

## **UTAH LIQUOR LAWS, POLITICAL NEGLECT ARE BAD FOR BUSINESS, IOMEGA BOSS SAYS**

Paul Beebe

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The chief executive of Utah's biggest publicly traded corporation says the state's economic growth is hobbled by absurd liquor laws and politicians who don't pay enough attention to their business constituents.

"It's part and parcel," said Bruce Albertson, president and chief executive officer of Roy-based Iomega Corp. "The laws that are here and the lack of aggressive attention to business is why business hasn't developed here."

Albertson, who is struggling to pull Iomega out of its financial tailspin, said he was dumbfounded by a lack of concrete support from Utah's political leaders.

The CEO of Iomega, a household word around the world for its widely acclaimed line of Zip drives and other portable storage devices for computers, worries that Utah's leaders will squander an unprecedented opportunity to use the 2002 Winter Olympics to present the state to the world as a great place to do business.

Albertson's frank complaints and warnings fly in the face of statements and initiatives by the state's leaders, most prominently Gov. Mike Leavitt. Since the beginning of his administration, Leavitt has launched a series of high-tech recruitment and education plans. At the core of these pitches is Utah's so-called "cultural draw" -- a well-educated, hard-working labor force. It is a labor force, Leavitt has said, made up mainly of Mormons who would prefer to live in Utah.

But Albertson, a former General Electric executive, wonders why Leavitt, who last year launched his heavily publicized "Utah-Silicon Valley Alliance" to woo technology companies to Utah, never contacted him or other high-tech business leaders for help or advice.

"What would happen if a lot of these [Silicon Valley] CEOs, which I know some of them, would call up and say, 'Bruce, what do you think of the governor's new initiative?'

"I'd say, 'What initiative?' I didn't know of any initiative until I read it in the paper," Albertson said.

Leavitt spokeswoman Vicki Varela acknowledged the governor never contacted Albertson or other representatives of Utah's technology industry. "Most people, in fact, learned about it in the newspaper," Varela said.

But Albertson's frustration goes beyond elected officials who -- apart from lip service -- seem to him to be disinterested in the state's high-tech industry. The native Floridian is perplexed as well by ecclesiastical leaders whose dislike of liquor has led to what he sees as foolish, inconsistently applied laws that hold the state up to international ridicule.

Taproom Troubles: The state's liquor laws also make recruiting creative high-tech workers that much more difficult by sending a signal that Utah isn't open to intellectual and social diversity, he said.

"I just wish they wouldn't run other people's lives," Albertson said of the leadership of The Church of Jesus Christ of Latter-day Saints. "If they need to control those places [where alcohol is served] to make sure their church people don't drink, they have a bigger problem."

Nor is he swayed by arguments the liquor laws are about public safety, not moral control. "If that's not the issue, then don't tell me what I can do with . . . my life," he said.

Albertson discussed his views during a tape-recorded interview at Iomega on Feb. 5. He later said he assumed his remarks were made off the record. Given an opportunity to clarify his remarks later, Albertson stood by them, but said he hoped they would be kept private.

Despite his reticence about speaking publicly, many of his views have caught the attention of other corporate chieftains. Richard Nelson, president of the Utah Information Technology Association, declined to comment, but he acknowledged Albertson's stature.

"He is a highly thought-of executive coming from one of the premier business organizations in the country and the world," Nelson said.

Albertson attended a meeting of the Ogden Chamber of Commerce shortly before the Nov. 7 general election, where he listened to Leavitt speak about the coming Olympics. At one point, Albertson said he asked the governor what he was going to do for people coming to Utah for the Games who might want to buy alcohol.

"I said: 'We are going to be influencing thousands of businesses, governor. Thousands are going to be seeing this, and you are going to be controlling their lives . . . [saying] you can't do this, you can't do that.' "

According to Albertson, the governor replied that Utah officials would be "taking care" of people who wanted to drink.

"What they are doing here is, they will make them some kind of little private club," Albertson said, alluding to a state law that permits only people with paid memberships at private clubs to buy liquor by the drink. "So, basically, what the governor said . . . was, 'If you've got money, we will take care of you.' "

In an interview with The Tribune, Leavitt acknowledged the state's liquor laws do concern companies considering whether to relocate or expand in Utah. But, he added, "I have found most people who come here . . . find that it becomes less of a barrier once they understand it."

The state will accommodate people who want to buy alcohol without compromising state law, he said.

"Everybody is very conscious of the fact that we want to be good hosts, and we have the capacity to do so without violating the spirit or the letter of the law," said Leavitt.

During his interview, Albertson was careful to say he respects the ethics of the Mormon church, its culture and its people. But he said he was baffled that members who own or work for businesses with liquor licenses can reconcile church teachings with serving alcohol.

"So, a Colombian drug lord that doesn't take drugs, he's still in violation of the law by [selling drugs]. So, under God's word, you know, if you are not supposed to drink booze, why should you be able to make sure other people go to hell? Why should you help them go to hell? Incongruous, isn't it?"

Dale Bills, an LDS Church spokesman, said the church does not comment on anyone's personal views.

Oblivious Pols? With the exception of Leavitt, whom Albertson says he speaks with often, the Iomega CEO says he has had almost no contact with any elected official in the state since becoming Iomega's president and chief executive officer a year ago.

He has met U.S. Sen. Bob Bennett once, but did so on his own initiative. He has not met Orrin Hatch, Utah's powerful senior senator and chairman of the Senate Judiciary Committee. No member of Congress, state senator or state representative has contacted him, Albertson said.

"That's pretty telling," he said.

In Kentucky, where Albertson was a senior executive for General Electric Corp., "we saw them [elected officials] all the time. It was just part of our business."

Christopher Rosce, a Hatch spokesman, said the senator has attempted to meet Albertson several times. He said Iomega was invited to send a representative to testify before the Judiciary Committee, which met in Provo last fall. Iomega declined the invitation.

"We felt like we kept in touch and asked them to participate," Rosce said.

Another official, Ogden Mayor Matthew Godfrey, said he and another person in his office called Albertson's office five times before they met.

"It is true we did not meet for about eight months. I can't explain why that was. I've met with every major employer in the area. He was definitely on the list, and one of the top ones. I think it was miscommunication," Godfrey said.

Albertson lives in the foothills of the Wasatch Mountains near Ogden. In his free time, he walks in the mountains and marvels at their beauty. Why doesn't Utah have the cachet of Colorado, he wonders. Part of the answer, Albertson believes, are the restrictions placed by lawmakers on alcohol consumption. And while those laws represent only a small part of Utah life, they speak loudly to outsiders.

"Why does that happen?" Albertson asked. "Some of the arcane laws that they have imply other laws that [outsiders] don't know about."