

State Liquor Store Auction Totals \$30.75 Million

Local News

Posted by: David Haviland

Posted on : April 23, 2012 at 11:59 am

OLYMPIA, Wash. - The Washington State Liquor Control Board (WSLCB) successfully auctioned the rights to apply for a spirits retail liquor license at 167 state-run liquor stores statewide. The sum of individual bids totaled \$30.75 million, with rights awarded to 121 individual successful bidders. Online bidding ended in a flurry of bidding on its final day, April 20, 2012. Business Enterprise Director Pat McLaughlin and his team executed this highly successful and historic feat in the midst of so many other pressing activities related to the transition to private liquor sales, I am proud to be part of such a capable and professional organization. - WSLCB Chair Sharon Foster Initiative 1183 directed the WSLCB to auction the state store properties at their current location. However, the state leases the properties, not owns, creating a unique circumstance for the auction. Successful bidders earned the exclusive right to apply for a liquor license at the current location within its current footprint. All state store properties are below the 10,000 square foot threshold established by the initiative. Successful bidders will need to secure a lease with the property landlord. If they are unable to secure a lease, they may re-sell their right or request an alternative location within a one-mile radius of the existing location.

The WSLCB ran two simultaneous auctions to achieve "maximum reasonable value," as stated in the initiative. The first was for each individual store. The second was for all store locations available for a single bid, with the state taking the higher of the two. The sum of individual bids exceeded the \$4.6 million all-store high bid by a nearly 7:1 ratio. By the Numbers - Total sum of individual bids \$30.75 million - High all-store bid \$4.6 million (will not count) - Registered bidders 551 - Total number of bids 14,627 - Single stores to individuals 93 - Multiple stores to individuals 28 - Lowest winning bid \$49,600 for Store 186 in Spokane (Division street) - Highest winning bid \$750,100 for Store 122 in Tacoma (72nd and Pacific) - Increase in bids on final day \$23.7 million Like many online auctions, if a bid was placed during the final five minutes of the auction, the end time would automatically extend for an additional five minutes. The official planned end of the auction was 4:00 p.m. PDT. However, heavy bidding activity extended the auction until 6:25 p.m. Friday evening. The online auction was hosted by the Washington State Department of Enterprise Services. The agency has used the online auction site Public Service since 2009 to manage the sale of state goods. "Thank you to Joyce Turner and her team at the Department of Enterprise Services," said WSLCB Administrative Director Pat Kohler, "They partnered with us from the beginning to ensure the auction was successful."