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The Numbers Are In: Cook County Beverage Sales Continue to Decline As Consumer Flight and Resident Outrage Grows

*Cook County Retailers report declines in beverage sales
as high as 47% in first month of beverage tax*

Declines highest in stores near border

(CHICAGO – September 20, 2017) – Cook County retailers and employees released a new analysis today showing that beverage sales continue to drastically decline in Cook County since the county’s unfair and overreaching beverage tax went into effect on August 2. Members of the Illinois Food Retailers Association and their employees held a news conference today at Leamington Foods in North Lawndale to roll out this new analysis as opposition to the beverage tax among residents reaches nearly 90 percent.

“The beverage tax is as bad as we expected, but sales have declined at a much quicker pace than we anticipated,” said Frank Guiglio, district manager for Tony’s Fresh Market. All of Tony’s 13 stores have seen declines in effected beverage sales between 19 to 44 percent.

“I have never seen so much outrage and anger that is being displayed by our Tony’s customers regarding this regressive beverage tax,” added Guiglio.

Stores near the county border have experienced some of the greatest declines in beverage sales, with some seeing declines nearing 50% compared to sales in August 2016.

- 75% of Cook County retailers surveyed had beverage sale declines of 20% or more
- 40% of Cook County retailers surveyed had beverage sale declines of 30% or more
- 15% of Cook County retailers surveyed had beverage sale declines of 40% or more

“Lower sales means that we have to cut down hours from all employees,” said Laurie Tenuta, district manager for Valli Produce International Fresh Market whose store has seen juice, sports drinks, lemonade and ice tea sales decline by over 54 percent. “It is not right for them to have to lose hours or have to suffer because of this tax.”



Retailers participating the news conference included:

- Leamington Foods
- Tony's Fresh Market
- Valli Produce International Fresh Market
- Butera's Market
- Carniceria Jimenez
- Noble Street Pantry
- La Chiquita Food Market
- Potash Market

A bipartisan ordinance to repeal the county's beverage tax was formally introduced last week and a hearing and vote in the County Board's Finance Committee is expected before the next County Board meeting on October 11.

"These beverage sale declines matter. This tax is something that the county has inflicted on residents, has inflicted on employers and has inflicted on their workers," said Brian Jordan, president of the Illinois Food Retailers Association.

The news conference took place the same day Cook County begins collecting a floor tax that will collect the beverage tax from retailers on all the beverages they have stocked in their store. This equates to retailers fronting Cook County thousands of dollars to pre-pay the beverage tax in hopes of recouping the cost in the future.



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Retailers who participated in the data comparison of beverage sales declines from August 2017 vs. August 2016 by sales percentage declines

Butera's 4411 N Cumberland Ave Norridge, IL 60706	-47%	Tony's Fresh Market 3607 W Fullerton Chicago, IL 60647	-29%	Carniceria Jimenez 717 N 19th Ave Melrose Park, IL 60160	-16%
Butera's 4761 N Nagle Ave Harwood Heights, IL 60706	-44%	Fairplay Foods 3057 W 159th St Markham, IL 60426	-29%	Fairplay Foods 4640 S Halsted St Chicago, IL 60609	-15%
Tony's Fresh Markets 1241 N Rand Rd Prospect Heights, IL 60004	-44%	La Chiquita 3555 W 26th St Chicago, IL 60623	-27%	Carniceria Jimenez 3850 W Fullerton Ave Chicago, IL 60647	-14%
Fairplay Foods 6620 W 111th St Worth, IL 60482	-42%	Tony's Fresh Market 2500 N Central Chicago, IL 60639	-27%	Carniceria Jimenez 5330 W Belmont Ave Chicago, IL 60641	-14%
Fairplay Foods 8631 W 95th St Hickory Hills, IL 60457	-40%	Tony's Fresh Market 4137 N Elston Ave Chicago, IL 60618	-27%	Carniceria Jimenez 4204 W North Ave Chicago, IL 60639	-8%
La Chiquita 4926 W Cermak Rd Cicero, IL 60804	-38%	Tony's Fresh Market 5233 N Lincoln Ave Chicago, IL 60625	-23%	Potash Market 875 N State St Chicago, IL 60611	-2%
Tony's Fresh Markets 7580 Barrington Rd Hanover Park, IL 60133	-37%	La Chiquita 2637 S Pulaski Rd Chicago, IL 60623	-22%		
Tony's Fresh Markets 6704 Joliet Rd Countryside, IL 60525	-34%	Fairplay Foods 2200 S Western Ave Chicago, IL 60608	-22%		
Tony's Fresh Markets 8630 S Harlem Ave Bridgeview, IL 60455	-33%	Fairplay Foods 2323 W 111th St Chicago, IL 60643	-22%		
Fairplay Foods 8700 S Cicero Ave Oak Lawn, IL 60453	-33%	Tony's Fresh Markets 2099 N Mannheim Rd Melrose Park, IL 60160	-21%		
Tony's Fresh Markets 8900 N Greenwood Niles, IL 60714	-31%	Carniceria Jimenez 3850 W North Ave Chicago, IL 60647	-20%		
Butera's 2070 N Rand Rd Palatine, IL 60074	-31%	Tony's Fresh Markets 7401 W 25th St North Riverside, IL 60546	-19%		
Tony's Fresh Market 4608 W Belmont Ave Chicago, IL 60641	-30%	Carniceria Jimenez 550 W Dundee Rd Wheeling, IL 60090	-17%		

Additional Background on the Beverage Tax

Since Cook County's beverage tax went into effect on August 2, outrage from Cook County residents and businesses has been overwhelming. Nearly [90% of Cook County residents oppose the tax](#) because they know the tax is aimed at raising revenue to fuel more county spending. Opposition to the tax has been called "[grass-roots hatred](#)" and polls show Cook County voters will hold [Preckwinkle](#) and [county commissioners](#) who support the tax accountable. Simply put, residents are seeing through the campaign of misinformation from Cook County President Preckwinkle and New York City billionaire Michael Bloomberg.



A [bipartisan ordinance to repeal the county's beverage tax was formally introduced](#) last week and a hearing and vote in the County Board's Finance Committee is expected before the next County Board meeting on October 11.

Residents are getting hammered while the beverage tax devastates Cook County businesses. Cook County residents are paying up to 67% more on more than 1,000 every day beverages, including juices, iced teas, lemonades, flavored waters, sports drinks, pop and even diet drinks. [Retailers in Indiana and the collar counties](#) are reporting increasing sales, while Cook County retailers are reporting [beverage sales declines of over 50%](#). Some distributors have already reported the decline in sales and lost revenue has [forced them to lay off workers](#).

The impact of Cook County's beverage tax could be devastating, including an estimated 6,100 lost jobs, \$321 million in lost wages and \$1.3 billion in lost economic activity (Dunn & Associates, 2016).

President Preckwinkle is banking on the beverage tax to balance the county's budget for the next three years. But a recent analysis on projected county beverage tax revenue from Jones Lang LaSalle (JLL) concludes, ["Cook County estimates this tax will fund 10% its FY2018 budget, 2.27 times higher than our prediction."](#) JLL predicts the county will come up 25-55% short of its projected revenue from the beverage tax – leaving a GAPING hole in the budget the tax was intended to fill. Specifically:

- JLL Best case: Cook County will come up **28% short** of the projected revenue
 - Cook County only raises \$156.2M in new revenue from the beverage tax – \$44.4M short of its projection.
- JLL Predicted Case: Cook County will come up **55% short** of the projected revenue
 - Cook County only raises \$88.5M in new revenue from the beverage tax - \$112.1M short of its projection
 - Kicker and unplanned costs: "[N]ew tax implementation spurs administrative and legal costs not considered by the county."

About the Can the Tax Campaign and Coalition

The *Can the Tax* coalition is an initiative of more than a dozen organizations in Cook County uniting to educate Cook County consumers, businesses and news media about the negative impact of the Cook County beverage tax on our local consumers and businesses. The Coalition will urge the Board of Cook County Commissioners to repeal the beverage tax to ensure Cook County residents have access to affordable consumer products and avoid the lost jobs and harm the tax will cause working families. Campaign activities are paid for by the American Beverage Association, a member of the *Can the Tax* campaign and coalition. To learn more, visit [StopTheCookCountyTax.com](#).

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