

**Testimony of Bob Young**  
**Why I See**  
**before the**  
**Ohio House Commerce & Labor Committee**  
**in opposition to the Sunday sales portion of HB 674**

Thank you Madam Chair, Vice Chair Dean, Ranking Member Lepore-Hagan and members of the House Commerce and Labor Committee. My name is Bob Young, and my company, Why I See, established in 2000, is Ohio's largest provider of local-option campaigns going back through 2013. The many clients we've worked with over the years, including some that have submitted testimony in opposition to granting Sunday sales statewide to all permit holders, are among those that invest the most in their stores and the communities they serve. They invest in the relationships that have made their businesses successful long term, they participate in their communities and support charities and local sports teams. And they've all invested in asking voters to support their right to serve or sell beer, wine and/or liquor on Sunday.

As a provider of this service for twenty years (we actually celebrated our twentieth anniversary yesterday) I believe we're uniquely positioned to advocate for hundreds of successful clients with Sunday licenses for which we've petitioned. We have also heard voter concerns and reasons for supporting or rejecting Sunday sales, year after year. Usually we've won, but we've also lost these battles many times. And it's my experience that the businesses that win are usually those doing the best job. Those that fail to achieve voter support may not always be doing the same, and more commonly it's a function of regional biases against Sunday sales. In some areas they just don't want it and have rejected it again and again.

Any of the 12,000 permit holders lacking Sunday licenses could take the initiative to place their Sunday sales issue before voters on the upcoming November ballot. More than 200 retail locations did, in fact, do this in 2019, and while some worked with companies like Why I See, most did it themselves. They put in the effort, and they've earned a competitive advantage over other businesses that haven't made the same effort. No one has been treated unfairly.

The primary issue with HB 674's granting Sunday sales to all permit holders, from the perspective of companies we've worked with, is that businesses granted Sunday sales will be capturing those sales from businesses that already have it. Proponents have suggested to me that this is pure speculation. I was told directly, *We don't know if Kroger will lose sales. Maybe Kroger's sales will increase from 219.* At the very least this is intellectually dishonest. People are only going to buy so much of any product, and if they buy a bottle of wine at the gas station up the road they couldn't buy previously, it's one less bottle of wine sold by Heinen's or another permit holder who has already earned Sunday sales. Proponents of HB 219 testified there was no increase in alcohol consumption in other states when Sunday sales were granted legislatively. *You don't see an increase in overall consumption,* which means we won't see an increase in overall sales.

As above, all of the permit holders without Sunday sales can pursue them, but all of last year only 2% of them did. Most have not bothered to do so. Also, the petitioning process is intended to establish a certain above minimum level of effort and competence. Selling alcohol is a responsibility that can have tragic consequences if done irresponsibly.

If the only Ohio retailers to see a benefit are those granted Sunday sales, then a relevant question is, *Who currently has a Sunday license, and who does not?* This information is readily accessible on the Division of Liquor Control website, and an examination of said website reveals that most Ohio-based grocery companies have Sunday sales at most or all of their locations. Kroger, Discount Drug Mart, Marc's, Heinens, Buehler's, Grinder's, Winking Lizard, Sidelines Sports Eatery, Dave's Supermarkets, up and comers like Home Buys, all can sell all of their products on Sunday at most or all of their Ohio locations. You will find much the same looking at smaller companies and mom & pop single stores like Muldoon's Saloon, Braido Foods, Mako's Market, Mr. D's, Mill-Wheel Tavern, Kelly's Market, Weiland's and Sparkle locations. Ohio companies, providing tens of thousands of jobs including corporate jobs right here in Ohio, have followed the rules and taken the steps to do the best job for their customers. They, and Ohio generally, are benefitting from their own hard work and investment.

It's somewhat reversed when considering the same sales at similar companies with their headquarters out of state. The majority of CVS, Dollar General, Walgreens and Family Dollars don't have Sunday licenses, though some qualify for grandfathered permit exceptions to sell beer. Passing Sunday sales legislatively will be sending millions of Ohio dollars to places like Woonsocket, Rhode Island, Goodlettsville, Tennessee and Deerfield, Illinois. I would be happy to demonstrate how easily these numbers can be verified on the Division of Liquor Control website. These stores could have made the same investment as Ohio grocers as far back as 1970, which strongly suggests that it would be decades before most of them do so. They could all take the initiative, but most of them won't.

All of the out-of-state retailers above are fine companies, and I know of no reason for anyone to resent the massive windfall of increased sales Dollar General will realize if Sunday sales are granted to 359 stores overnight. But because sales of alcoholic beverages in Ohio would not increase, every additional dollar in sales by Dollar General amounts to a loss of sales somewhere else where they are already occurring.

No one wants to be regressive when it comes to business and morality. But when you do crunch the numbers, it's clear that Ohio companies will lose the most, and the loss in sales will be in the millions annually. If Buehler's, with 14 D6 locations, were to lose a mere 20% of their Sunday alcohol sales, it would amount to more than \$500,000 in sales company wide, and this doesn't include ancillary sales.

Sunday sales have been defeated thousands of times in the past decades. As would be expected, there are regional biases that affect the results. These predispositions are precisely why a

localized voting system was created in the first place. Of the 18 licenses with full liquor privileges in Holmes County, only two have a D6 license for Sunday wine and liquor sales. Of the 42 licenses with wine and/or liquor in Gallia County, only four have D6 licenses for wine and/or liquor. In fact Why I See put the only liquor agency in Gallia County on the ballot in 2018, and the issue was defeated 205 Yes to 251 No. Some areas of Ohio are still predominantly opposed to Sunday liquor sales.

Some areas of Ohio's largest cities are similarly opposed. In 2018 Why I See ran the campaign for Sunday sales at American Eagle on Sunbury Road, Columbus. The store owner and I met with North Central Area Commission Chair Tiffany White as part of that campaign. Despite our efforts, the issue was defeated by a vote of almost two to one. Voters just didn't want liquor permits in that neighborhood expanded to include Sunday sales. Six days was enough, and in fact no permit holder in the ten neighborhoods comprising the area commission has a D6 license.

Crime statistics support the idea the alcohol sales can have a negative effect in some neighborhoods. Statistics available for Columbus show Saturday consistently has the highest frequency of reported crimes, and Sunday has the lowest frequency of the same, which was the case every single year from 2014 through 2018, and it doesn't take into account that all reported crimes after midnight go on the next day's ledger. Thus a D.U.I. or robbery at 12:01 a.m. on a Saturday night is recorded as a Sunday crime, and yet Sunday still has the lowest incidence of crimes of any day of the week.

Finally, there are numerous examples of areas where voters typically support Sunday licenses but oppose them for a particular business. One great example of this is the campaign we ran in 2016 in Butler County for Land of Illusion Scream Park, which opens only two month per year and includes an outdoor music venue. Despite our best efforts, the issue was defeated 431 Yes to 547 No. Their Madison Township neighbors are willing to tolerate loud music two nights per week, two months per year. They just don't want that extended to Sunday. Land of Illusion subsequently put the Sunday issue on the ballot and ran their own campaign in 2018, and the issue was defeated 315 Yes to 466 No.

These are just a few examples of Sunday-sales issues that have been defeated in the past few years. Sometimes people don't want it. Those numbers do not include the businesses that don't go on the ballot because they perceive their neighbors are unlikely to support Sunday sales. We were hired by the Diamond Lodge gentlemen's club in Portage County in 2013, and a survey of voters was conducted in advance of circulating and filing petitions. 30% supported Sunday sales versus 46% that opposed it, with only one strong supporter identified. My analysis stated that with a perfectly run campaign the chance of passage would be less than 50/50, and they elected not to go forward. Of Ohio's 72 gentlemen's clubs with liquor permits, only 32 currently have Sunday licenses while 40 do not.

All of the permit holders above would be granted Sunday sales with the passage of HB 219. 40 strip clubs, all permit holders in counties where they been rejected repeatedly, all of the carry

outs in the North Central Area Commission neighborhoods, will have the opportunity to begin selling seven days per week. All who pursued previous ballots and lost will begin Sunday sales.

Voters could take it upon themselves to dry up each and every one of these permit holders regardless of whether the Sunday sales portion of HB 674 passes or fails. But if HB 674 passes, then they will no longer have the option to reject Sunday licenses as they've done in the past. The only option to prevent Sunday sales will then be to get permit holders voted dry, which would ruin most of the businesses in question, putting voters in an awkward spot.

Passage of HB 674's Sunday sales provision would increase sales, but only for some, and at the direct expense of others.

When the blue laws were abolished in the 1970s, Ohio took a different approach, giving voters in every community the opportunity to decide whether Sunday sales would be permitted in that community. As a result, businesses in those communities have had to reach out to their neighbors. It took 49 years for half of the permit holders in the state to be granted this privilege. And, like all alcohol permits, it is a privilege. The irresponsible sale and consumption of alcohol can have grave consequences. Ohio businesses like Kroger and Discount Drug Mart, Grinder's and Winking Lizard, Mako's Market and Caldwell Food Center have addressed those concerns over time and have earned the privilege of Sunday sales at most of their locations. The legislature created a system with rules that were fair for all. The playing field has always been level. It just so happens that most Ohio companies have taken the steps for seven-day sales, and some large out-of-state companies have not.

Any good business climate is about maintaining a state of equilibrium, which currently exists. Ohio companies will ultimately be among those most harmed. We may not yet be near our worst-case scenario regarding the economy, and Ohio-based companies, and the jobs they provide, are going to miss those lost alcohol sales if Sunday sales are granted to all retailers.

Gauging the harm of taking away the rights of voters to choose, and overturning the choices they have made, is harder to put a price tag on. Should the voters in Madison Township be permitted to keep the local haunted house/concert venue from selling liquor on Sunday? Should Gallia County voters be allowed to say no to liquor stores on Sunday? Should a ten-neighborhood area commission be permitted to continue rejecting Sunday sales at the local carry-outs again and again? Because they have, and many of them will continue to say No. It is a right they have been given, and it shouldn't be taken from them.

Members of the House Commerce and Labor Committee, nothing regarding Sunday sales is broken. The playing field is already level. Protect voter rights and Ohio business sales by removing the Sunday sales provision from HB 674. Thank you.