



**Testimony on H.710 – Beer & Franchise Fees
Submitted by Erin Sigrist, VRGA President
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VRGA represents 800 members across the state. Our membership is inclusive of a variety of business types and models, collaborative and extremely diverse. Members include general retail, grocery stores, convenience stores, distributors, food producers, and business service members. VRGA creates a unified voice for its engaged membership to influence legislation through lawmaker and public education. Our benefits are fundamental to our members' economic success and to their positive community impact.

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Distributors are given service territories and must serve all retailers in that service area. This benefits small independent stores in the rural parts of Vermont. Smaller retailers get the same service and price (there are no volume discounts allowed on beer and wine in Vermont) as Vermont's largest retailers.

Distributors also pick up empty beer bottles under Vermont's bottle bill from stores and redemption centers and pay us a handling fee to handle the bottles.

We know our locally owned distributors and retailers can pick up the phone and call with a problem.

These changes may potentially add delivery traffic to stores which may mean sometimes blocking traffic on main Street in order to park their truck there to deliver to us.

The distributors also take back dated product, while some smaller distributors acknowledged they were supposed to do the same it was harder to for them to pick up and issue credits in a timely manner. So for the retailer, there may be additional book work to track credits form many more distributors.