



June 10, 2011

The Honorable Curtis Jones, Jr.
Councilman - 4th District
City of Philadelphia
Philadelphia, PA 19170

Dear Councilman Jones:

We, the undersigned Manayunk business owners who sell sugar-sweetened beverages, stand firmly together in opposition to the Nutter Administration's proposed Sugar- Sweetened Beverage (SSB) Tax in any form and urge you to vote against it.

One year ago, a widespread coalition of people - labor, beverage industry workers, grocery and convenience store owners and others - along with the vast majority of ordinary Philadelphians, made it clear to Mayor Nutter and City Council that we had no taste whatsoever for this burdensome, regressive tax. It's now one year later and our resolve remains strong.

If passed into law, the Sugar-Sweetened Beverage Tax, at two cents an ounce, will more than double the price of people's favorite sugar-sweetened beverages. In the case of fountain drinks, the tax rate jumps to three cents an ounce. Many retailers, bar owners and restaurateurs in Manayunk and throughout the city have already signaled that they won't create a separate pricing category for sugar-sweetened beverages, but will simply apply the tax to all beverages, including diet sodas, iced teas, etc.

We do not believe the Nutter Administration has a real understanding of the economic consequences of this tax.

If this ill-considered tax is passed, the cost of all sugar-sweetened drinks will double, people will stop buying the products or drive to the nearby suburbs to purchase them (a real problem for Montgomery County-bordering Manayunk), city stores will stop stocking them, black markets will arise, and soda companies will move fewer products. Many people will lose their jobs, including our wait staff, bartenders, clerks and others.

Beverage industry statistics prove that when soda prices rise even 10%, sales drop a corresponding 8- 9%. Reductions in soda sales mean job losses. As many as 2,000 local jobs could be lost in the midst of the worst national economy since the Great Depression.

Family-sustaining Philadelphia jobs in beverage production, supply, distribution, sales and retailing won't be the only jobs lost if this tax is enacted. Supermarkets, convenience stores, bars, restaurants, and small businesses that sell soda will lose revenue, which will lead to job loss.

The loss of any jobs will only further erode the city's tax base. And how can that possibly help the city or the school district out of this fiscal crisis?



The Soda Tax is yet another unfair tax burden that will disproportionately hurt hard-working, middle class families, small business owners, and the working poor of the city. Far too many Philadelphians are already struggling to make ends meet in this terrible economy.

The Soda Tax is also discriminatory. Taxing one product and one industry, to the exclusion of numerous items containing similar sugar-based ingredients, is simply unfair.

Those of us who live and work in Philadelphia are already burdened with among the highest taxation rates in the country. The Soda Tax would be an additional financial burden on families already struggling to make ends meet. It does not work for Philadelphia's residents, workers or business owners.

We respectfully ask that you hear our collective voices and vote "No!" to this outrageous and regressive tax. Thank you.

Sincerely,

Signature

Name

Jane Lipton

Business Affiliation

Manayunk Dev. Corp.

Winnie Clowey

Winnie Lebus

RICK RIVERA

AGIATO / MAIN ST. MARKET

ROBERT NYDICK

Belvedere

Joe Dahan

TAG

Molly Rossette

The Little Apple

Tom Konidaris

ZESTY'S

Monica Mitchell Psychic

Elizabeth Paradiso

Sweet Elizabeth's

(MOON)

Bruce Cooper

JAKE & COOPERS WICKER

Bevan STATION

Meré Café

JEFFREY W. BENDER

MANAYUNK TAVERN



Joseph Towett *Bayou Bar / Cactus Restaurant*
Patricia McNamee *Patrick McCANDLE* *Accent Josephine's Gourmet*