



Wisconsin's Unfair Sales Act Protects Jobs

Wisconsin has one of the most competitive retail environments in the country because main street businesses compete fairly for each and every dollar. Sen. Leah Vukmir and Rep. Jim Ott have begun the latest charge to repeal the Unfair Sales Act because they claim stores aren't able to offer consumers low costs. They're just wrong. Nothing could be further from the truth.

Consider the following facts: First, peer-reviewed research shows that states with Sales Below Cost (SBC) laws have **MORE** competition, **MORE** jobs and **LOWER** prices. It seems like some legislators are trying to create a problem that doesn't exist in search of a solution that will lead to economic turmoil, closed businesses and fewer jobs for main street businesses throughout our state. In fact, this misguided effort will actually strengthen the market position of a few mega-retailers in Wisconsin.

Second, Wisconsin citizens already pay less on average for retail goods than consumers in the rest of the country. And it is due to our competitive marketplace. So why do we have to change the rules for big businesses in Wisconsin?

Third, Main Street Businesses know that money spent local, stays local. Most mega-retailers send profits out-of-state. Studies show that nearly 52 percent of revenue from locally owned businesses is usually spent within a two-county radius. In comparison, mega-retailers return just 14 percent of their revenue to the local economy.

If the politicians repeal the Unfair Sales Act, then gas stations, convenience stores, grocery stores, hardware stores, shoe stores, liquor stores and others will be forced to sell below their costs to keep up with the mega-retailers that can afford to sell below cost. But, they can only do that for so long before they go out of business, and their employees start to collect unemployment from the state.

While customers may see lower prices for a while, that will only last until the winner of the price war puts the competition out of business, and then raises the prices up to **higher** than where they started.

When you see stories in the media in the next few weeks about the Unfair Sales Act, arm yourself with the facts. There is no need to repeal a law that is working well in Wisconsin. When businesses compete fairly, consumers and the economy win. Let's keep Wisconsin's economy moving in the right direction. It's time to support Main Street businesses, not shut them down.

Respectfully yours,

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