Grocers speak against ‘cash only’ beer law

By CARL REDMAN
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Gourgues said a Rouse’s study showed that the special handling required for beer deliveries costs the five-store Rouse’s chain $24,400 a year in lost productivity.

In addition, he estimated three beer wholesalers that serve all five Rouse’s stores had another nearly $13,900 a year in time lost by drivers handling cash payments.

George Brown of the Beer Industry League of Louisiana said that beer is different from most other products that are sold in grocery stores — beer is an alcoholic beverage and its sale is heavily regulated.

Allowing credit purchases of beer by retailers could work to the disadvantage of small retailers and small brewers, Brown said.

William Gourgues, personnel coordinator for Rouse’s Supermarkets in the Houma-Thibodaux area, said that the “cash-only” law on beer adds unnecessary and expensive steps to the process of receiving and stocking beer.

Because it is a cash-on-the-spot transaction, a beer delivery interrupts the grocer’s normal routine of receiving goods from vendors, punching the information into a computer and cutting a check later in the week or month, Gourgues said.

See Beer, 4D
would end up being borne by the small stores that would not qualify for credit and by consumers.

Wayne Leader of Central AG Supermarket said the price of beer might go up if credit replaced cash, but his estimate and Brown's estimate of the price increase were far apart.

Brown said the cost of credit could add as much as 40 cents to the cost of a case of beer, but Leader suggested the cost would be less than a nickel a case.

Brown said the "cash-only" law originated in 1948 when then-Gov. Earl Long managed a tremendous boost in beer taxes and wanted to make sure state government got all the taxes due.

Subcommittee chairman Rep. John "Juba" Diez, D-Gonzales, said his panel is not likely to propose any changes in the cash-only law. However, Diez added, the practice is likely to come under attack during the 1990 legislative session.