

Testimony of Tom Strahle Representing Pepsi-Cola Bristol in Opposition to SB 67

Good afternoon, Chairman Meyer, Chairman Gentile and members of the Environment Committee. My name is Tom Strahle, I run a small business in Bristol, CT that serves a franchise area stretching from Bridgewater to Bristol/Plainville/Meriden. I am here to shed some light on the unintended consequences of expanding the bottle bill and to urge rejection of SB 67 for the sake of small businesses such as mine and the customers we serve. Please consider the following:

- Since the bottle bill was last expanded to cover water bottles, Pepsi Bristol has laid off 10 percent of its workforce and sales have decreased by 15-percent.
- In 2013, 2,276,208 individual bottles and cans of bootlegged soda and water were transshipped and sold in our territory, costing my business \$177,480 (includes nickels, handling fees and vendor cost paid out). Bootlegged products are bottles and cans that we would normally sell in our franchise area that are brought in illegally from other states).
- Since the bottle bill was expanded in 2009, the number of bootlegged containers transshipped into our Bristol franchise territory alone has increased by 13 times.
- This represents just the numbers and lost revenue that we have been able to document in our territory as a result of expansion and the subsequent explosion of bootlegging/transshipment. No one knows how large the real number is.
- I leave you with two thoughts: Before we go about increasing the cost of doing business on already strapped companies, I would submit that we need to collect and update our statistics and information – based on what we do know and incorporating the results of single-stream recycling—so that any future decision is an informed one.
- And my last observation is that we allow single-stream recycling, which has gained a significant foothold in this state, to flourish a little longer so we can quantify the benefits. Expanding the bottle bill is counterproductive when you are promoting single-stream.