

Sam Nizam*Grove Liquor*

July 18, 2023 Comment

Topic: Anticompetitive Practices

Liquor advisory board,

Thank you for all the work you do to protect small business and the health and safety of our customers. I would like to bring to you attention an issue that could be considered anticompetitive practices by big companies such as Costco, Sam's Club and Trader Joe's.

The FTC takes this issue seriously and the FTC takes action to stop and prevent unfair business practices that are likely to reduce competition and lead to higher prices. And if this has been proven, The FTC generally pursues anticompetitive conduct as violations of Section 5 of the Federal Trade Commission Act, which bans "unfair methods of competition" and "unfair or deceptive acts or practices."

My complaint with the new established liquor law is with wine & liquor to be sold at Costco and Sam's Club and Trader Joe's and allowing these corporations to play by their own rules. This ruling did not give liquor store owners the ability to compete and buy their products which they are very popular for the consumer with products such as Kirkland, Member's Marks and Trader Joe's. The new law stated that we all needed to be able to sell the same products and not below cost. Some of those items are limited to only being offered to chain stores, despite being sold by vendors we all have to use. Such an act could be considered anticompetitive practices by those big corporations. We ask the liquor advisory board to look into this matter and try to help us level the playing field.

They are working with the same vendors we do, yet are able to purchase brands and items and sometimes packages that is not available to us . They will only sell certain items to these chain stores, and with the law we should all be entitled to purchasing the same items.

Vendors and distributors have made it impossible to be on a fair playing field by prohibiting small stores from buying Kirkland and Sam's Club branded products or even some of the packages of popular products such as White Claw, etc...

The chain stores also get special pricing, and I'm sure that's not the first time this complaint has been made, but it's become increasingly more common.

All these things are starting to add up and hurt Colorado's liquor industry as a whole, and the numerous "loopholes" and lack of precise wording on legislation is allowing this kind of unfair practices to occur, and I encourage this board to look into these unfair practices more .

We are constantly seeing items being sold below cost, price fixing, and numerous other unfair practices by law. We are simply told to file a complaint but still nothing is changing and large corporations with big

lawyers are making a joke of our liquor laws. We encourage increasing the budget of this board to have more oversight of our industry if indeed it will even out the playing field and prevent monopolization.

Thank you for your time, and hope to hear back how these issues will get remedied.

Best,

Sam Nizam