

Thank you, Mr. Chair. Thank you, members of the Committee. Thank you for the work you are doing to help Vermont businesses who have struggled during the Covid-19 pandemic. Thank you for giving me the opportunity to speak to you.

For the record, my name is Barbara Ebling. I am co-owner of The Bookstore in Brandon, which opened in December 2019. The Bookstore is a small (1,000-square foot) independently-owned and operated bookstore that arose from the combined efforts of community members.

The story of The Bookstore is the story of a small town recognizing the importance of having a bookstore, and doing its utmost to keeping one. In September 2019, the town's previous bookstore, Book & Leaf, closed when the owner sold the building. I had been working at Book & Leaf, and as the store prepared to close in Fall 2019, I reached out to people in town with the idea of keeping a bookstore alive.

A core group of organizers formed, and we worked during October and November of 2019 to secure a retail space and financial backing, with the goal of being open in time for the holidays. Book & Leaf's owner generously gave us the use of his bookshelves and much of his leftover book inventory. One of our group members suggested reaching out to another established bookseller for advice and guidance. He attended our meetings, saw the enthusiastic community support, and offered to become a financial partner. We scouted potential locations for the new store, knowing that occupancy costs could easily consume much of our startup capital in the first year of business. Through a generous arrangement with a local property owner, we found affordable rental space.

Our start-up capital came from three main sources. First, financial partnership with a fellow bookseller who was willing to match local investments. Second, six community members came forward to provide that local financial backing. Finally, The Bookstore created a Community Supported Bookselling program (CSB), which is modeled after Community Supported Agriculture (CSA) programs. Customers purchase a CSB membership to The Bookstore starting at \$500; they then have \$500 in store credit they can redeem throughout the coming months and years, and receive a 20% discount on books. This program raised an additional \$7,000 in capital in December 2019.

With the goal of being open in time for the holidays, one of the key, and possibly unique, elements of The Bookstore was how short the turnaround time between the closure of one store and the opening of The Bookstore was. The booksellers in the group – my financial partner and I – understood that holiday sales would be vital to our overall business plan. Opening in time for Christmas would also give the people of Brandon the privilege of a local indie bookstore to shop at, and would give us momentum to enter 2020.

The downside of the quick turnaround from closing one store to opening another store was that we didn't open with a "normal" level of inventory to allow for robust December sales. What inventory we had sold briskly, and the community poured out their support, but our overall December sales numbers were modest. (To illustrate this point, sales at The Bookstore for December 2020 were almost 4 times our December 2019 sales.)

For the State Economic Recovery Grant application, as a new business, I was asked to show revenues for my first three months in business. Those months were December 2019, and January and February 2020. Modest sales in December 2019, followed by months that are traditionally slow for retail bookstores (particularly in a town that does not see a winter tourism bump), meant that my pre-Covid revenues couldn't demonstrate a dramatic decline after Covid hit.

Opening three months before COVID-19 hit, along with so many other new businesses, meant we fell through a crack in the system. The Bookstore had only those three months of sales to use as a basis for comparison to the months it was closed due to the pandemic (March-May). The fact that the three "normal" months (Dec '19-Feb '20) were start-up months meant much lower sales than would be expected in those same months for an established business (with all other parameters – size, location – being equal).

What I tried to determine, as I was preparing my grant application last fall, was what an *established* independent bookstore of 1,000 square feet in a town the size of Brandon, could reasonably expect for December, January, and February sales. This would, I reasoned, provide a more realistic picture of the dropoff between pre- and post-Covid revenues.

To that end my business partner and I approximated that December sales for a store the size of The Bookstore, in a town like Brandon, would be in the range of \$18,000-\$25,000; January sales in the range of \$7,000-\$10,000; and February sales in the range of \$6,000-\$8,000.

Since I submitted my grant application last fall, I have actual data for December 2020. It turns out that our estimates were well within the range of what our business could have expected as normal December-February revenues.

Impact of COVID on The Bookstore:

Due to the COVID-19 pandemic, The Bookstore closed to in-person shoppers on March 22. We continued to serve our customers via curbside pickup, local delivery, mail order, and a few online sales. In June, The Bookstore reopened with shorter hours, and limited in-store capacity. I was able to retain the small staff I'd had pre-Covid, and to gradually expand our hours of operation. However, we have not been able to hold in-person author events, story hours, or other public gatherings which would be key elements of normal bookstore business.

With increased understanding of how important small locally-owned businesses are to Vermont, many consumers are making the choice to shop locally and support small businesses. Our monthly sales have slowly but steadily increased since we re-opened, and although this isn't a "normal" year, we are seeing a positive trend.

By operating The Bookstore on a sparse expense budget, we have kept the doors open, paid our small staff, and continued to purchase inventory. The fact of our survival thus far doesn't negate the effect of lost revenues, however. In a normal first year of business, I would have devoted money to aggressive marketing, possibly hiring a part-time staff member to handle website management and event planning. I also recognize that the generosity of our landlord cannot extend indefinitely, and I hope to put net income toward future occupancy costs.

The Bookstore is built upon the community ideals of Vermont small town businesses. One of the things that sets Vermont apart from other states is the prevalence of independent bookstores. It is seldom a lucrative enterprise, but is motivated by a love of the written word and the community that grows up around that love. A bookstore forms an essential anchor of a town.