

Ms. Toni Boucher
Senate District 26

February 24, 2012

Mr. Jonathan Steinberg
House District 136

Dear Ms. Boucher and Mr. Steinberg,

I wanted to reach out to each of you to express my grave concerns on the liquor law changes being proposed by Governor Malloy. My concerns grow out of being a resident of Westport for over 20 years, having built several small companies in Fairfield County and being a father of three grown boys. My specific concerns are as follows:

1. The proposed changes will actually result in less competition and less customer choice in the long term.
 - The increase in the number of liquor licenses per entity from 2 to 9 will enable a select group of retailers to dominate the market and drive many small and mid-sized stores out of business. A key element in this will be the ability of larger retailers to receive volume discounts not available to small and mid-sized stores.
 - Although the Governor argues that retail prices will decrease I think that at best this will be a short-term phenomenon and larger retailers will raise prices from current levels once they have forced enough of their competition to close.
 - The loss of small and mid-sized stores will have a negative impact on not just the store owners but on many of the people who currently hold the estimated 10,000 jobs in the package store industry in Connecticut
2. The proposed medallion system will create town by town inequities and not provide any real value to current owners of liquor permits, particularly for small store owners.
 - The current system of 1 license for every 2,500 town residents provides a reasonable number of retail options in each town while avoiding over saturation in higher income towns like Westport. The medallion system would allow for the purchase of a medallion in a lower income/cost town like Bridgeport to be used to open an ever increasing number of liquor stores in towns like Westport. This would raise a number of issues including increased opportunities for sales to under age customers in a town like Westport.
 - As large retailers begin to dominate the market the value of the medallion will decrease and not provide any real benefit to small and mid-sized store owners.
3. The proposal to sell beer in convenience stores will significantly increase the opportunity for sales to under age consumers
 - Package store employees are trained and managed to prevent sales to minors and I do not believe that the same level of training and management will be seen at convenience stores.
 - Convenience store employees have many other tasks to support and will likely have little or no relationship or responsibility with/to the store owner; two factors that are completely opposite from a typical package store employee.

I do not have an opinion either way on the sale of liquor on Sunday and although this is the "headline" of the Governor's proposal it masks the real items and related impact of the overall bill. I think the bill is a long-term loser for Connecticut residents and encourage you to oppose the Governor's proposals.