

March 6, 2018

Barry Labendz's Public Testimony For H.B. 5036

Distinguished members of the General Law Committee. Thank you for allowing me to be here today and voice my support for House Bill 5036, specifically the elimination of the 9 liter limit on beer purchased at Connecticut breweries for off site consumption.

My name is Barry Labendz, I am the founder of Kent Falls Brewing Company, the State's first farm brewery. I see the breweries in NY and MA that opened at the same time as my own outpacing my business' growth by leaps and bounds not because of quality of product, beauty of location, or anything other than their ability to sell their beer at retail without limit. Removing this cap on direct sales will put Connecticut breweries in line with our competitors and have a tremendously positive impact on a micro and macro level.

My brewery, like many others, has frequent visitors from in and out of state arrive unaware of this law. They expect to take home however much beer they'd like as they can in many other breweries. Without fail, every day we are open my staff is forced to explain this limit to a consumer and then wait for them to choose which beers they will purchase and which they will forgo. Selling beer in various packaging sizes - 500 ml bottles, 4 packs of 16 oz cans, 32, 64 oz growlers, and so on turns an enjoyable retail experience into an impromptu and aggravating mathematics puzzle. If a person would like to purchase a certain amount of beer, and as the producer I am ok with selling it to them in that particular quantity, then I see no reason why the State currently denies the consumer the right to purchase what they would like, a business a bigger sale, and the additional tax revenue from a larger transaction. After all, I *am* a tax-payer in this state as well. I can tell you as a matter of fact that when customers are denied the additional beer they do not immediately go out to a package store and purchase it; they get on with their day and that portion of the sale is lost. Improving the customer experience will only encourage more sales.

Most important is the big picture. These denied sales represent significant opportunity cost which could otherwise have been reinvested into my business. When Kent Falls opened in Feb 2015 we did not have a zoning permit to sell beer directly to the consumer. In June 2016 we added a retail component and have since doubled our production volume and tripled our staff - who now also receive significantly better wages.

Retail sales drives our continued growth and distribution. As consumers come to the tasting room and become connected with my brewery they begin to look for our beers in their hometown. It is and will remain my mission to make it easy for customers to purchase my beer from the best bars, restaurants and liquor stores in our State and not require them to drive an hour plus to get it *and*, when they do choose to make that trip to my farm I see no reason why their purchasing power should be limited.

If my demand in my tasting is pulling supply from the regular distribution channels that make up 80% of my business in the State, then it is time for me to invest in growth and make more beer.

Ideally, we should be able to do everything we can to get to this point as quickly as possible, however with these retail limitations in place my experience tells me to be extra cautious when considering investments into a problematic business environment.

I am happy to answer any questions. Thank you again for your time.