>>> "Dave Bryans" <bryans@conveniencestores.ca> 4/9/2013 12:10 pm >>> Vince I wanted to thank you and your staff for the meeting of Friday April 5, 2013 where we had a round table discussion on the consultation and feedback on options concerning the plastic bag issue as part of the staff report to PWIC.

The OCSA has been clear that a plastic bag ban is unacceptable to the family run convenience stores in Toronto as any suggested ban would hurt the business model of our members in the City and put small family run stores at a competitive disadvantage over bigger box stores and larger format grocery and drug stores. The reasons are the majority of C Store customers make a higher percentage of impulse purchases as well as unplanned purchases due to the nature of the convenience sector and any ban on bags would potentially send our customers to their planned big box purchase at a later date. Add in the front line employees would be the target of customer dissatisfaction and potential abuse if we could not offer a means of carrying their purchases to the subway, street cars or home after a long day at work.

In a survey conducted by Leger Marketing by Dr Chuck Chakrapani (President of Leger Analytics) clearly demonstrated that 47% of all convenience shoppers in Toronto would limit their purchases and change their buying habits as a result of a potential bag ban in Toronto. (Survey attached). As you can appreciate this could be very damaging to the small business model in Toronto and hurt the family run culture and potentially closing many stores.

The OCSA believes the plastic bag issue need to follow the three 'R's' – Reduce, recycle and reuse and this can be accomplished by working with the business sector to educate citizens of Toronto together.

Review of Options:

Option # 1 - No Mandated plastic bag initiative 'status quo' : The OCSA supports this recommendation allowing small family run stores to conduct their business on equal and level playing fields of all other businesses. We believe retailers presently charging for bags (even though not required) is a business choice and we accept this type on initiative.

Option #2 Mandated Fee \$.05 – retailers in the past were required to charge this fee and convenience stores did not object to this requirement and complied when required. We don't oppose reinstituting this fee but remind all that if imposed the retailer decides what to do with the fee not the City. A voluntary fee could be encouraged under this scenario and allow the marketplace to decide the outcome in a competitive environment.

Option # 3 Mandated Ban: this option is still unacceptable to small business in areas discussed above and in previous correspondence through the later part of 2012.

Option # 4 Voluntary Fee & Enhanced 3R's Bag Management: The OCSA could support this suggestions by some attendees at the consultation and see this as a possible compromise for all.

We appreciate the time and discussions and encourage you to call us anytime if you need any additional comments or clarification. We would be happy to work with the City and be part of any areas where we can encourage an agreeable solution on this topic.

Attachment 10: P:\2013\Cluster B\SWM\June\008PW (AFS#16866)

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