

**TESTIMONY OF LAWRENCE A. MANDELKER on behalf of
THE NEW YORK METROPOLITAN RETAIL ASSOCIATION (NYMRA) before the
COMMITTEE ON CONSUMER AFFAIRS**

**Chair: Hon. Daniel R. Garodnick .
Tuesday, June 4, 2013, 1:00 p.m.
14th Floor Hearing Room – 250 Broadway**

**NYC COUNCIL INT. NO. 1048
PRICE OF ITEMS SOLD AT NEWSSTANDS**

Chairman Garodnick and Members of the Committee, I am testifying on behalf of the New York Metropolitan Retail Association known as NYMRA. Our members are national chain retailers operating in the City of New York. Among them is the National Association of Chain Drug Stores

There are two models that retailers follow. The first is the specialty store model that sells only one type of product, jewelry, hardware and shoes come to mind. It is based on a customer needing one type of product and purchasing it a store known for the sale of that product. The second is the general store model that sells many different products. It is based on a customer entering to buy one of the many types of products that are for sale seeing and purchasing other products for sale too. Department stores, mass merchandisers and national chain drug stores follow the general store model

The purpose of Intro 1048 is to increase the number of products that can be sold at newsstands. If consumers will now be able to purchase a product at a newsstand that they formerly bought in a store, they will not enter the store and see other products for sale that they might also purchase. In other words, the effect of Intro 1048 would be to divert traffic from stores, particularly, mass merchant retailers.

Recognizing this, Administrative Code §20-231 (b) tries to balance the need of newsstand owners to sell more products with the need of store owners to prevent potential customers from being diverted from entering their stores. It prohibits newsstands from selling certain products, even if they can be sold within applicable price limit. The products that are presently prohibited are apparel, jewelry, hair ornaments, handbags and video cassettes. Because Intro 1048 would increase the price limits by 100% without changing the prohibitions, it would alter the balance in favor of newsstands and against retailers in stores, particularly since there is no longer any demand for one of the prohibited products, video cassettes.

In order to restore the balance, the following additional products should be prohibited: undergarments (including pantyhose), bathing, shaving and feminine hygiene products, cosmetics, over the counter drugs, batteries and electronic products. The prohibitions we suggest would allow newsstands to sell many more products than they do now while minimizing the diversion of customers from our stores.

The City has imposed many requirements on retailers, including but not limited to paid sick leave, living wage, recycling of electronic products. It cannot keep imposing costs on retailers and then essentially divert potential customers from retail stores. Our stores are engines of employment and tax revenues. We need and deserve the Council's support.

The New York Metropolitan Retail Association therefore opposes Intro.1048 in its present form and urges disapproval.

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New York City Newsstand Operators Association

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TESTIMONY OF ROBERT BOOKMAN, COUNSEL TO NYC NEWSSTAND OPERATORS ASSOCIATION, IN SUPPORT OF INTRO 1048, JUNE 2013

Sidewalk newsstands are an iconic symbol of NYC streetscapes. There is hardly a motion picture set in New York that does not have a scene of the Statue of Liberty and a street newsstand.

But they are much more than a romantic backdrop. They are one of the last bastions of sellers of 1st Amendment materials...daily newspapers...and are readily available to fast paced New Yorkers and street loving tourists alike. It is no secret that print newspapers are facing hard times. These sidewalk newsstands remain very important retail outlets for them, perhaps now more than ever.

And historically, these stands provide a wonderful entrepreneurial opportunity for our city's have nots. Once that was blind operators, back in the day when they had no other chances to make a living, then disabled veterans when they could not get a job, and more recently, new immigrants trying to make the American dream their own.

I would say that these public benefits are more than a fair exchange for a small piece of sidewalk, averaging only about 55 square feet each.

But their numbers have dwindled over the decades for many reasons, from a high of about 1500 in the 1940's to only about 300 today.

We must work together to preserve the remaining newsstands, just as previous Council's have done in various ways before you. Insuring a modicum of profitability is a very important means to that end.

Which brings me to Intro 1048.

The last time sidewalk newsstands got a raise was back in 2002, eleven years ago. In fact, it was the Mayor's first bill signing. That is a long time in any economy. That raise helped stabilize the number of newsstands without any negative impact on nearby businesses. But it is outdated and we are overdue for an increase in the price we can sell non periodical

merchandise for.

Items we were able to sell for \$5 in 2001 have increased in price and we can no longer sell them. Examples include camera batteries, large packs of candy, street maps and tourist guide books. Moreover, the times have changed and we need to keep up with the demand from tourists and New Yorkers for on the go items such as phone chargers, earphones and sunglasses. And it would be nice to be able to sell an umbrella that lasts more than one use.

This increase will do all of that and keep newsstands open, it is that simple. We urge your support and ask for quick passage of this bill.

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1048 Res. No. 10

in favor in opposition

Date: 6/4/13

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Please complete this card and return to the Sergeant-at-Arms

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THE CITY OF NEW YORK**

Appearance Card

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Date: 6/4/13

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Name: ROBERT BOOKMAN, ESQ

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I represent: NYC Newsstand Operators Assoc

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