



701 6<sup>th</sup> Street Osawatomie, Kansas 66064 (913) 755-2635; fax (913) 755-2545

To: The Members of the House Commerce & Economic Development Committee

From: Mike Moon, Moon's Hometown Market

Date: February 7, 2012

Good afternoon. My name is Mike Moon. I own Moon's Hometown Market in Humboldt, and in Osawatomie, where I live.

I'm here today because I believe that modern realities demand modern liquor laws. Instead, Kansas enjoys the distinction of having some of the most antiquated liquor laws in the nation. We are one of the few states that still prohibit the sale of full-strength beer, wine and spirits in grocery and convenience stores. I believe it's time to change that.

First, a little information about rural grocery stores. There are a lot fewer of us than there used to be. Since 2006, nearly 40 percent of Kansas' grocers in towns of less than 2,500 have closed their doors. And the rest of us are struggling to survive. That's bad news for us; that goes without saying. But what people often don't realize is what bad news that is for the communities we serve.

Without small-town grocery stores, entire counties can become "food deserts"—areas where healthy food is hard to come by, and residents are forced to drive long distances to shop. With less access to healthy foods, people suffer negative health consequences. Some even go hungry. The elderly and disabled are especially at risk.

But that's only part of the story. Grocery stores represent much more to their communities than simply a place to buy food. They serve as meeting places. They drive local economies. And, they represent a key element in attracting new residents. In short, they are part of the glue that holds a community together. So, when a town loses its grocery store, it's a huge blow with far-reaching effects.

I believe modernizing Kansas' liquor laws will be good for rural grocery stores. First of all, the ability to sell alcoholic beverages will boost sagging profits by allowing us to add new products lines and increase revenues. It will also attract new businesses and economic development to our communities and surrounding communities, instead of driving them away as current laws do. Contrary to what some may say, small businesses thrive in an environment with robust development.

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When you stop and think about it, alcoholic beverages are really food items. So, making them available in grocery stores, alongside other food items, makes perfect sense. And, it provides a clean, wholesome place for consumers to shop for adult beverages, which is what our customers tell us they want.

And, we haven't forgotten about minors. We realize we have a responsibility to keep alcohol out of the hands of our children. We believe we are in a good position to do that because of our years' of experience restricting the underage sale of beer, tobacco and lottery tickets. And, the State of Kansas conducts regular compliance checks to confirm that we are doing our job well.

Like many liquor stores, small-town grocery stores are small, locally owned business. As owners, we too, have made significant personal investments to keep our stores running efficiently. And, like them, we compete every day for our customers. Grocery stores operate with slim profit margins, intense price competition and high labor costs and utility expenses. All the while, we—like other retailers—must be prepared to adjust quickly when rules, regulations and consumer needs change. And, they often do.

Granting liquor stores the exclusive right to sell wine, spirits and full-strength beer puts small-town grocers at a disadvantage and limits our ability to compete in a free marketplace. We believe that one type of store shouldn't be given an advantage over another, and we are asking the state legislature to level the playing field. Give grocers the right to sell alcoholic beverages. And, give liquor stores the ability to sell food items.

As a small-town, local grocery store owner, I urge you to support the Uncork Kansas bill that your committee is considering. I believe it is good for small businesses, for consumers and for our state. And, I know it's good for small-town grocery stores, which are the very lifeblood of the communities they serve.

Thank you for your consideration.