

California bill banning alcohol sales at self-checkout stands advances

Advocates of the measure say it would make it harder for teens to buy beer, wine and liquor. Supermarket chains say it's a cynical attempt by a union to fight labor-saving technology.

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By Marc Lifsher and Andrew Khouri

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Rob Gokee and Allison Vanore know that buying wine at their neighborhood Fresh & Easy near the USC campus can be something of a production.

After scanning two bottles at one of the store's self-checkout stands, all heck broke loose. An alarm sounded. A red light flashed. And the checkout computer froze until a clerk came by to confirm the buyer was at least 21 years old.

California politicians, egged on by the grocery clerks union, want to put an end to such four-alarm checkouts. They're pushing a law that would require anyone buying liquor to conduct business with a human cashier, not a machine.

Supporters say the legislation would prevent underage buyers from slipping out the door with beer and bourbon - and keep more cashiers employed.

Gokee, 41, said it would just force people like him to wait in longer lines with people who prefer to have someone else scan their purchases. Vanore, his fiance, said that under the present system, there was little chance minors could escape with booze undetected anyway.

"I've never been able to just pay and walk out the door with it. They still come and look at your ID," the 29-year-old independent movie producer said.

California grocers made the same point, but the Assembly disregarded them and passed AB183 to ban the sale of alcohol at self-checkout aisles. The Senate is expected to vote on it this week and send the bill to Gov.

Jerry Brown's desk.

While the legislation is aimed at making it harder for teenagers to buy beer, wine and liquor, supporters said it's also about saving the jobs of store clerks.

"If we all went to self-checkout, we'd lose good jobs and communities," said Jeff Ferro, a field campaign coordinator for the United Food and Commercial Workers union, which has been trying to organize workers at Fresh & Easy's 127 California stores.

Brown, a Democrat, has kept his views under wraps. His predecessor, Republican Gov. Arnold Schwarzenegger, vetoed a similar bill, saying, "It is unclear what problem this bill seeks to address."

Supermarket executives denounce the legislation as a cynical attempt by the union to fight labor-saving technology throughout the industry.

Fresh & Easy Neighborhood Market Inc., in particular, has accused labor of using the bill to pressure the company into recognizing a union and signing a labor contract.

The chain has created 3,500 jobs - all nonunion - in California since it first opened stores here in late 2007. From the start, it said, it has relied on automated kiosks as its primary customer checkout method to help keep prices competitive. Clerks are available for larger purchases.

"It's very clear this bill is being pushed by the United Food and Commercial Workers, and it has been since the beginning," said Fresh & Easy spokesman Brendan Wonnacott. "We have been the subject of a very aggressive campaign by the UFCW."

The chain, owned by Britain's Tesco, the world's third-largest retailer, has been a key player in opening stores in so-called food deserts, low-income neighborhoods where residents have had limited access to a variety of fresh fruits, vegetables and meat.

Fresh & Easy - which focuses on convenience, ready-to-eat entrees and a full line of groceries, wine and beer - is aggressively expanding in Southern California, the San Francisco Bay Area and the Central Valley. Tesco lost about \$300 million this year on the American venture but hopes Fresh & Easy will break even by 2013.

Other proponents of the legislation, including the California Police Chiefs

Assn. and Mothers Against Drunk Driving, prefer to focus on the effort to prevent minors from buying alcoholic beverages.

"We just believe it's better to be safe than sorry," said the bill's author, Assemblywoman Fiona Ma (D-San Francisco). "As more and more supermarkets have gone to self-checkout, it's imperative that we have some regulation, some oversight."

A crackdown on automated sales is worthwhile even if it's only an "incremental step to keep alcohol out of the hands of young people," said John Lovell, a lobbyist for the police chiefs group.

The bill's backers point to recent research by the Center for Alcohol and Drug Studies at San Diego State University.

The center sent people ages 21 to 23 to buy alcoholic beverages at automated checkouts in May and June 2010. Automatic scanners failed to flag an alcohol purchase about 9% of the time, but most of those failures were rectified by store employees, the study said.

The results, however, should be "viewed with caution," the authors wrote. One reason: Researchers "were not able to compare ID failure rates for standard checkout lanes [with self checkout] lanes in the same stores and geographic areas," the report said.

Making that comparison wasn't an issue with the state.

According to the state Department of Alcoholic Beverage Control, routine, random checks of licensees over the last five years, using underage shoppers, showed that the incidence of sales violations at automated checkouts was no greater than at staffed checkouts - about 15%.

"We don't see any evidence that the self-service checkout aisles create any kind of increase in youth access to alcohol," said Chris Albrecht, ABC's headquarters division chief.

The proposed ban is "a solution looking for a problem," said Ron Fong, president of the California Grocers Assn. in Sacramento, which is leading a coalition of business groups against Ma's bill.

"There are plenty of safeguards going into the [automated] system," he said.

Fresh & Easy said it was confident that its automated checkout procedures

were as secure as staffed counters, although it conceded that no system for preventing underage alcohol purchases was foolproof.

"We do require face-to-face interaction on every alcohol purchase," Wonnacott said.