Testimony of Nate Cornett Yellow Springs Brewery Yellow Springs, Ohio

June 7, 2023

Senate Bill 33

Chairman Dolan, Vice Chair Cirino, Ranking Member Sykes, and members of the Ohio Senate Finance Committee: my name is Nate Cornett and I am the co-owner of Yellow Springs Brewery.

I come to you today as a small business owner, a title I know many in the legislature share with me or just care deeply about. There are many challenges to running a business, but there's one this body has the power to fix immediately: making common sense changes to Ohio's outdated franchise law.

In 2013 I founded Yellow Springs Brewery. Today we produce and package multiple core products along with dozens of innovative seasonal beers. We self-distribute our beer to restaurants and pubs in the Dayton and Columbus areas, in addition to what we serve in our tap room in Yellow Springs. We love calling Ohio home and I truly believe being a part of the community is the core of our business.

Though we have seen growth over these past 10 years, we face an uncertain future. Currently we are choosing to not enter into a distribution contract with a wholesaler. It's an incredibly difficult decision as we'd love to continue to grow our business and reach more Ohioans who have expressed a demand for our beer. However, entering into the permanent contract required by franchise law could irreparably damage our business. Our fear is if we sign with a distributor we will no longer have the ability to control our brand: the only way to get it back is to go through a long, costly legal process with no guarantee of fairness, let alone success.

That is why I am here today asking you to make the necessary changes to Ohio's franchise law. Small brewers like myself should be exempted from this out of date law. Allowing anyone who brews less than 250,000 barrels to be written out of the definition of franchise law will not just support brewers like myself but those around the state who are facing the same dilemma.

We pride ourselves in being a small Ohio business and would just like to see the state government step out of the way and give us the opportunity to make the best decision for our business.

Thank you for your consideration. I am happy to answer any questions at this time.