



TAUNTON WINE & LIQUOR

147 Mount Pleasant Road - Route 6 - Newtown, CT 06470

Phone: (203) 426-6099

TO: CT GENERAL LAW COMMITTEE
FROM: TONY CARALUZZI - TAUNTON WINE & LIQUOR LLC
RE: BILL # HB 5021 - LETTER # 1
DATE: 2/28/12

We live in strange times. Recently, in Washington DC, rats have been classified as "an endangered species"; most people are cutting back on spending to weather this "economic storm" while government has decided to ignore it; and here in CT devastating changes are being proposed in our state's liquor laws to benefit big retailers, big distributors, big suppliers and big wineries. Finally, after years of lobbying to change our liquor laws, big business is poised to get what they've always wanted: The chance to wipe out hundreds of their smaller competitors. It's hard to believe that there is real support for this small business killer when we're already in the midst of the longest recession/depression in our lifetimes.

We own Taunton Wine & Liquor in Newtown and live in Bethel. This provides the first of two letters laying out why we ask that you strike down all that is in this Bill.

A. SUNDAY SALES

Year after year, we encounter the same illogic from those who call for the increase CT package store hours to include Sunday sales. As you know we sell *alcohol* - which is a controlled substance. Therefore, when government proposes increases in times of availability and outlets to increase tax revenues (which may or may not work) - *success means increased alcohol consumption*. This goal is ridiculously inconsistent with that other government goal which is to increase awareness of the dangers of DUI and alcoholism and *decrease alcohol consumption*.

And when we talk about "across the border sales" we must consider how our high Connecticut taxes make shopping across the border more attractive.

B. REPEAL OF "MINIMUM BOTTLE" PRICING

I haven't heard anyone address how our current "minimum bottle" pricing system makes "quantity discounts" and "dealing" illegal - and how in neighboring states that don't have our system doing business is characterized by many as very corrupt and alot like "the wild west". Remember too that our system gives smaller wineries a chance to share shelf space with the big guys. However, without our current "minimum bottle" system - which is in lieu of quantity discounts - we will have to buy let's say 5, 10, 20, 50 or 100 cases or more of a wine - instead of one case when it's on sale - in order to have a competitive price. This necessarily means that we will be less able to buy as much wine from smaller distributors and smaller wineries. And so this proposal too will be quite beneficial to the other big guys in the equation: big distributors, big suppliers and big wineries.

C. INCREASE OF PERMIT LIMITS FROM 2 TO 9

This proposed change would allow all entities - including grocery stores - to increase their permit holdings from 2 to 9. There is no need to expound on this. It's obvious that this will enable the already big retailers to get even bigger, and pave the way for grocery stores to sell wine & liquor in the future. Remember, we sell *alcohol* - not bread and melons. There is wisdom to keeping what we sell separate from these other products.

And so, It's a great day to be "big" in CT. ... And not so good if you're not. Again, it's hard to believe that these devastating changes are being proposed in the midst of the longest recession/depression in our lifetimes.

Please consider the small business impact of these proposed changes, and strike this bill down in its entirety.

Sincerely,

Tony Caraluzzi
Owner/Permittee



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TO: CT GENERAL LAW COMMITTEE
FROM: TONY CARALUZZI - TAUNTON WINE & LIQUOR LLC
RE: BILL # HB 5021 - LETTER # 2
DATE: 2/28/12

This is more on our Governors' proposed changes to our states' liquor laws - as they now relate to his recent trip to the *World Economic Forum* in Davos, Switzerland.

I. Brief Review

Our first e-mail detailed how the following three parts of the Governor's proposed plan are projected to have a devastating impact on CT package stores: Sunday sales; repeal of "minimum bottle" pricing; and the increase of permit limits from 2 to 9. It is estimated that these proposed changes would result in the closing of between 400 and 500 stores - and 7,000 lost jobs. And distributors too would lay off salespeople since there would be fewer accounts to service. These proposed changes would therefore certainly result in a significant loss of jobs in our state. We noted too in our first letter that the real beneficiaries of these proposed changes would be Big Retailers, Big Distributors, Big Suppliers, and Big Wineries.

II. Davos and Incentives to Big Business

Earlier this month in *The Danbury News Times*, in an article entitled *Malloy meets with firms in Davos*, our Governor told the reporter that there is a list of 22 firms that he is considering that could bring jobs to Connecticut, and that "could qualify for state incentives and benefits".

III. The Big Question

Why would our state Government propose such sweeping and destructive, job-killing changes in a regulated industry dominated by small businesses while at the same time actively courting Big Business for their jobs with preferential "state incentives and benefits?"

IV. One Possible Answer

It appears that the small business jobs that could be lost in our industry are somehow less desirable than Big Business jobs that we need to "buy" with taxpayer money.

V. All We Ask

We are small businesses. We sell a product that society has deemed requires regulation. All we ask is that government doesn't rewrite the rules to favor Big Business and put many of our stores out of business.

Again, please strike down this aggressively anti-small business, anti-jobs proposal.

Sincerely,

Tony Caraluzzi
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