

N.J. supermarkets clamor for a seat at the bar

Stores planning to intensify push to add alcohol to their shelves

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By Andrew Kitchenman

The state's supermarket owners are gearing up for a push to expand the number of liquor licenses they can hold, in the face of fierce resistance from liquor store owners.

A group backed by food-store owners, Retailers for Responsible Liquor Licensing, is holding a forum Oct. 18 at the Trenton Marriott at Lafayette Yard, where attendees plan to express support for a bill allowing the expanded sale of liquor.

Rich Levesque, executive director of the group, said the sales could bring in \$20 million to \$100 million in revenue to the state and local governments, depending on the degree to which liquor-license ownership is expanded.

Levesque pointed to a Monmouth University poll in April that found 76 percent of New Jersey residents who purchase alcohol would like to see supermarket alcohol sales.

Linda Doherty, president of the supermarket association the New Jersey Food Council, said expanding liquor sales is a priority for the industry.



"We'd like to see an open market, and we also believe it can generate significant revenue for the state," Doherty said.

Judy Spires, chief executive officer of Parsippany-based Kings Super Markets, said her company would be interested in expanding the number of liquor licenses it holds, purchasing licenses as they became available up to the allowed limit. The company currently holds the maximum of two licenses.

"I fully support the change in the law," Spires said, adding that it would allow the company to increase both its revenue and the number of associates, offer its customers a wider range of service and provide revenue to the state.

Food Council spokesman Donald Sico said liquor sales are essential to the expansion of grocery stores in the state, particularly in underserved urban areas.

Sico said national supermarket chains will look to invest elsewhere as long as New Jersey has more restrictions.

Currently, liquor licenses are limited to two per owner, allowing few supermarkets to offer liquor. How-

ever, bill A-1904/S-2591, the New Jersey Grocery Store Economic Development Act, would allow five licenses per owner immediately; seven licenses in five years; and 10 licenses in 10 years.

Levesque called the legislation a boost for economic development, adding that each supermarket can create 200 to 600 new jobs and anchor shopping centers.

That position is disputed by Paul Santelle, president of the New Jersey Liquor Store Alliance.

“It would change the complexion of the marketplace dramatically,” Santelle said, with out-of-state supermarket owners driving small, locally owned stores out of business.

Santelle also predicted declining taxes from the liquor stores would offset gains from liquor-license transfer fees.

Levesque said he understood the position of the liquor store owners, but disagrees with it. “They have a monopoly to protect,” he said, adding that many liquor stores are part of larger chains.

He added that the bill would allow New Jersey to join 46 other states with less restrictive laws regarding alcohol sales in grocery stores.

“We’re just trying to get New Jersey in line with the rest of the country,” he said.