calls to City Hall by potential investors seeking information about applications, there seems to be an undeniable readiness to bankroll these startup endeavors, and even to be first in line.

Even The Cannabist, a website about the pot culture, had a headline advising "The country's next

medical marijuana hotbed could be Texarkana?" Several national news outlets found this development interesting enough to pass on.

"When one door closes, another opens," inventor Alexander Graham Bell said long ago.

Maybe he was on to something.

It's funny how this new opportunity is now emerging on the backside of the regional redistribution of alcohol dollars that hurt Texarkana, Ark. Not quite the same, true; not in direct competition, likewise true; but not altogether different, either.

Another type of player will soon burst onto the scene—medically speaking, of course—and will own a ready-made monopoly.

Which leads to the question: The devil you know? The devil you don't?