



SEK Prosperity Foundation, Inc. ~

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To: The member of the Kansas House Committee on Commerce, Labor and Economic Development

From: Bruce Fairbank, President for SEK Prosperity Foundation Inc.

Date: March 7, 2013

Dear Committee members,

My name is Bruce Fairbank. I am the President of the Southeast Kansas Prosperity Foundation, as well as, Community Development Officer for Labette Bank in Parsons, Kansas. I have worked in community development and small business financing in Southeast Kansas since 1991, and know that a grocery store is vital for a rural town's survival.

United States Senator Jerry Moran once said, "Community grocery stores are the cultural center of rural Kansas...when we lose a grocery store, we begin to lose the town." Senator Moran is right on the money. It's well documented that when a grocery store closes, other businesses begin to suffer, leading to communities losing their ability to attract new residents and the decline of property values.

When a small town grocery store closes, and there is not another store within a 10-mile radius, it creates a food desert. Simply put, residents of these towns do not have wholesome foods easily accessible to them. According to a Kansas State University study, since 2006, 82 of 213 grocery stores serving Kansas communities with populations of 2,500 or less have had to close their doors.

Rural grocery stores, typically mom and pop operations, struggle to survive on razor-thin margins, especially when located near a national big box competitor. It's a challenge for these small businesses to provide enough products and services to keep their customers happy, yet keep a healthy bottom line and remain financially viable in communities with shrinking populations.

Updated liquor laws will allow rural grocers to expand their offerings to products that can contribute almost immediately to their bottom line...helping them cover overhead and stay viable. Also, they will increase access for Southeast Kansans who want the convenience of one-stop shopping for food and adult beverages.