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February 9, 2021

Dear Committee Members,

Welcome back to session and I hope you will all stay safe and healthy!

We are writing in support of SB 316. For Stone Barn Brandyworks, the distillery we founded in 2009, lowering tasting room taxes is critical to our survival as a business. The high percentage tax we currently pay to the OLCC makes it impossible for the tasting room to be profitable. However, with the tax rate SB 316 proposes, we could hire staff to help run the tasting room, develop the tasting room as a marketing resource, and use it as a testing ground to try out new products. All of these measures would help grow our business.

We are a grain to glass, fruit to glass operation. We source our fruit and grain locally, and each year purchase tens of thousands of pounds of fruit and grain from local farms and orchards. For example, in 2020 we bought 40,000 pounds of pears from EZ Orchards in Salem, 20,000 pounds of apples from Mt. Hood Organic in Hood River. We buy Oregon-grown organic grain from Camas Mills in Eugene, quince from Orchards of Oregon in Wilsonville, haskap berries from Union Gardens in Hillsboro, apricots from Kimberly in Grant County- all these partnerships, and many I have not listed, support Oregon businesses.

Last year we were very close to passing this tasting room tax measure, and we were active in writing letters and testifying in Salem at the Ways and Means and other committee hearings. We are extremely grateful for all the support we have gotten from legislators, and from Governor Brown now recommending this policy change.

COVID has impacted our company, as is true of many small businesses. We have suffered significant revenue loss this past year, and SB 316 would greatly help with our economic recovery.

Early on in the pandemic, we decided that as a company, we would make as much hand sanitizer as we could, and only give it away- to neighbors, businesses, non profit organizations, in fact anyone in need. We were able to turn donated wine and bittering agent into thousands of bottles of sanitizer that went to farmers markets, health care workers, Warm Springs relief efforts, assisted living group homes, etc. Like many of our fellow distillers who also stepped up to produce and donate sanitizer to help our communities, we are team players who want our communities and our state to succeed. Now, passing SB 316 is an economic measure Salem can take for distilleries that will really make a difference as we recover.

Thank you for your advocacy, and for your support of this measure that will give Oregon distilleries the tools to not only survive, but thrive.

Respectfully,

Erika and Sebastian Degens, Owners
Stone Barn Brandyworks