



March 3, 2021

Senator Paul G. Pinsky
Chair, Education, Health, and Environmental Affairs Committee
2 East, Miller Senate Office Building
11 Bladen Street
Annapolis, Maryland 21401

Re: SB 763 - Alcoholic Beverages – Class A Licenses – Retail Grocery Establishments - FAVORABLE

Dear Chairman Pinsky and Members of the Committee,

My name is Shelby Kemp, and I am a Marketing Project Manager for Royal Farms Convenience Stores. Royal Farms main business includes convenience, fuel, and quick service restaurants. Our company headquarters is in Baltimore, MD, and we operate 161 stores in the state of Maryland, employing 3,167 employees in the state total. We are also a 3rd generation family-owned business.

We strongly support having the ability to purchase a license to sell beer and wine in our stores. At Royal Farms, we strive to cater to our customers and provide them with what they want. Data points to the fact that customers want the ability to purchase beer and wine at their local convenience or grocery store. A poll completed by the Gonzales Polls Inc., in October 2020, reported that 73% of Marylanders support selling beer and wine in grocery stores. The link to that report is included here: https://irp-cdn.multiscreensite.com/cf5489a9/files/uploaded/GonzalesReport_Maryland_Sales_Poll2020.pdf.

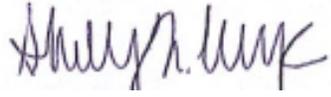
Customers will not only gain the increased convenience of beer and wine being offered in more locations, but they will also benefit from the decreased prices that competition ultimately will bring to the current market. By bringing in competition to the beer and wine market, Maryland will strengthen and continue to improve and grow.

Maryland is one out of 3 states that does not allow beer and one out of 10 that does not allow wine to be sold their customers to purchase beer in grocery or convenience stores. Most of the other states have seen the benefits of allowing us to also sell beer and wine. According to a study done by John Dunham & Associates, published on the Maryland Retailers Association site, allowing beer and wine to be sold in additional food retail establishments would bring more jobs, sales revenue, and tax revenue to our state. They estimated that Maryland overall revenue on beer and wine would increase by \$192.8 million, would create 780 new jobs, and bring in an additional \$24.1 million tax revenue. A link to that study is provided here: https://irp-cdn.multiscreensite.com/cf5489a9/files/uploaded/Dunham_EconomicStudy.pdf

The argument against this bill points to fear that independent liquor stores will suffer. Royal Farms will only offer beer and wine, and a very limited selection at that due to space constraints. Consumers are still going to frequently visit their independent liquor stores for a wide array of choice for beer and wine, and to get their liquor. We know firsthand from other states where we can sell beer and wine, specifically Virginia and Pennsylvania, there are still many thriving independent liquor stores.

In conclusion, allowing convenience stores and grocery stores to purchase the license to sell beer and wine will benefit consumers, our economy, and our state. Please vote in favor of SB 763.

Sincerely,

A handwritten signature in purple ink, appearing to read "Shelby R. Kemp".

Shelby Kemp
Marketing Project Manager
skemp@royalfarms.com