

Good afternoon, Thank you for letting me present today

My name is Kym Saunders from Store 1048, Tigard. I have been an agent for 7 years. I like my peers, have invested my own personal funds to purchase a liquor store as well as modernize my agency.

Being fairly new to the system I felt confident investing in a viable working system, and believing I could make a decent living selling spirits. It didn't take long before I realized a stand alone liquor store was not going to award me the profitable business I was seeking. The current commission formulas cannot support an exclusive liquor store.

The reality of my current situation is that my monthly compensation does not cover my basic operating expenses of: rent, wages, utilities, gas, maintenance, insurance, licenses and fees. Because of the outdated commission formulas not accounting for economic trends, I, like others, are constantly changing our business plans to grow revenues and profits with other commodities. This extra revenue stream with the additional profits helps us make up the lack of funding from the commission checks. It allows us to pay other expenses, liabilities, and additional inventories. Still not allowing us to reinvest in our stores to offer family wage jobs and health benefits.

The added privilege to sell beer and wine with the flexibility to set our own prices, should not even enter the equation of agent compensation. This is a business strategy to help us stay a float and not all agents have this option.

True fact, when I converted to non exclusive, I was penalized by a decrease in my base pay for several months. And to this day, I have never been reimbursed the lost commissions.

I was one of the fortunate ones saved by public comment stopping a second liquor store from entering Tigard, 1.2 miles from my door. I had not even been in position 6 months, nor had adequate time to implement my business plans to completion. This is alarming as to why a store would have ever been considered? It is a true example of the OLCC looking at total state sales, and has a disregard for the impact it will have on an existing agent. I feel for the other stores that did not dodge the open recruitment bullet. This is our livelihood and it needs to be considered when any and all changes come our way. After all, we have and will continue to be the sales driving force for the state! Yes, sales are on the rise, but the open recruitment is taking sales from existing stores. Stores that have been a part of the 3rd largest revenue stream. Once again, causing a hit to low commission payments.

For being an independent business owner, our fate rests in the hands of the OLCC. Once we have invested in the system, our personal success is only measured as a whole state entity. It is ironic that we are fighting for our livelihood against an agency that consistently sees wage increases and multiple closure days, especially during our major sales driving holidays.

Shifting credit card fees to agents would no doubt cause a hardship on all of us. This attempt to shift line items to make the budget reflect positively for OLCC needs careful consideration of the impact it will cause stores. It needs to be left alone until the proper research has been done. We don't need any more side steps to the real problem of agent compensation.

In closing, no where will you find an agency that works off private money and then neglects to take care of their agents. They can rearrange all the numbers in the budget, but it still shows the stores are absorbing their shortfalls, by keeping our pay below business standards.

Be fair and understanding with what the agents go through for the good of the OLCC, and the state of Oregon, It's time for a change and fair change at that. THE TRUTH IS THAT AGENTS COMPENSATION FORMULA IS OLD AND ARCHIC AND ADDING CREDIT CARD FEES TO AGENTS WOULD ADD A SIGNIFICANT HARDSHIP. It's time for the OLCC to make a long overdue investment and increase agent compensation.