

RE: Raised Bill No. 6424

The following is a copy of my testimony regarding raised bill # 6424 which came up before committee tues. 2/17/09

Mr. Chairman and members of the committee:

My name is Ed Jones – I am general manager of Advance Vending Co. a small family owned vending business in Newington (I am not family). I am giving testimony on this bill today, in hopes that the 12 employees at Advance Vending (including myself) will still have a job at year's end!!

In this fast-paced work environment, few employees have the time to go to a restaurant for lunch and certainly not for a 10-15 minute break. Our machines provide a benefit to the employer and the employee by allowing them to eat at the work site. Their alternative is to bring in food from home, purchased at the grocery store. We are at a disadvantage there for a number of reasons, #1 is that we deliver the product to the employee. Secondly, if the cost goes up a penny to the grocer, they can just add that increase to the sales price – we don't have that luxury – we either eat the increase (and I'm getting ulcers from that) or we finally increase the price 5 cents all at once, (usually by the time that happens-we're already 6 cents behind). On top of that, due to the competitive nature of our business, many times we are required to pay commissions to our customers.

Blue collar Joe (notice I didn't say Joe the plumber) eats just so that he can get through the day, should we tax the food he eats, while exempting things like video games, golf, bowling and a car wash?

Why are we as an industry in trouble?

- Stating the obvious – a massive decline in customer base due to the economy
- Overtime, 2nd shift and part-time employees are the 1st to go – those are our best customers
- Disposable income has diminished through pay cuts and fear
- A Significant portion of our business was legislated out when the State banned many products from schools. Now the kids just bring in chips and soda from home. We lose again!
- The Peanut Butter Scare – which is still ongoing
- More sales were lost as we were somehow demonized as the cause of obesity
- Dollar Coin - when the government decided to promote the dollar coin, many thousands of \$ had to be spent to upgrade our coin acceptors! That was a bust
- The \$5 bill was redesigned - many thousands more were spent to upgrade bill changers (2001)
- The \$5 bill was redesigned a 2nd time - we had to do it all over again! (2008)
- We have purchased and put in place equipment for accounts with say 100 people and are now realizing sales from the 50 or 60 still working. Our ROI no longer covers our monthly payments
- The Pending Bottle Bill expansion (which could be the straw that broke the camel's back)!

What would happen if we lose the smaller companies - which is the majority of the 175 in CT? They will get gobbled up by larger out of state vendors (there are none based in Ct). Mom and Pops will be gone, Revenue goes out of state – customers will again get hurt as larger companies are not shy about their pricing and sell the products that make the bigger profit, not necessarily what the employee wants!!

We are asking for relief, not to get rich - just to survive!!

Submitted by:
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