



New York Association of Convenience Stores
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December 21, 2009

Hon. David A. Paterson
Office of the Governor
Executive Chamber, State Capitol
Albany NY 12224

Dear Governor Paterson:

We applaud your continued efforts to give adult New Yorkers the opportunity to buy wine in their neighborhood food store, as is common practice in at least 35 other states.

The availability of wine as a new category would help many convenience store operators diversify their product offering, appeal to new customers, promote New York State wines, and weather the continuing sharp drop in retail trade caused by state tax policy.

Our members have lost 60 percent or more of their No. 1 product category – cigarettes – in the past 10 years because of the Tax Department's refusal to collect taxes on sales of cigarettes by Native American tribes to non-Native Americans. Lured away by cheaper "tax-free" cigarettes, tens of thousands of our customers shifted their purchases to reservations and the Internet.

Stores that have managed to survive this tax evasion epidemic have done so by diversifying. In particular, many expanded their food service operation, offering fresh sandwiches, soups, pizza, salads, and other prepared meals for time-starved customers. In fact, food service has now become our second leading in-store product category. Wine would be a natural complement to the quality take-home food our customers buy.

We therefore urge you to include in your 2010-11 Executive Budget a plan to amend the New York State Alcoholic Beverage Control law to permit eligible supermarkets and convenience stores to begin selling wine.

Sincerely,

A handwritten signature in blue ink, appearing to read "James S. Calvin", is written over a light gray rectangular background.

James S. Calvin
President

Headquartered in Albany, the New York Association of Convenience Stores is a trade organization representing 7,700 neighborhood mini-marts and convenience stores statewide, at least half of which are independent, family-run enterprises