

REPORT
OF THE
GOVERNOR'S TASK FORCE
TO
REDUCE THE
STATE LIQUOR INVENTORY



AUGUST 30, 1982

MEMBERS OF THE
GOVERNOR'S TASK FORCE
TO
REDUCE THE STATE LIQUOR INVENTORY

SHIRLEY WOODROW
Chairperson, Governor's Office

MEMBERS	REPRESENTING	BOTTLES/ CASES	NAME OF LIQUOR
Irvin Fletcher	Labor	500 cases	Old Mr. Boston Mint Gin
Patricia Middelburg	Unemployed	200 cases	Leroux Triple-Sec
Karen Hendricks	House Committees	400 bottles	Trave Amaretto
Patrick McCormick	Legislature	500 cases	Jose Gasper Tequilla
Berkeley Lent	Judicial	500 cases	Desmond and Duff Scotch
Charles Wilson	Legislative Counsel	200 cases	Beam's Catfish
Don Jepsen	Press	600 cases	Venetian Creme Liqueur
Rosemary James	Consultant	100 cases	Beam's Jaguar

REPORT OF THE
GOVERNOR'S TASK FORCE
TO
REDUCE THE STATE LIQUOR INVENTORY



SUBMITTED TO
GOVERNOR VICTOR ATIYEH
IN ACCORDANCE WITH EXECUTIVE ORDER 01-06-82

AUGUST 30, 1982

INTRODUCTION

The Governor's Task Force to Reduce the State's Liquor Inventory was appointed January 15, 1982. Its purpose was to reduce the surplus of specific alcoholic beverages in the warehouses of the Oregon Liquor Control Commission. The Task Force's term was to expire on February 15, 1982, however, due to the winter special session, the Governor extended the commission (see exhibits).

This report contains findings and recommendations from most of the Task Force members.

ACKNOWLEDGEMENTS

The Task Force gratefully acknowledges the following individuals:

To Frank Brawner...for the little people.

To Vinita Howard for supplying easy to read breathalyzer dials in an effort to keep your committee on the straight and narrow since you wouldn't provide us with out own drivers.

To Billy Bellamy for willingly offering to step into the breach and provide cream from Oregon petite Jerseys and Guernseys after severe winter storms kept Irish cows indoors, thereby depriving Venetian Creme Liqueur of the only ingredient remotely drinkable.

To Candy Blake for ordering the task froce inventory only to be stuck with an untold number of items when Chairman Woodrow refused to authorize expenses for her panel.

The Task Force not so gratefully acknowledges the following individual:

Regrettably, the committee must take note of one individual who because of his position of power, could have been of great help to his governor, this committee and the state in carrying out the reduction of the aforementioned inventory.

SENATE PRESIDENT FRED HEARD of Klamath Falls, after Toying with the idea of aiding this panel's endeavor to rid the OLCC shelves of the assorted dogs, continued to indulge his taste for warm beer.

TASK FORCE EXPERIENCES

AND

FINDINGS

DESMOND AND DUFF SCOTCH

"In Scotland," said Desmond to Duff,

"Our product won't sell well enough.

Have Wrong Way Corrigan

Take it to Oregon.

There, they'll buy the damn stuff."

So a shipment was sold to Gov. Vic,

But since it made the consumer get sick,

It remained on the shelf

(Vic wouldn't drink it himself),

And to get rid of it, he dreamed up a trick.

"I'll have Shirley assign unto Bud

The task of drinking that crud.

Downing that whiskey

will make him first frisky,

And then he'll crash with a thud."

So to set the right tone,

Bud died drinking alone.

He ridded Oregon of the stuff

Produced by Desmond and Duff;

Thus, Vic killed two birds with one stone.

August 30, 1982

TO: Hon. Victor Atiyeh

FROM: Governor's Task Force on Liquor Inventory Reduction Member Wilson

SUBJECT: Observations on Appointment and Service

- 1) My most sincere expression of appreciation for the opportunity to perform this vital governmental service to the State of Oregon in its time of great need. I am so overcome by the emotions of this moment that I must pause before continuing this report.

(Writer here wipes away tears and blows nose.)

- 2) If the objective of the Task Force is to reduce the state's "surplus inventory" of certain products, it would seem logical to assume that the products in question would be lying around on the floors of every liquor store in town and that the sellers would be hawking the stuff from the roof tops, right? Ah, but alas, that assumption is faulty.
- 3) Upon receiving my assignment from the Task Force Chair to consume this vast quantity of Beam's Catfish Bourbon, I repair to the establishment of Ms. Candace Blake, Purveyor of Fine Spirits (and Teller of Funny Off-Color Stories). Much to my dismay I discover that not only does Ms. Candace not have any of this product in stock, but when she inquires at the warehouse in Portland, they don't seem to have heard of it either. TWO WEEKS later, after many threatening phone calls to central warehouse personnel, Ms. Candace has finally obtained a sample bottle of my assignment so that I am able to proceed to reduce the state's inventory by at least that much.
- 4) Now the catfish is thought by many people to be one of the ugliest creatures in the universe. You would think that people attempting to market a commemorative liquor decanter would try to make the container as attractive as possible, even if the subject for commemoration is somewhat unappealing, wouldn't you? Alas, that assumption is also faulty.
- 5) When I take delivery of the sample from Ms. Candace, I am appalled. Zounds, what a repulsive thing!! It is clearly the ugliest liquor decanter that it has been my displeasure to observe. Not only is the decanter most unattractive, but there is also the matter of the unbelievable price. (See exhibit which has been entrusted to the Task Force Chair. The official price tag has been left intact so that you can observe for yourself the outrageous amount thereof.)
- 6) My report upon consumption of the contents is that the product is acceptable. After all, the Beam people have been making bourbon whiskey a long time. It is comforting to note that their extremely poor judgment in choosing this decanter has not carried over to their whiskey making.

- 7) This unfortunate combination of a decanter that lacks charm together with an excessive price makes it easy to understand how the state could surplus inventory of such an unappealing item. It is thus my misfortune to confess failure in completing my assignment. (However, see Recommendations portion of this report for my approach to dispose of the catfish decanters.)

**IN*00JiiLIQUOR*

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By HORACE P. RUMPOLE@=Associated Press International@=

SALEM - A member of the Governor's Task Force to Reduce the Liquor Inventory recommended that the label on Venetian Creme Liqueur be changed to Venetianpuram and be made available to the faithful.

"It is the easiest and most humane way of disposing of the 600 cases of this delectable elixir," said Don Jepsen, appointed by Gov. Vic Atiyeh to the blue-ribbon committee in February.

Jepsen said the liqueur could be shipped from warehouses all around the state to Antelope, even if it means a small capital outlay to construct the building. Then Gov. Atiyeh could go on radio again in Redmond and say the stock should leave the state because it is not native to Oregon.

That would immediately raise the red flag and send Sheela into action.

He envisioned the Bhagwan in his recorded meditation interrupting his monotonous breathing by uttering one word -- "Venetianpuram". That would galvanize the faithful to rush into Antelope to buy out the stock, then beg for more.

"One of the real dogs would then become one of the state's best selling inventories," Jepsen said. He suggested doubling the \$17 per fifth price.

Jepsen said he rejected a number of alternatives, including one accusing the Venetians of making their product with canal water and demanding that the state be awarded the purchase price plus damages.

"This way, we maintain Oregon's cordial relations with this fine city. With the sudden demand the possibilities of future trade -- not to mention trade missions -- are infinite."

Jepsen said his plan could spawn new industry for economically depressed central and eastern Oregon. For example, he said, the Venetians could ship the liqueur without first adding the cream. Petite Jerseys and Guernseys raised on rich river bottom alfalfa would supply the cream that makes this drink such a treat following a fine restaurant meal.

Asked how many bottles he had purchased in his quest to reduce the inventory, Jepsen admitted he had limited his consumption of Venetian Creme Liqueur to several glasses at a Salem restaurant. "I didn't want to deplete the stocks at the low \$17 price, knowing we could get double that amount

with my plan.

"Besides," he said, "the latest budget crisis appears to have been solved with the discovery of SAIF's pot of gold. So I think, unlike my colleagues who rushed to buy out their assigned stock, I showed much more discretion."

August 30, 1982

TO: Governor Vic Atiyeh and Chairman in Abstinence Shirley A. Woodrow
FROM: Karen Hendricks, Task Force Member
SUBJECT: Trave Amaretto

I want to take this opportunity to thank Governor Atiyeh and Chairman Woodrow for their faith and trust in this assignment. However, I must confess that I was unable to consume 400 bottles of Trave Amaretto.

Like member Wilson, I did business with Ms. Candace Blake. In January of this year, when first appointed to the Task Force, taking the assignment seriously, I drove to West Salem to make my first purchase. (Too bad the Task Force was not appropriated any funds, but not having to go through Senate confirmation could be the payoff.) There were very few bottles on the shelf, each selling for \$7.50. I dutifully bought one and promptly (after exchanging a few jokes with Candy) took it home to sample.

Well, it does look like the Amaretto di Saronno. The taste, however, resembles an extremely cheap imitation, which is exactly what it is. The more expensive brand (\$16 plus), a 56 proof liqueur, created about 1525 in Italy is without a doubt the finest ("It's taste is so elusive it cannot be described"), while the 54 proof Trave Amaretto, prepared and bottled by James B. Beam in Clermont, Kentucky can be easily described. It tastes like it's been in the same bottle since 1525 with a catfish in it. And the bottle it's in looks like something you used to be able to win pitching dimes at the carni (it's probably up to a quarter now). The Beam people just don't do well with their choice of decanters.

Since purchase of the first bottle in January, the price has been reduced by approximately 35 percent, down to \$4.90. (I'm a glutton for punishment and purchased my second bottle a couple of weeks ago.) Our friendly West Salem Liquor Store person doesn't even keep it in front on the shelf any more. The few bottles remaining in stock were in the back room on the concrete floor near the bathroom! Think that means something?

At least you can take comfort in knowing that the state's surplus of Trave Amaretto is reduced by at least two bottles as a result of this Task Force. I am curious to know, though, if the success or failure of this Task Force has anything to do with Chairman Shirley Woodrow leaving the state.

MEMORANDUM TO: Liquor Inventory Reduction Task Force Leaders
FROM: Pat McCormick
SUBJECT: Final Report -- José Gaspar Tequila

It is with deep regret that I close out this rewarding term as a Gubernatorial Appointment to the Task Force to Reduce the State Liquor Inventory. The many hours of effort have, hopefully, been recorded somewhere. However, much of my work escapes my memory for the moment. I can report that José Gaspar Tequila is a mediocre but somewhat overpriced tequila. That's most appropriate since it's namesake, José, was a bandit turned politician who failed at both careers. As you know, I was appointed to serve with Ms. Pat Middelberg (Leroux Triple Sec) on the margarita subcommittee. After many hours of careful and scientific blending of our assigned beverages, we did achieve mutual, simultaneous margarita. I regret to report, however, that we failed to make adequate notes and that one success remains unduplicated. I am ready to accept similar duties in the future, if the Governor requests.

I do not write reports -- I do not write paragraphs regarding reasons for a committees function -- I do not write "quotes" --

What I do -- and do well (no matter what my boss says) is give out the needed supplies for report writers.

So attached you will find;

1. Report Cover, Black Vinyl/window label holder
2. Report Cover Label - White NOT Cut to Size
3. Paper - Xeron 8½ X 11 Dual Purpose -4042
4. Divider Sheets - Five Color Tabs

Nos as to my assigned liquor reduction intem: Me, drink Beam Jaguar???? FORE-GET-IT !!!! My loyalties lie with the "Rootes Group" namely a Sunbeam Rapier (Gone But Not Forgotten)

TA!!

Rosemary M. James
Committee Member
August 30, 1982

**CONCLUSIONS--
POLICY**

RECOMMENDATIONS

CONCLUSIONS -- POLICY RECOMMENDATIONS

- 1) Continue to appoint responsible groups of citizens (such as members of this Task Force) to constantly monitor the purchasing decisions of the Oregon Liquor Control Commission. In the matter of the purchase of so many cases of the Beam's Catfish Bourbon decanters, it is apparent that the person who made that purchasing decision was under the influence of some hallucinogen at the time. That is a blunder that must not be repeated if the liquor marketing system in this state is to retain its fiscal integrity.
- 2) Direct the Department of Fish and Wildlife to require as a condition of authorizing the conduct of black bass fishing contests that the sponsors of each contest purchase at least five cases of Beam's Catfish Bourbon decanters. Although there may be some grumbling about this after the contest sponsors discover how they have been victimized, and there may be some short term reduction in the number of black bass fishing contests, it is my experience that people who engage in sports fishing (note this clever avoidance of the term "fishermen", a word much despised by feminists) will endure anything for their sport. Thus in a few years (or maybe decades) the state's surplus position on this item will be cleared.
- 3) Instead of cash awards to state employees that have provided useful suggestions for ways the state could save money, give them items from the surplus inventory. Amount commensurate with savings.
- 4) Put a California label on it and ship it to New York.
- 5) Authorize individual taxpayer to use checkoff to become entitled to receive surplus inventory items from OLCC stock (see non LC draft 1).
- 6) Require every Oregon resident 21 years of age or older to obtain item from surplus inventory of OLCC (see non LC draft 2).
- 7) See API interview with member Jepsen.
- 8) Appoint an advisory committee to the Task Force consisting of the following individuals: Chairman, Ed Whelan; members, Bill Hedlund, Bill Holmstrom, Keith Burbidge and Punch Green. Although it will require that they come out of retirement, i.e. fall off the wagon, we feel giving them the opportunity to serve their state will draw them as willing participants in this noble effort.
- 9) Appoint a subcommittee composed of Harl Haas, Rich Kennedy and Harvey Akeson to advise the Task Force and its advisory committee on how best to carry out its duties without running afoul of city, county or state law enforcement officials.

Matter underscored in an amended section is new;
matter [bracketed] is existing law to be omitted.

Non LC 1
8/30/82

MEASURE SUMMARY

Authorizes individual taxpayer to use checkoff to become entitled to receive surplus inventory items from OLCC stock.

1

A BILL FOR AN ACT

2

Relating to economic development, including but not limited to reduction in various inventories.

3

4

Be It Enacted by the People of the State of Oregon:

5

SECTION 1. (1) For so long as the Governor declares the emergency to exist, every resident individual taxpayer who files an Oregon income tax return and who will receive a tax refund from the Department of Revenue may designate that the refund be applied to purchase items of surplus stock of the Oregon Liquor Control Commission by marking the appropriate box printed on the return pursuant to subsection (2) of this section.

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(2) The Department of Revenue, in consultation with the Oregon Liquor Control Commission, shall cause to have printed on the face of the Oregon income tax form for resident individuals a space for the taxpayer to designate a choice of items of surplus stock available according to commission inventory to be paid from the income tax refund otherwise payable to the taxpayer.

16

17

(3) Upon receipt of a notice from the Department of Revenue, the taxpayer who has exercised the right described in this section is entitled to receive the item or items designated on the return from a commission store or agency.

20

Matter underscored in an amended section is new;
matter bracketed is existing law to be omitted.

Non LC 2
8/30/82

MEASURE SUMMARY

Requires every resident of this state 21 years of age or older to obtain item from surplus inventory of OLCC. Establishes procedure for waiver in case of hardship or religious scruples. Declares emergency effective on passage.

A BILL FOR AN ACT

Relating to public health; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. (1) Every resident of this state 21 years of age or older shall obtain an item of surplus inventory from the Oregon Liquor Control Commission on or before January 1, 1983. The commission shall cause to have posted in a conspicuous place in each commission store or agency a list of surplus items, printed in not less than 60-point type. The list shall include both the generic name and the brand. No substitutions shall be allowed.

(2) A resident may apply for a hardship waiver if the resident swears that purchase of the item would inflict unendurable economic hardship.

(3) A resident who has religious scruples against the purchase or the possession of items of surplus that would be necessary to meet the requirements of this section may obtain a religious waiver.

(4) The commission shall cause printed forms for waivers to be available at commission stores and agencies.

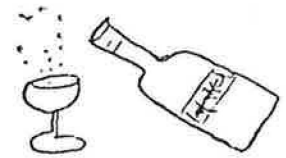
(5) Failure to purchase an item required by subsection (1) of this section or to obtain a waiver under subsection (2) of this section is a Class A felony.

SECTION 2. This Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this Act takes effect on its passage.

SCHEDULE, LOCATION AND TOPIC AREA OF TASK FORCE MEETINGS

see attached minutes

1/13/82



To: Members of the Task Force to Reduce the State
Liquor Inventory

From: Shirley Woodrow, Chairman

The Task Force met informally in a public meeting in the Capitol Coffee Shop on Tuesday, January 12, 1982, to make the following changes in the recently established Task Force.

Change -	Middleburg	to	Middelberg
	Hendrick	to	Hendricks
	Hose G.T.	to	Jose G.T.
	D. and Dust	to	D. and Duff
	V.C. Liquor	to	V.C. Liqueur

It is not true that on February 16 the Task Force will meet in Woodrow's sauna for the final report to dry out.

It is true that Karen Hendricks has volunteered to do the official report.

It is not true that each member will be assigned a personal driver to enable the members to complete their assignment on time.

It is true that Middelberg (Leroux Triple-Sec) and McCormick (Jose Gasper Tequilla) have been appointed as a sub-committee to create Margaritas.

Members present at the meeting were:

Fletcher	Wilson
Middelberg	Jepsen
Hendricks	James
	Woodrow

This is a reminder to Judge Lent* - Governor Atiyeh issued a policy memorandum in January 1980 regarding attendance - ORS 182.010:

"Any member of a state board or commission appointed by the Governor who fails to attend two consecutive meetings of the board or commission, whether regular, adjourned or special, shall forfeit his office unless he is prevented from attending by the serious illness of himself or his family or for any other cause that in the judgment of the Governor constitutes a valid reason for failing to attend. The Governor shall immediately appoint a successor."

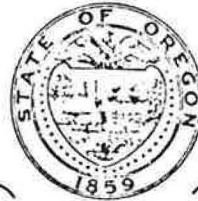
There is some question regarding the relevancy of any other issues that were discussed by the Task Force.

THE END

*and Mr. McCormick

EXHIBITS

Expression Of Appreciation



to

KAREN HENDRICKS

AS A CHARTER MEMBER OF THE TASK FORCE TO REDUCE THE STATE LIQUOR INVENTORY, I AM ORDERING YOU TO REDUCE THE OREGON STATE LIQUOR INVENTORY OF 400 BOTTLES OF TRAVE AMARETTO. YOUR TERM WILL BEGIN JANUARY 15, 1982 AND END FEBRUARY 15, 1982. YOUR APPOINTMENT FORTUNATELY DOES NOT REQUIRE OREGON SENATE CONFIRMATION.

I DEEPLY APPRECIATE THAT YOU HAVE VOLUNTEERED TO SERVE ON THIS IMPORTANT TASK FORCE. ENCLOSED IS A ROSTER OF THE CURRENT TASK FORCE. I AM COUNTING ON YOUR DEEP COMMITMENT TO GOOD GOVERNMENT TO SOLVE THIS CRISIS IN OUR ECONOMY. IF YOU SHOULD HAVE ANY QUESTIONS REGARDING THIS APPOINTMENT, PLEASE CONTACT SHIRLEY WOODROW, MY SPECIAL ASSISTANT FOR EXECUTIVE APPOINTMENTS, WHOM I HAVE ASKED TO SERVE AS THE CHAIRMAN IN MY ABSTINENCE.

JANUARY 6, 1982

Date

Governor





FROM THE DESK OF
Victor Atiyeh

BOOZE INVENTORY REDUCTION COMMITTEE



I HEREBY EXTEND YOUR COMMISSION UNTIL OUR GOAL
IS ACHIEVED !!!

The language of legislators

Now that the warm-up calisthenics are out of the way, we can all hunker down for some heavy breathing as the full Oregon Legislature goes into special session Monday.

When the lawmakers aren't gasping for breath, you can expect them to mouth the terms established in the past two weeks' tune-up by the Ways & Means and Revenue committees.

The problem the legislators are supposed to be facing, of course, is an alleged deficit in the state's budget, a figure that except for brief fluctuation seems to hover steadily at the \$240-million mark.

Considering that the state is supposed to be short \$240 million, it would be reasonable to assume the words and phrases most likely to be used by the lawmakers would be "eficit," "going broke," "bankruptcy." That would be reasonable, but not political.

What's political is phrases like "economic development."

Republicans and Democrats alike are talking economic development these days. Unfortunately, the more common use of the phrase has nothing to do with developing the economy and a great deal to do with protecting whatever politicians consider the true source of their own support.

Rather than considering new ways to stimulate the state's sagging economy, the popular meaning has been and will be to avoid cutting things because of the irreparable harm it will do to Oregon's economic development.

So far the major suggestions for protecting Oregon's economic development have been not to cut higher education and to give new tax breaks to bank depositors and businesses.

Other likely candidates already established for the 1982 political cliché list are:

"Band-Aid solution." When a legislator mouths this one, it means don't waste your time talking mere cuts in a budget when there's still an opportunity to raise taxes.

"Revenue enhancement." The Reagan administration gets the blame for inventing this one, which

ron 1-16-82
blankenbaker

translates to more taxes, but at the legislative level the educational lobby appears to have made it its own.

"We've run out of tin cans." This is a throwback to an older phrase that government always has some money buried somewhere, probably in "some old tin cans." Many legislators are now saying there are no more tin cans, although the phrase, when used, is greeted with considerable suspicion.

"Transfer payments." This is the new tag for state tax money that goes to support local school districts and as tax relief for property owners. Liberal legislators use the term derogatorily, claiming the state has to ease up on underwriting local government to protect state agency budgets and higher education.

"Task Force." This is a World War II term, used to conjure images of great movement and activity. What task forces are, however, is the same tired old legislative committees in which the only things that move are the members' mouths.

Meanwhile, where there's levity there's hope, although a proposal from the Salem Convention and Visitors Bureau to have someone in a "big bird" suit greet lawmakers when they arrive Monday has been turned down by the legislative leadership.

Somehow, someone identified as "Tickles" running around the Capitol Rotunda in a bird suit and saying "Salem is tickled the Legislature is in town" didn't tickle the funnybone of legislative administrators.

On the other hand, Gov. Vic Atiyeh's proposal to help slash the state's deficit by reducing the state's liquor inventory at least \$1.3 million in booze has been viewed as funny by some of the Capitol regulars. One statehouse wag said he took the governor's proposal seriously and did all

he could to reduce the liquor inventory over the New Year weekend.

Because of Atiyeh's philosophy that the best government is one buoyed by volunteerism, several frequenters of the Capitol Coffee Shop have agreed to serve on a liquor reduction task force, doing what they can to rid the state of what appear to be slow-moving brands.

Appointed to serve are Irv Fletcher, state AFL-CIO president, in charge of reducing the inventory of Old Mister Boston Mint Gin; Pat Middleburg, a former legislative employee, Leroux Triple-Sec; Karen Hendricks, legislative administrator, Trave Amaretto; Pat McCormick, legislative administrator, Jose Gasper tequila; Judge Berkeley Lent, Desmond and Duff Scotch; Charles Wilson, legislative lawyer, Beam's Catfish; Don Jepsen, newspaper reporter, Venetian Creme liqueur, and Rosemary James, a consultant, Beam's Jaguar.

Ron Blankenbaker is a Statesman-Journal writer.