

Madam Chair, members of the committee, thank you for the opportunity to speak to you today. My name is David Fishing, I am the owner of Storm King Distilling Company in Montrose, here today representing the Colorado Distillers Guild.

The Guild and many of our members are in support of SB25-033, however we don't do so lightly. Some of our larger members are already in grocery chains and others have aspirations to be there. Halting the growth of a route-to-market isn't something most manufacturers would support, in any industry. However, in practice, even our larger members agree that it is imperative to our collective success and growth, that Colorado maintain a thriving and diverse independent liquor store environment.

Unfortunately, the continued expansion of alcohol in grocery chains is not conducive to a thriving future for our independent liquor stores. Many of us distillers have lost customers over the past few years, as liquor stores have been forced to close because they can't compete with the low prices and discounts that grocery stores have been allowed to offer patrons. In addition, the LLDS license itself requires that 2 liquor store licenses be absorbed by the grocery chain prior to obtaining the ability to sell spirits – so for every current LLDS license, we, as craft distilleries, have lost two potential customers and have not necessarily gained one in return.

The grocery lobby will tell you that they support the craft industry, but take a look at any shelves at your local grocery store. The top selling national beer and wine brands take up the majority of the shelf space, and the “craft” section is dominated by one or two large, national independents. Having seen the plan for a grocery store's spirits section if they were able to obtain an LLDS license in my town, I can tell you that the 90 distilleries in Colorado, will not have shelf space in these stores.

The craft alcohol industry in Colorado, is renowned for its diversity, vibrancy, and quality. The success of these small businesses is intrinsically tied to the vitality of our independent liquor store partners. These small businesses have asked for our support in stopping the bleeding that they have endured over the past few years. I am here before you today to ask that you stand with us and them in supporting small businesses, and a thriving craft industry. Thank you.