



News Release

Oregon Liquor & Cannabis Commission
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January 20, 2023

Liquor Stores report out to Commission

“Healthy right now, but future growth in jeopardy”

PORTLAND, Ore. – The Oregon Liquor and Cannabis Commission (OLCC) has learned that small business owners operating Oregon liquor stores are in good financial shape but the Associated Liquor Stores of Oregon (ALSO) raised concerns that business conditions could jeopardize the state’s ability to generate revenue. During their regularly scheduled monthly meeting on **Thursday, January 19, 2023**, Commissioners also approved a surcharge on liquor products, and approved stipulated settlements affecting alcohol and recreational marijuana licensees.

According to ALSO, independent liquor store operators have been able to expand on the sales gains made during the pandemic because of the diverse selection of products available on the shelves; that’s 3,100 products overall, and 800 of those crafted by Oregon distillers.

The ability to order more than 2,200 specialty liquor products, even in small quantities, enables liquor stores to cater to Oregonians’ preferences across the state. ALSO attributes the steady sales growth, averaging about 6% annually over the last few years, to the selection and service afforded by OLCC’s approach to retail sales.

This boutique customer focused business model is just one of the reasons the OLCC is the state’s third largest revenue generator. Since the start of the current biennium in July 2021, the OLCC has generated more than \$450 million in revenue from liquor sales.

“If Oregon maintains the growth pace sales are on track to eclipse the \$1 billion milestone in 2025,” said Saleem Noorani, ALSO President. “However, the current warehouse is running at full capacity, we are now in the danger of losing sales because of capacity issues. The new planned warehouse will project demand in capacity 10 to 15 years down the road is the right choice and the right decision.”

January 20, 2023
OLCC Commission Meeting

In order to avoid these losses and ensure timelines are met, the OLCC is in the process of hiring a Construction Manager General Contractor to oversee the design and construction of a liquor warehouse proposed in Canby. The new Canby location will improve distribution activity, and provides enough space to accommodate more than 30 years of continued sales growth.

ALSO expressed concern that a key state revenue source could be put at risk without an increased public safety response and support of legislation to stiffen penalties for property crimes. ALSO shared details of one liquor store operator (PDX Portland) that recently lost their lease due to the continuous pattern of shoplifting and burglaries at the store. The landlord made this decision as the property crimes were severely impacting other tenants.

The Commission also approved a 50-cent surcharge on liquor bottles that directly goes to the state's General Fund and is projected to generate about \$45 million during the 2023-25 biennium. Several Commissioners indicated that they want to better understand how the surcharge fits into the state budget, since it was initially enacted in 2009, as a stop-gap measure.

The Commission also ratified four stipulated settlement agreements for both alcohol and marijuana licensees. Detailed information on the specific cases below can be found [on the OLCC website](#):

Alcohol Stipulated Settlement Agreements

ALL IN ONE MARKET (O) in Springfield, will pay a \$500 fine OR serve a two-day license suspension for one violation, so long as the licensee installs age verification equipment for one violation.

MAXWELL'S PUB & GRILL (F-COM) in Aloha, will pay a \$2,640.00 fine OR serve an 16-day license suspension for two violations.

NOB HILL BAR & GRILL (F-COM) in Portland, will pay a \$2,640.00 fine OR serve a 16-day license suspension for two violations.

Marijuana Stipulated Settlement Agreements

EEK (Wholesaler), pay a \$14,735.00 civil penalty AND serve a 19-day license suspension OR pay a \$10,000.00 civil penalty for three violations.