



LATE

February 19, 2014

State of Hawaii
Committee on Commerce and Consumer Protection
Sen. Rosalyn Baker, Chair
Sen. Brian T. Taniguchi, Vice Chair

Committee on Public Safety
Sen. Will Espero, Chair
Sen. Rosalyn Baker, Vice Chair

Re: Testimony in Support of SB 3042

Aloha Ladies and Gentlemen of the Committee:

We are in support of SB 3042 as it serves to remove unjustified limits on beer production and create a license class that allows for a producer to create products of several types.

Kauai Island Brewing Company currently employs 30 full and part time employees. We are the only Brewpub on Kauai and have operated as a Class 14 brewpub since July 2012. Over the last 18 months we've experienced double digit sales increases such that we are already looking at expanding our brewing production capacity. We have also realized that many of our customers are extremely sophisticated in their taste preferences and are looking for both local craft beer as well as local craft spirits. We have also seen a trend in other states to offer companion pairings of both local craft beer as well as spirits.

As a brewpub, we have the opportunity to personally interact on a daily basis with a significant number of people, both local and visiting tourists. The passage of this bill would allow us to not only affect our immediate customer perception of Kauai but to effect their perception throughout Hawaii.

Further, we take particular exception to other's testimony pertaining to the unfair advantage of the purchase of spirits directly from manufacturers or the restriction of sale to off premise accounts. As a brewpub, we carry an extensive range of mainstream spirits purchased from our Spirit Distributors. Based on our experience in the industry, we do not foresee this sales trend to decline. In other words, we would forecast that an insignificant dollar amount of our Spirit sales will be spent on Boutique Craft Spirits.

Passage of this bill will do nothing but to help out the local Hawaii business owners by allowing greater access to the market and to remove an artificial barrel ceiling currently imposed on Breweries.

Sincerely,

Bret E. Larson, President
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(808) 755-5926



From: mailinglist@capitol.hawaii.gov
To: [WAM Testimony](#)
Cc: bigislandbrewhaus@yahoo.com
Subject: Submitted testimony for SB3042 on Feb 20, 2014 09:05AM
Date: Thursday, February 20, 2014 7:33:40 AM

SB3042

Submitted on: 2/20/2014

Testimony for WAM on Feb 20, 2014 09:05AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Thomas Kerns	Big Island Brewhaus LLC	Support	No

Comments: Aloha Honorable Legislators, I am writing testimony in stron support of SB 3042. This bill would allow a brewpub business flexibility to produce based on its own business model size to achieve healthy business. A production limit can hinder the viability of a production business where an economy of scale can help sustain an industry member int the limited confined market of Hawaii. This can allow a brewery the opportunity of multiple income streams selling within hawaii and exporting Hawaii made products outside of Hawaii. This can translate to more sustainable jobs in Hawaii. Please help support small business and production in Hawaii by passing this bill. Thank-you, Thomas Kerns

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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