

January 27, 2022

Chairman David Bennett House Environment and Natural Resources Committee State of Rhode Island General Assembly Via email: HouseEnvironmentandNaturalResources@rilegislature.gov

Dear Chairman Bennett and Members of the House Environment and Natural Resources Committee:

On behalf of the American Distilled Spirits Alliance (ADSA), I respectfully submit the following comments in opposition to HB 7064, which would prohibit the sale of small sized spirits bottles or "nips." ADSA is a group of leading companies with common needs and interests in the manufacturing, importation, and marketing of distilled spirits products in the United States and around the world. Member companies represent over 60 percent of all distilled spirit sales nationwide.

Consumer demand for packaging that promotes moderate, responsible consumption along with convenience, affordability, and portion control continues to rise across a wide variety of food and beverage products. Until recently, the spirits industry lagged other products in the small packaging trend. Due to consumer demand and changing lifestyles, the small size is now the fastest growing package category in the spirits industry.

Small sizes equate to greater moderation and portion control. This is a fact for prepackaged food, candy, alcohol, and many other consumer goods. A 50-milliliter bottle of spirits affords the consumer the ability to accurately measure their alcohol intake. One, 50 milliliter spirits bottle is the equivalent of a standard drink and eliminates the guesswork when portioning. Eliminating small sized spirits bottles would have the opposite effect on moderation.

These package sizes also allow those who are price sensitive to enjoy a little taste of luxury brands they might not otherwise afford. Many people buy these small sizes for cooking, because it allows them to purchase only the portion that they need. Additionally, they allow for sampling of a variety of products offered by spirits manufacturers. With the COVID-19 pandemic, small sizes indeed offer a greater level of personal safety and hygiene.

In addition to being a means for temperance and moderation, the small spirit sizes are an important source of revenue for Rhode Island's small, independent retailers. People won't stop buying nips if you ban them—Rhode Island is a small state; they will take their business across the border to states where they can buy the products they want.

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When people buy nips, they generally buy other products as well, which means stores will lose out on additional sales. Taking away revenue from small businesses— particularly during the pandemic—could have a detrimental impact on their operations.

Furthermore, bans do little to change litter behavior, which is a pervasive, societal problem and not a packaging issue. Fast food packaging, cigarette butts, single-serve candy, chip, and snack packaging are all commonly found in litter, yet the proposed ban targets only small spirits containers. Rather than randomly singling out individual products, a better and more comprehensive solution is to work to change behavior through education programs and anti-litter enforcement.

The industry is eager to do its part to help end litter and funds programs with Keep America Beautiful and its affiliates. We are committed to increasing customer education around littering, adding convenient recycling containers and anti-litter messages at stores and organizing regular cleanups in local communities to pick up *all* litter, not just nips.

I respectfully request the committee reject legislation that would ban small sized spirits bottles and work with the alcohol industry on a better solution.

Thank you,

Matt Dogali President & CEO, American Distilled Spirits Alliance