

Palmer, Steve

From: Michael D. Cimini [mikecimini@yahoo.com]

Sent: Monday, February 27, 2012 1:07 PM

To: generallawmail

Subject: RE: HB 5021 AN ACT CONCERNING COMPETITIVE ALCOHOLIC LIQUOR PRICING AND HOURS OF OPERATION FOR PERMITTEES

RE: HB 5021 AN ACT CONCERNING COMPETITIVE ALCOHOLIC LIQUOR PRICING AND HOURS OF OPERATION FOR PERMITTEES

To the Honorable Members of the Connecticut General Assembly,

I am a beverage alcohol retailer in both Connecticut and Massachusetts and I am the former owner of Yankee Spirits in Sturbridge, Massachusetts. As such I have a unique perspective on the Governor's proposed changes to beverage alcohol regulation. CT is not like MA.

MA has one license per 7500 people unlike CT's one license for 2500 people. The CT market is already saturated without adding new licenses.

If the Governor truly wants to make the market more competitive all he needs to do is lower taxes. That's the trade difference between CT and MA. There are currently goods in CT that trade for the same underlying price (net of taxes) as the same item in MA. **I operate on the same gross profit in MA as I do in CT. The wholesalers do roughly the same. The difference in final cost is taxes.**

CT's current system does favor the Mom and Pops. They are exactly the ones who employ extra employees within their own shops as well as local outside contractors like plumbers, refrigeration guys, etc. I have at least two dozen local service providers in each store. A big box store can sell beverage alcohol more efficiently AND replace several Mom and Pop employees with one minimum wage earner. **In my stores alone I will lay off 8 part timers in an effort to be more competitive should this bill pass.**

As small stores close, the pipeline becomes smaller and wholesalers lose volume. In addition they lose profit as big guys can squeeze them harder than small guys. As wholesalers lose profit they shed jobs- salesman, union drivers, etc.

Moving licenses from one town to the next takes control away from cities and towns. If Berlin wants no more licenses but someone seeks to transfer a license from Bridgeport, it would be difficult for them to say no even with some measure in place to do just that. **Conversely if some operator wants to flood the Bridgeport inner city market with licenses from all over the State, that would not be a good thing.**

With more licenses and more competition, safety always suffers. You can't just add more sellers of beverage alcohol into the same consumer pool and not expect bad things to happen. Even with extra enforcement, which I understand is not envisioned, it's impossible to police effectively.

Lastly, I know Sunday sales seem to be a foregone conclusion but it's ironic that a State like CT would shift the cost of raising money to mostly small independent businessmen. The vast

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majority of stores are operated in a family business model. While Sunday sales will net more taxes for CT, the hundreds of family owner/operators will be working to make that happen with no real increase in profits. When Massachusetts adopted Sunday sales we did see a small uptick in sales but we also saw an uptick in overhead. Net/net it was not very profitable to be open on Sunday, because it merely pulled sales out of Monday and Tuesday, but deadly to be closed and leave those sales to the competition. **If CT really wants to promote small business, why are they attacking the one significant small business community left?**

Sincerely,
Michael Cimini
Great Spirits Liquors in Southington
Sav-Rite Liquors in North Haven