

March 31, 2015

To: Members of the Senate Federal and State Affairs Committee  
From: Gratz Peters  
RE: SB 298

Mr. Chairman and Members of the Committee

My name is Gratz Peters and I am the owner of Pump'n Pete's Convenience Stores with our home office in Parsons, Kansas. I am a lifelong Kansan and a career long convenience store retailer. Just recently I finished my term as President on the Board of Directors for the Petroleum Marketers and Convenience Store Association of Kansas (PMCA), representing its members throughout Kansas, two-thirds of whom are single store mom-and-pop operators.

My submission is not an attack on liquor store owners themselves but rather on the laws that restrict competition on legal adult beverages. Today's price savvy and convenience demanding customer desires free enterprise and fair competition which ultimately works to their benefit through lower prices paid for consumables. Simply put, Kansas customers are the real losers as a result of current Kansas liquor laws.

These laws restrict licenses to one per individual and that individual is required to be involved in the day to day operations of that one liquor store that is restricted to selling only items with an alcohol content, lottery tickets being an exception. These restrictions limit a liquor stores ability to engage in consumer friendly competition therefore costing their customers more for their purchases. Let us suppose that these same restrictive laws applied to any other consumable.

We convenience store retailers have experienced more than our fair share of attacks on our business model. When non-traditional fueling outlets came into our markets there were no laws protecting us from that new competition. When smoke shops came into our markets there were no laws protecting us from that new competition. When dollar stores popped up in markets that we serve there were no laws protecting us from that new competition.

I am happy to say we are not here asking for protection from new competition. Instead, quite the contrary. We strongly support fair competition and the ability to tweak our business models accordingly to meet new competition. We'll do this for the betterment of our customers. The effort to reform Kansas liquor laws offers an opportunity for our opponents to tweak their business model in the best interest of their customers as well.

As any of my peers in the convenience store can attest, we all get better with competition.

Finally, I want to point out that grocery and convenience stores are very serious about restricting sales to minors. We don't take this responsibility lightly. Between ongoing training and technological advances, we're well equipped to shut down illegal underage purchase attempts in our stores. Our high industry compliance ratings on all age-restricted items are proof of our continued commitment to keep products from those underage.

I appreciate your continued support of free and fair competition and implore you to vote out of committee a reasonable, fair SB 298.

Thank you.

Gratz Peters