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Bottoms up for Sunday liquor sales

Business - for the most part - profitable during extra day

BY PAT FERRIER

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Liquor sales on the past year of Sundays have been a little like a margarita: a tiny bit sweet, a little bit sour and very popular.

Today is one day short of the one-year anniversary of Colorado's repeal of Blue Laws allowing liquor stores to open Sundays.

"It's a great thing," said Stephen Kozloski of Denver, a chemical consultant working in Fort Collins on Thursday.

"If you're going to friends on a Sunday you can stop by and pick something up," he said while perusing his liquor options for the holiday weekend at Supermarket Liquors, 1300 W. Mulberry.

Kozloski previously lived in California and Texas where liquor readily was available on Sundays.

Store owners approached the event with cautious optimism - some recognizing it as a necessary compromise to keep grocery stores from selling beer and wine; some acquiescing to customer demand and others dreading the increased costs and demands put on their small businesses.

Today, many Northern Colorado store owners say their initial fears were worse than reality.

Sales are flat to up, not great but not bad in an economic downturn that has seen consumers shop for more bargains and cheaper booze.

Supermarket Liquors owner Steve Joyce said sales are growing on Sunday, but it is drawing customers away from Saturday night.

"People are changing their buying patterns," he said, and waiting until Sunday to buy for that day, rather than planning ahead.

Joyce was among the local liquor store owners who opposed Sunday openings.

"It is difficult to schedule," he said. "And it has spread out our business."

But his location next to Walmart Supercenter means he's picked up some business from its customers leading to an increased customer count. And that means he's gaining market share, but his Sunday shoppers are not spending as much as their weekday counterparts.

"Walmart's customers probably have less money to spend so there is a lower ring per customer," Joyce said.

Statewide, the Colorado Licensed Beverage Association said sales at most stores are up.

"Sales are better than anticipated and in this economic climate (and) that's a good thing," said Jeanne McEvoy, former owner of Aspen Liquors in Loveland and now president and CEO of the Colorado Licensed Beverage Association.

McEvoy estimated liquor sales statewide are up between 8 percent and 12 percent with 95 percent to 98 percent of all liquor stores in the state open Sundays.

"There are still a few people who would like not to be open because they're a small business and it really has put a challenge to their work week by adding another day," she said. "But overall, the response has been very positive."

Carmela Pflipsen, owner of JJ's Liquor, 4015 S. Taft Hill Road, said Sunday openings have worked out well even though she worried she would lose valuable time with her family by opening the store seven days.

But she found a reliable employee who wanted more hours. He works the nine-hour shift and she still is able to spend the day with her family.

Her location just below Horsetooth Reservoir is a boon for JJ's, although business slows down in the winter.

"Right now, things are looking good, so it probably was a good thing. I didn't think so six months ago; I was thinking more about time off."

Switching sides

Dennis Dinsmore of Wilbur's Total Beverage, 2201 S. College Ave., spent 35 years fighting a change in Blue Laws.

When he went to the Legislature to testify for the change, he said "it felt like I was a cat coughing up a hairball."

Liquor store owners who opposed the measure, suddenly found themselves switching sides for self-preservation.

Grocery and convenience stores sought to sell beer and wine to meet consumer demand for Sunday sales.

As a compromise, liquor store owners agreed to support Sunday sales.

Convenience and grocery stores that sell 3.2 percent beer, with a lower percent of alcohol, are feeling the effects, said Sean Duffy of the Rocky Mountain Food Industry Association. "It's been devastating."

Sales of 3.2 beer have dropped by two-thirds since liquor stores started opening Sundays.

The organization unsuccessfully tried to pass legislation this year to allow grocery and convenience stores to sell full-strength beer.

Liquor stores maintain they'll be forced out of business and consumers will see less selection if grocery and convenience stores sell full-strength beer. But the Rocky Mountain Food Industry Association said it will level the playing field with everyone selling the same product.

"Convenience stores often don't stock 3.2 beer any more" because they sell so little of it, Duffy said.

"In their case they're not just losing beer, they're losing everything else," like chips, gas and beer.

Both sides of the issue expect the push by convenience and grocery stores to sell full-strength beer likely will come back to the forefront when the Legislature resumes in January.

"Maybe there's a way to change the archaic nature of liquor laws without dislocating the small liquor stores," Duffy said.

It's a fight liquor store owners don't want to have every year, but one they'll take on if it means their survival.

Overall, Dinsmore said Sunday sales have been "so-so," robbing customers from Friday, Saturday and Monday.

"It's still problematic," Dinsmore said, but "it looks like it's a slight positive."

The store predicted increased sales of about 3 percent and increased overhead between 6 percent and 7 percent.

He's come close to the mark, "but with a huge amount of robbing" business from other days, he said.

Saturday night "used to be fairly active. Now on Saturday night we die and die early."

Customers who would stop by Saturday night to pick up a six-pack or bottle of wine for Sunday, now can wait.

Business at Pringle's Fine Wine and Spirits, 2100 W. Drake Road, said Sundays have been a "very slightly good thing, but not nearly what it was promising when we first went to Sunday openings," said owner Phil Pringle.

The spike lasted about 10 weeks and then started spreading out, he said, taking business from Monday and Saturday.

"It's all pretty flat, is a good way of saying it."

Still, customers wanted Sunday hours and "they're very pleased," said Pringle, who sees strong wine sales on Sunday. "We had to do this in order to satisfy the market and keep our market share."

Kerstin Krueger of Loveland said he liked being able to stop by the liquor store to pick up a six-pack if he was going to a friend's house for a Sunday football game. "There was no need for the law" to begin with, he said while shopping for tequila at Supermarket Liquors.

But for Monte Huber, owner of Fort Collins Warehouse Liquors, 4700 Boardwalk Drive, Sundays are boomtime.

Located next to Sam's Club in south Fort Collins, Sundays have drawn new shoppers who come from the Eastern Plains, Wyoming and Nebraska to shop at the grocery warehouse.

"It's opened up an extra market for me," he said. Eighty (percent) to 90 percent of Sunday sales are new business for the store, he said.

Saturday still is his strongest sales day, but Sunday has not taken customers away from Saturday.

"A lot of shoppers who shop Sam's on Sunday come from quite a distance," he said. "Other locations probably don't have that luxury."

Cottonwood Liquors owner Andy Johannsen said even if store owners didn't want to open Sunday, most did so to meet consumer demand.

"We had quite a few customers asking us and that's the main reason why the liquor community and store owners agreed to back the legislation to do so," Johannsen said.

"We thought it might be a good thing for us since we're next to a grocery store and that's a busy day for them," he said. "It's been a good day for us."

Johannsen said new customers have found his store and revenue is up "slightly to significantly. I'm happy with the numbers."