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February 8, 2008

Testimony To: Senate Committee on Commerce, Consumer Protection, and Affordable Housing
Senator Russell S. Kokubun, Chair

Presented By: Tim Lyons, Legislative Liaison
Anheuser Busch Companies

Subject: S.B. 2782 – RELATING TO METAL

Chair Kokubun and Members of the Committee:

I am Tim Lyons, Legislative Liaison for Anheuser Busch Companies and we support this bill.

This bill would include theft of stainless steel beverage containers (beer kegs) in the recently passed metal theft bill which is limited only to copper.

This is a huge problem. In fact, a problem that represents about a \$15,000,000 a year loss to the industry with over 300,000 stainless steel containers a year lost. Our local wholesaler here has gone from losing approximately 30 in 2006 to over 350 in 2007. In other words, it has just escalated beyond any reasonable proportion.

We are asking this Committee to assist because stainless steel beer kegs are one of the things that are positive for our environment. They are 100% recyclable. In fact, in the manufacturing process,

only 35% of the material represents new material; all the rest is recycled material. Additionally, most metal kegs last at least twenty (20) years.

We have been working with retailers and others to have them place the containers in more secure positions as they rotate them between empty and full however, with the very tight space that many restaurants and facilities have, sometimes this is impossible.

Based on the above, we highly recommend passage and we respectfully request your assistance in this problem. We know that the passage of this bill will help to act as a deterrent and bring the numbers back down to a manageable area.

Based on the above, we request your support.

Thank you.