

## **Mom-and-pop liquor store owners protest increase of Wegmans that sell alcohol**

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An association of liquor stores is challenging an effort by Wegmans Food Markets to expand the number of locations where the chain's customers can buy alcohol, calling it a predatory attempt to push their mom-and-pop establishments out of business.

The New Jersey Liquor Store Alliance is claiming members of the Wegman family own too many retail licenses, a violation of state laws governing alcohol sales. The group has filed objections to renewals in six municipalities, and is also fighting an effort by one related company to obtain a license in Ocean County.

But the Wegmans company doesn't deny what the alliance is claiming: that several members of the Wegman family own licenses throughout New Jersey. Instead, the company is contending that the group is misinterpreting the law, and that Wegmans is within its rights under the law.

In the Garden State, liquor licenses can be hard to come by. Each municipality is allowed a certain number based on population and the type of license. The law allows one tavern or bar license for every 3,000 residents. The licenses are a commodity, and can be bought and sold with government approval.

One aspect of the law prevents any person, association of people or single company from owning more than two retail licenses - something that may change.

The fight between Wegmans and the liquor stores comes as lawmakers consider a slew of bills that would dramatically overhaul regulations on how beer, wine and liquor are sold in New Jersey, bringing about some of the most sweeping changes since the end of Prohibition. Among the proposed changes is one that would expand the number of supermarkets that can sell liquor.

But without that overhaul, which the alliance is fervently fighting, Wegmans is breaking the law, the group says. They allege the Wegman

family has created several companies that appear to be separate but are really all related.

"They're trying to pull the wool over somebody's eyes at the municipal level," said the group's president, Paul Santelle, who owns Garden State Liquors in Perth Amboy.

Wine, beer and spirits are currently being sold at four of the grocery giant's seven New Jersey locations.

Two of those stores - one near Princeton, and one in Bridgewater - are selling alcoholic beverages in the market, allowing customers to pay for their beer or wine with groceries. Those licenses are directly owned by Wegmans Food Markets, Inc.

The other two stores - one in Mount Laurel, Burlington County, and one in Manalapan, Monmouth County - lease space to liquor stores, which operate as separate entities within the market.

Those two licenses are owned by a member of the Wegman family, as are two additional licenses in Woodbridge and Cherry Hill. There is a pending application to open a store within the Woodbridge Wegmans.

The corporate offices for Wegmans defends its practices, and says the alliance is stretching the meaning of the law to their own purpose.

"It is well within the framework of the existing New Jersey law," said Jo Natale, a spokeswoman for the company, who said selling alcohol in stores is a convenience to customers. "This trade group of liquor stores, they are competitors and the reason they have challenged these licenses is apparent, we think."

The objections filed by the alliance will be heard at the local level, by municipal councils, but may be appealed to the director of the state Division of Alcohol and Beverage Control, according to Paul Loriquet, a spokesman for the Attorney General's Office.