## Grocery Store Beer Permit Findings

- 300 convenience stores in Connecticut currently hold Grocery Store Beer Permits (GSBP), and do sell beer
- 80 percent of convenience stores are owned by single store operators
- Across the US approximately 40 states permit convenience stores to sell beer (and in some cases wine and spirits) New York and Massachusetts permit beer sales by all categories of convenience stores. The mix of products in the convenience store is not a factor in other states.
- Beer is the # 3 ranked product in sales nationally by convenience stores (source: National Association of Convenience Stores-NACS)
- Convenience stores account for 17 per cent of beer sales nationally. Convenience stores hold the single largest market share of off-premises beer sales (off premises excludes bars and restaurants) (source: Market Watch)
- In Connecticut, convenience stores are granted a GSBP if they are "primarily" engaged in the sale of "grocery products". The Department of Consumer Protection applies a test to determine if the applicant is "primarily " engaged in the sale of "grocery products" in determining whether they applicant qualifies for a GSBP.
- The law, adopted in the 1930's, eliminates convenience stores that may also sell gasoline because the sales volume and price of gasoline in today's market and economy (as opposed to the 1930's when small grocery stores did not sell gasoline) results in the gross sales of a convenience store to be slanted more towards "non-grocery sales". Lottery tickets and tobacco products also add to the weighting of the formula in favor of non-food sales and act as a barrier to convenience stores getting a GSBP.
- Convenience stores sell a vast array of grocery, dairy and beverage products. Bread, milk, cereal, fruit, canned goods, snacks etc. Convenience stores are small grocery stores.
- Traditional large grocery stores in Connecticut sell beer and can sell gasoline as well, if they meet the "primarily" test. All do because of their size and larger sales volume in grocery products.
- Package stores can sell many products that convenience stores sell, cigarettes, lottery tickets, news papers, ice, etc.
- Convenience stores already sell age-restricted products such as tobacco and lottery tickets.
- Most convenience stores require their employees to be 18 years or older.
- Connecticut ranks 49<sup>th</sup> out of 50 states in per capita beer consumption ( source: The Beer Institute)