



**Testimony of Newell Augur
On behalf of RSVP Discount Beverage, Portland**

**Before the Joint Standing Committee on Veterans and Legal Affairs
In Opposition to LD 1754, An Act to Provide Direct Shipment of Spirits to
Consumers**

Sponsored by Representative Cloutier

April 23, 2025

Senator Hickman, Representative Supica, and members of the Committee on Veterans and Legal Affairs, my name is Newell Augur. I am a resident of Yarmouth, a native of Portland, and a lawyer with Pierce Atwood. On behalf of RSVP Discount Beverages, located at 887 Forest Avenue in Portland, I am here to testify against LD 1695, An Act to Provide Direct Shipment of Spirits to Consumers.

Most of the agency liquor stores in Maine are not owned or operated by big box chains. They are run by people like Cathy Sullivan, who started at RSVP as a cashier, worked her way up over the next twenty years, and took the opportunity to purchase the business with her brother back in the early 2000s. RSVP has over 30 employees, and they all have great pay and great benefits. RSVP is also the 2nd largest reseller in the State.

As a control state, the State has adopted a model for the sale of alcoholic beverages that directs the government to determine who gets a license, where the stores are located, what the stores sell, what they must keep for inventory, what price they charge, and so on. It's the State's responsibility, therefore, to make sure those liquor licensees have sufficient sales volume to make a reasonable return such that they can pay their employees and operate successfully. Moving sales out of agency stores that have made capital investments in their property and toward direct shipping carriers jeopardizes the state's ability to do that. The

amount of lost sales may seem small at first, but it is very difficult to predict what that amount might look like in the future.

At its heart, this proposal advances the interests of business located outside of Maine at the expense of business located – and invested – in Maine.

If we want to scrap that control model and pursue a different one, we should have that discussion. But it is inconsistent for Maine to be a control state, and at the same time cleave to the notion that we should be guided by the principles of free enterprise when it comes to the sale of spirits.

As a practical matter, RSVP stocks approximately 80% of all the spirits products listed by BABLO. If a customer requests a product that we do not carry but that is listed, we order it. This happens on a regular basis, and we can usually have the rare bottle of scotch, bourbon or gin delivered to our store – and if necessary to an off-premise account – in less than 48 hours. Our fellow independent agency stores provide this same level of service. Further, BABLO is constantly updating the list of products that can be sold in Maine and, in turn, at agency stores. At its recent April meeting, the State Liquor Commission listed 39 new spirits products.

We must also be mindful of the nature of the product being shipped. While alcohol is not regulated as a controlled substance, it is a drug and as such is carefully regulated so that persons aged 21 and younger do not have access to it. Anyone making a purchase at an agency liquor store or beer and wine shop in Maine is required to show proof of age before purchase. Purchases made online should have a similar method to verify that the customer is legally allowed to make the purchase.

If the Committee were to move forward with this proposal, we would urge a limit on the number of direct shipping licenses that are awarded – at least for the first five years – and, importantly, a sales threshold that is based on a dollar amount, not a case amount. Direct shippers will be focused almost exclusively on high end, high-cost products. Accordingly, instead of a 60-case threshold, we would recommend a sales threshold of \$10,000 per calendar year, and perhaps lower depending upon the number of direct shipping licenses awarded.

Thank you for the opportunity to provide this testimony. I'd be happy to answer any questions and will be present at your work session.