To: General Law Commitee Members

From: Keith Coley, 50% Owner
Fairfield Wines and Spirits
561 Post Road
Fairfield, CT 06824

Dear Sir/Madam,

I am writing this letter to express my concerns regarding the proposed overhaul of Connecticut's liquor laws and distribution. The following pages discuss the negative impact to our state in the following ways:

- Job losses
- Profits leaving the state
- Service and selection

Thank you for taking the time to consider my concerns.

Sincerely,

Keith Coley
In Law Enterprises, LLC
D/B/A Fairfield Wines & Spirits

My name is Keith Coley and I am a 50% owner in Fairfield Wines & Spirits in Fairfield. I graduated from Fairfield University with a degree in Economics. My father owned two small businesses that I helped him run throughout high school and college. Small business is the backbone of the economy, nationally, at the state level and especially locally.

The proposal to raise the number of permits that each owner can have encourages chain stores to enter the business and will destroy a lot of small businesses in favor of big box retailers whose headquarters are likely located outside of Connecticut. Our employees live in the towns surrounding Fairfield and spend their earnings there. My father-in-law is my partner and he and I live in Trumbull and spend our earnings there. With the proposed changes to the laws governing our business, we're afraid we will all be out of work. If these laws are enacted our store will not survive and the profits won't be spent in Fairfield or Trumbull or even in Connecticut. What has happened to the local hardware stores and pharmacies will happen to the liquor stores. Can anyone remember the kind of personal service you used to get at your local hardware store? You're not getting that anymore and you certainly won't get it from a warehouse-style liquor store. At Fairfield Wines one of the owners is always there to handle any issues that may arise, to give wine advice, to help plan your party and so on. Where are the owners of the big box stores?

The proposal to eliminate price posting and allow volume case discounts is another nod to big box retailers. This is complicated economics but ultimately causes prices to rise. In New York you have to buy 10 or more cases to get the lowest price per case. Today in Connecticut we get the lowest price on just one case. That keeps prices down and selection up for our consumers. Should the law pass, the big box stores will negotiate lower prices on the major items, sell them for minimal profit or even at a loss to drive all of us out of business and then once there are fewer stores, prices will rise.

There is also a proposal to allow beer in gas stations and delis. Our fear here is that kids working the counter at these stores (again, where are the owners?) will be unable to resist the temptation to sell to their underage friends.

Sunday sales. The "headline" item. There is the ridiculous estimate that Connecticut would gain $8mm in tax revenue from allowing Sunday sales. Why? Are people going to buy more alcohol because we are open another day? Are <u>that</u> many people so desperate or forgetful that they cross the border to buy <u>that</u> much alcohol on Sundays? We don't think so. We understand it is a customer convenience issue and we can't argue with that. We like the day off to be with our families. Those who lobby for Sunday sales aren't in their supermarkets every day. They have a team of managers in place. I can't afford that. Instead of opening Sundays why can't Connecticut lower the excise tax and the sales tax so we can better compete with neighboring states the other six days of the week?

The headlines should not be reading, "Sunday sales would create more tax revenue" but rather, "The Governor's sweeping changes to liquor industry hurts small business owners and favors big box retailers whose profits are neither taxed nor spent in Connecticut".

Thank you very much for your time.