

Pa. court OKs beer sales at cafes run by Wegmans

By MARK SCOLFORO
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Beer sales at restaurants run by the Wegmans supermarket chain got court approval Monday in a ruling that expands where Pennsylvania consumers can buy take-out alcohol.

The unanimous decision in Commonwealth Court allows patrons to bypass the ubiquitous beer distributors that dominate the state's take-out market and where customers have to purchase beer by the case.

The court rejected arguments by the state beer retailers' association that Wegmans Food Markets Inc. created a "legal fiction" by routing sales through cafes that are attached by an interior passageway to their grocery stores.

Attorney Robert Hoffman said the Pennsylvania Malt Beverage Distributors Association would appeal the

decision to the state Supreme Court. The distributors have invested in their businesses and could face considerable losses if regulations are changed by the courts, he said.

"I'm not sure that this opinion really grapples with what we thought were the central questions, which is, is this the

Wegmans lawyer R.J. O'Hara said a limit of two six-packs on take-out purchases will ensure that grocery-linked restaurants will not devastate business at beer distributors.

"We're still not like a lot of other states where you can buy unlimited quantities of beer in a grocery store," O'Hara said.

of businesses to look for ways to add take-out beer sales to their bottom line.

"It really has the potential to transform how Pennsylvania consumers buy beer in bulk for home consumption," he said.

The ruling upheld license approvals by the Pennsylvania Liquor Control Board for

Wegmans stores in Bethlehem and Williamsport. The ruling apparently also pertains to beer sales at Wegmans' restaurants attached to stores in Dickson City, Lower Nazareth, State College and Wilkes-Barre, although the court said it would issue separate opinions for each of those license applications.

Additionally, Wegmans is pursuing "restaurant" licenses for Warrington, Allentown,

Photo courtesy of Worstcookever.com

Downingtown, Mechanicsburg and two cafes in Erie. Restaurant-category

liquor licenses allow beer, wine and hard liquor to be sold for drinking at the restaurant and the equivalent of 12 16-ounce beers per customer for takeout.

O'Hara said the only Wegmans where wine and liquor will be sold, at least for now, is Collegeville. Even in Collegeville, wine and liquor will not be available for takeout.

Many Pennsylvania restaurants and pizza shops sell take-out beer as six-packs or twelve-packs. In the past, the agency has also granted take-out licenses for other types of retail establishments — the Wanamaker department store chain, for example, once held about a dozen retail licenses.

"There hasn't been a change in the law, there hasn't been a change in restaurant licenses, there hasn't been a change in the LCB policy," said liquor board spokesman Nick Hays. "What has happened is some of these stores have made business decisions to incorporate full-service restaurants in their businesses."

Weis Markets Inc. has two active licenses and five that are inactive or in the application stage, Hays said.

The board is also reviewing an application for a restaurant liquor license at Thomas Family Market in Dallas.

way the Pennsylvania Legislature intended beer to be sold in Pennsylvania?" Hoffman said.

Hoffman said the grant of licenses to Wegmans, if allowed to stand, will prompt other types

Penny stocks? Small change for big-name companies

By MARK WILLIAMS
AP BUSINESS WRITER

What costs more — a spark plug or a share of General Motors? A Sunday New York Times or a share of the newspaper company? A General Electric toaster or a share of GE?

In the surest sign of the depth of the recession, the products associated with these high-profile companies now cost more than buying a piece of the business.

Shares of some of the most renowned companies have come under assault as the worst recession in decades saps investor confidence and drags major stock indexes to their lowest levels since 1997. Despite Tuesday's 3 percent gain, the Dow Jones industrial average is still off almost 50 percent from its 2007 high — and there's little evidence it's hit bottom.

"This is a time for the history books," said Jim Coons of Coons Advisors, a financial consultant.

When the housing bubble began to burst, share prices began to cascade first in the homebuilding industry, but it spread quickly to almost every sector of the economy.

Today, a share of Hovnanian, one of the nation's largest builders, can be had for 96 cents, less than it costs for a set of spare house keys.

Banks, stung by plummeting mortgage values, followed. A

share of Citigroup Inc. which cost \$55.66 at the beginning of 2007, now costs \$2.60. ATM fees can total \$3 or more for using an out-of-network bank card.

Since the start of 2007, shares in companies from every sector have been hit.

— General Motors shares have fallen from \$30.30 to \$2.22, less than the cost of a standard spark plug (about \$3.79).

— New York Times Co. shares have fallen from \$24.27 to \$3.95, cheaper than the \$4 cost of its Sunday edition.

— General Electric Co. shares fell from \$30.30 to \$9.08, cheaper than a GE two-slice bagel toaster at Wal-Mart, selling Tuesday on the

clearance rack for \$12.

— Office Depot is down from \$38.27 to \$1.26, less than a 12-pack of medium point Papermate BallPoint Stick Pens which runs \$1.89.

— US Airways has fallen from \$53.89 to \$3.66, less than the current \$4 cost of two in-flight coffees.

The bargain-basement stock prices of America's best known companies present either the greatest opportunity of a lifetime — or the biggest money pit this side of the Great Depression.

Of course, many didn't survive then — and many won't survive now. Someone who bought shares of Circuit City, which cost \$5.75 before the one-time retailing bellwether announced it would close, would have been better off buying a four-pack of AA batteries.

The company is now selling furniture and fixtures from its headquarters as it liquidates.

