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**PHILADELPHIA BUSINESSES, FAMILIES DECRY ONE-YEAR BEVERAGE  
'TAXIVERSARY'**

*Philadelphia Retailers, Small Business Owners Highlight Job Losses, Economic Pain  
from Destructive Tax*

**Contact:** Anthony Campisi  
(215) 821-8657

[Anthony@Ceislermedia.com](mailto:Anthony@Ceislermedia.com)

Philadelphia businesses and families have suffered through a year of Philadelphia's beverage tax.

The 1.5 cents per ounce levy on more than 3,000 different beverages – from iced teas to juices to sports drinks – has caused prices to skyrocket for working families since going into effect Jan. 1, 2017.

Even as the Chicago-area beverage tax was repealed last month, local business owners in Philadelphia continue to contend with shoppers fleeing the city for suburban stores.

"This regressive tax has pushed Philadelphia families to shop in the suburbs, hurting local businesses and forcing the elimination of hundreds of unionized jobs in the city's supermarkets," said Dave McCorkle, President Emeritus of the Pennsylvania Food Merchants Association, which represents hundreds of Philadelphia stores impacted by the tax. "Mayor Kenney and City Council need to finally admit that this tax is bad for Philadelphia's economy. They need to follow Chicago's lead and jettison a tax that is wreaking havoc for neighborhood economic engines."

In honor of Philadelphia's one year Taxiversary, here are some highlights demonstrating how this tax is hurting local Philadelphia businesses and costing hundreds of family-sustaining union jobs:

- **More than 200.** This is the number of union jobs local supermarket owner Jeff Brown says are being lost in his ShopRites and Fresh Grocer stores located in Philadelphia. "Four of my seven Philadelphia stores are now unprofitable thanks to this beverage tax," Brown said. "Each of my stores employs 200 to 300 people. I'm afraid that I may have to close a store because this tax makes it nearly impossible to operate supermarkets in low-income communities."
- **More than 150.** This is the number of job reductions at Philadelphia's three local bottlers thanks to the tax. With fewer people in Philadelphia purchasing beverages, bottlers have been forced to restructure by cutting headcounts at bottling facilities and among Teamster drivers.

“This tax has driven a stake through the heart of an industry that provides hundreds of family-sustaining blue collar jobs in manufacturing,” said Danny Grace, Secretary-Treasurer of Teamsters Local 830, which represents truck drivers, bottling plant employees and sales personnel who have lost their jobs because of this tax. “Every day this tax remains in effect is another day that working families in Philadelphia have to worry about their futures. We need to repeal this job-killing tax now.”

- **Fifteen percent.** Mayor Kenney’s administration has never hit its full monthly beverage tax revenue collections target of \$7.7 million a month. Instead, the city is closing the year about 15 percent short of its goal – proving that the tax isn’t providing the money the mayor says he needs even while costing jobs and hurting local businesses. And, [as reported in the Philadelphia Business Journal](#), the city just announced that it closed November with its lowest monthly collection yet, bringing in less than \$6 million.
- **More than \$300,000 monthly.** Saint Joseph’s University food economist Dr. John Stanton released a study in September demonstrating that Philadelphia supermarkets are losing an astounding \$300,000 each month because the beverage tax is driving city residents to shop in the suburbs.  
“Any debate about the tax must take into account the real impacts it is having on city supermarkets,” Dr. Stanton said. “Rather than shifting dollars from beverages to other categories, families are shopping in the suburbs, causing a negative halo effect as sales in non-beverage items also plummet in Philadelphia supermarkets.”
- **62 percent.** Philadelphia’s beverage tax continues to be wildly unpopular among voters – and the tax is becoming even more unpopular as residents learn more about it. Sixty-two percent of voters now oppose the tax, even after more than \$2 million spent in pro-tax ads by former New York Mayor Michael Bloomberg over the summer.
- **Two months.** That’s how long it took the Cook County Board of Commissioners to repeal a similar Chicago-area beverage tax after it went into effect. The commissioners voted in October to repeal that levy after seeing an intense backlash from consumers and local businesses – and months after voters in Santa Fe overwhelmingly rejected a beverage tax proposal in a referendum.
- **\$492 million.** While Mayor Kenney is backing a new tax that takes money out of working families’ budgets and costs local jobs, the city is facing a massive \$492 million backlog in uncollected property taxes. Before going after hard-working families and business owners with a new tax, he should pursue people who owe the city money.

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*The Ax the Bev Tax Coalition is a partnership between Philadelphia families and businesses negatively impacted by the city’s new regressive beverage tax. For more information visit [www.axthebevtax.com](http://www.axthebevtax.com).*