

Members of the environmental committee, Good afternoon, my name is Eric Mueller, 10 Abbey Court, Cheshire, Connecticut and I am the legislative director of the Connecticut Vending Association providing written testimony today in opposition to Raised Bill No. 67, AN ACT CONCERNING THE INCLUSION OF JUICES, TEAS AND SPORTS DRINKS UNDER CONNECTICUT'S BOTTLE BILL.

3650 employees with a 14M annual payroll doing approximately 67M in sales are the numbers obtained directly from a 2007 OLR report, for which the Vending Industry in Connecticut directly or indirectly account for. Our best estimate is that there are around 25k vending machines in Connecticut serviced, and represented by the Connecticut Vending Association. If each of our vending machines were considered its own small business and store front, we by far represent the largest amount of store fronts in Connecticut. Most of our members are small businesses, the same small businesses that provide for 70% of all new jobs.

Just a couple of years ago, about a dozen of our members came out and testified against this legislation, and we were satisfied that we were heard and a compromise was reached. Rather than expanding a deposit of 10 cents to all beverage containers, a 5 cent deposit was added to only water bottles.

As the same time as the passage of 5c deposits on water bottles passed, the escheats (unclaimed property, or in this case unreturned bottle deposits) for the first time since the original bottle bill legislation, was now being sought after by the state. The state of Connecticut decided that the bottlers would no longer keep these monies to help offset their costs of complying with a bottle bill, and the monies would revert back to the state.

What happened in the few weeks after could not have been predicted by us or even proponents of the bill. It's always the small guy that gets caught holding the burden. The big bottlers (Coke & Pepsi) initiated a 3 cent environmental fee on every container of all of their beverages to offset their costs. We now had to approach our customer requesting price increases on all of our beverage products. (One of the big differences between our industry and most others is that our machines are on our customer's premises, and we need to ask permission to raise our prices) Problem is that the customer is only aware of a deposit now placed on water bottles. So now we had a choice of eating the 3 cents or alienating our customer.

Needless to say, this has crippled our small businesses and our ability to stay profitable and as job creators, provide jobs. Since this last passage, many vending machine companies have closed their doors, or have consolidated.

Furthermore, experts that we have consulted claim that single stream recycling is the way of the future and bottle bills are the dinosaur. We'd like to invite you to our Vending Association Legislative Day on April 29th here at the Capitol. We have an expert on recycling (Ray Dube) that will be doing a presentation, and he is the most knowledgeable person in New England on the recycling of plastics, and if you are passionate about the environment, you will want to meet him and get all of the facts.

Eric Mueller

Mueller & Mueller Ent, Inc.

D/B/A United Snack Group