

Maine Grocers & Food Producers Association PO Box 5234 Augusta, ME 04332 207.622.4461 info@mgfpa.org

January 9, 2024

IN OPPOSITION - LD 1815 'An Act to Protect Maine's Consumers by Establishing an Abuse of Dominance Right of Action and Requiring Notification of Mergers'

Dear Senator Curry - Chair, Representative Roberts - Chair, and the Committee on Innovation, Development, Economic Advancement and Business,

My name is Christine Cummings and I am the Executive Director of the Maine Grocers & Food Producers Association (MGFPA). The Maine Grocers & Food Producers Association is a business trade association representing Maine's food community; Main Street businesses, including independently owned and operated grocery stores and supermarkets, food and beverage producers and processors, manufacturers, wholesalers, distributors, and supportive service companies.

MGFPA expresses significant opposition to LD 1815 and view the proposed bill as a detrimental policy for small business and entrepreneurs. The issue is complex and our concerns are based on the open-ended definition of "dominant position" under this bill. It is so wide-ranging that it applies to *any* person or business, in *any* labor market, conducting *any* business, trade or commerce in the state. In fact, if someone sells 60% or more of any particular product or service in their local market or if someone buys 50% or more of any particular product or service in their local market, they are presumed to have a dominant position.

Free and open markets are the foundation of a vibrant economy. This bill is counterintuitive to entrepreneurship. We question the unintended consequences on those who are the designated agency liquor stores in their communities, those operating (or interested in operating) in Maine's 'food deserts', or those in the food manufacturing space if they offer a unique product or serve as a main employer in northern or western Maine. The private right of action would stifle market innovation especially in rural, food deserts of Maine.

We support ensuring equivalent buying power, and in particular for our industry to ensure access to healthy, fresh and fairly priced food but we oppose LD 1815 as the bill goes well beyond the identified goals to achieve market equity.

While we fully recognize the intent to even the playing field between large chain stores and independent stores (although it's worth reiterating that this bill is well beyond strictly retail), we have pause for LD 1815's broad approach. We stand supportive of enforcement to ensure equity in wholesale prices and stores' access

to goods. Our national counterparts are working on fair competition policy, specifically enforcing the Robinson-Patman Act – a law enacted in 1936 that protects small businesses from economic discrimination that prohibits sellers from engaging in price discrimination among different buyers. However, LD 1815 goes well beyond the premise to level the playing field and creates a state policy that is be better addressed with existing Federal anti-trust enforcement and enhancement via the Federal Trade Commission.

Thank you for the opportunity to provide testimony,

Christine Cumnings

Christine Cummings, Executive Director, Maine Grocers & Food Producers Association PO Box 5234, Augusta, ME 04332 christine@mgfpa.org | 207-622-4461