



COMMITTEE OF REAL VALUE

NJ ABC'S ADVISORY COMMITTEE FILLS A QUIET BUT IMPORTANT ROLE

BY JERRY FISCHER

As licensees finish renewal for the next license term and begin to engage in the busy summer season, it seems appropriate to recognize that a myriad of issues surround the alcoholic beverage industry.

Historical economic models are changing; numerous statutory changes are being proposed; production and distribution of products is changing; and the craft industry continues to influence the marketplace. Every tier of the industry needs to develop a response to changing marketplaces and consumer preferences. In a highly regulated industry such as ours, any private sector response to changed circumstances must happen in conjunction with government regulators. In our case, those regulators are the Division of Alcoholic Beverage Control and its Director, David Rible.

My point here is that we are fortunate to have in place both a historical process to have this engagement and a Director willing to fully embrace it. Since Director Costa's tenure, the Division of Alcoholic Beverage Control has consulted with an Advisory Committee. While the Advisory Committee has no statutory basis and its structure, membership and functionality is defined by the sitting Director, it was formed to allow a dialogue with the Director and the Division on various industry matters.

Through the years, the Advisory Committee has served an extremely important role. Its membership reflects every part of the alcoholic beverage industry. Members have included:

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- the supply tier, including suppliers of wine, spirits, malt beverages and craft producers;
- representatives of the wholesale tier;
- members of the retail tier, including many trade groups, so that all aspects of this tier are represented;
- and attorneys whose primary practice is in the alcoholic beverage industry. The sitting Directors and their senior staffs have been actively involved in the many meetings that are scheduled throughout the year.

While the Advisory Committee has no formal role in the regulatory process, its impact has always been significant. Directors use the Advisory Committee to preview regulatory initiatives and to advise the industry of matters and issues that may be of concern to the agency and that may necessitate industry response. Often, the need for enforcement against developing practices can be avoided by discussions and resolution at the Committee level.

On the other side of the process, the agency can use the Committee as "eyes and ears"—to get feedback as

to regulatory schemes that need to be developed or modified in response to changing marketplace circumstances. Subcommittees are often formed to provide the Director with input regarding, for example, current and new regulations. This entire process allows for regulatory management that is more effective, efficient and responsive to the marketplace and the public.

So, as the industry continues to evolve in response to changing economic and marketplace circumstances, we are fortunate to have in place a process and Director that allows for real time input from the regulated community. I encourage all of you to reach out to your trade associations and counsels if you have thoughts and concerns so they can be shared with the Director. ■

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