
Empire State Restaurant & Tavern Association

Report From The Executive Director...Scott Wexler

February 2020

Campaign Against the Big Liquor Distributors - Small operators are being taken advantage of by the big liquor distributors, and it's been going on for years. But that needs to change.

After several years of discussion with no progress, we're stepping up our efforts to put an end to the pricing practices of wine and liquor wholesalers that cause small retailers to be charged substantially more than large retailers. We're launching a campaign to rally support for our proposals to level the playing field so Mom and Pop retailers don't continue to be taken advantage of by these very large alcohol distributors – and we want you to join our fight!

We met with the State Liquor Authority to raise our concerns. We demonstrated that it's possible for the public to purchase products at a liquor store as much as 40 percent cheaper than a small retailer can purchase the same products from their wholesaler. And we documented that Empire Merchants and Southern Wine & Spirits are imposing split case charges 15 - 20 times more than what's allowed by the SLA and are singling out Mom & Pop retailers for delivery charges contrary to the Liquor Authority's rules. We estimate that a typical small retailer is paying more than \$8,000 in split case and delivery charges each year – a substantial premium for small retailers to have to pay just because they're small businesses.

We've taken the first step – asking the Liquor Authority to investigate our concerns and we've called on the Authority to permanently eliminate the split case and delivery charges. But, this is just the first step. Even if the SLA granted our request - eliminating these unfair charges – this will only solve a part of the problem. We're going to need to change the law to ensure that small retailers can purchase products at a fair price.

We've begun a campaign to change the law to allow on-premises licensees to purchase alcohol from liquor stores, allow retail licensees to join a co-operative buying group, and require prices for wine and liquor to eliminate split case and delivery charges.

But we need your help. You can join our campaign and sign our petition to the state legislature by going to our website, select the link in the middle of the page and sign-up. Change doesn't come easy, but it doesn't come at all if you don't put up a fight. We know we have a daunting task ahead of us - with your support we can make change happen. We'll keep you posted on our progress over the next several weeks and months.