



Representing the Independent Grocery Industry from Grower to Grocer

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CONTACT: Tammy Robacker
WFIA Communications Manager
(360) 753-5177, tammy@wa-food-ind.org

I-1183: Bad Business for WA Independent Grocers

OLYMPIA, WA—An initiative to privatize liquor sales in Washington state isn't giving community-based grocery store owners any reason to raise their glass and celebrate.

The Washington Food Industry Association (WFIA), an association dedicated to serving, promoting, and protecting the independent grocery industry, believes I-1183 serves the interests of mega retailers and big box stores at the expense of the independent grocers. They vote NO on Initiative 1183—joining other business opponent organizations such as the Washington Beer and Wine Distributors Association; Wine and Spirits Wholesalers of America; Washington Contract Liquor Stores, and many more who all vote NO on the initiative too.

“Although WFIA supports the systemic and regulated privatization of the state’s liquor system, we want a law that allows ALL grocers and retailers to serve their customers with the same access and value, unlike I-1183. The big box stores’ special interest provisions written into I-1183 are bad for our local grocers and our communities, and the voters should reject it,” stated Jan Gee, president of the organization.

The provisions of the initiative are complex and not easily understood by most. Some of the most significant concerns of the independent grocers are that the initiative:

- Creates a retail liquor taxing system that exceeds the capability of current cash register systems and can only be implemented by the largest retailers with their own internal warehouse and accounting staff.
- Will allow only the big box grocers who own warehouses to purchase directly from distillers and bypass distributors – Washington will be the only state in the nation to allow this.
- Creates an estimated \$59 – 66 million surcharge on products sold through distributors to independent retailers in the first year alone – large retailers are exempt through distiller purchases.
- I-1183’s looming \$59 – 66 million shortfall also has a significant potential of limiting the number of likely distributors in the first year – limiting access for community grocers.
- Prohibits some family grocers from selling liquor—not just convenience stores.

“The backbone of Washington State’s economic development, job growth, and quality of life is to provide all businesses an opportunity to compete without creating regulatory barriers which give preferences and advantages for one competitor over another and thereby its customers. I-1183 must be rejected,” added Gee.

To view WFIA’s policy paper on I-1183: <http://www.wa-food-ind.org/>

The Washington Food Industry Association, founded in 1899, is a Washington State based non-profit trade association for the independent grocery industry. It has 480 members including retail grocery stores, wholesale distributors and food producers. Its retail grocery stores include over 85% of the independent, community-based grocers such as Thriftway, IGA, Red Apple, Marketplace, Family Grocers, Haggen/Top Foods, The Markets, Metropolitan Markets, Town & Country/Central Markets, Rosauers, Yokes and many more stores with individual branding. Distributors include Unified Grocers, SUPERVALU, URM and Harbor Wholesale Foods: www.wa-food-ind.org