

Thank you, Chairman McGovern, and other Rules Committee members. I feel very privileged to be here today to discuss the subject that's so near and dear to my heart. My name is RF Buche with GF Buche Company. I'm a fourth generation South Dakota grocer, and I've been in this business since I was four years old and snuck out of a snowstorm to go work with my dad, so I've been in a long time. My great grandfather, Gus Francis Buche – hence the GF Buche Company – started this company in Lake Andes in 1905. Currently, we have 20 locations in 12 different communities throughout South Dakota. All 20 communities are rural, and 19 of those 20 locations are either on or near an Indian reservation. We've been operating in Indian country for 116 years, so food within the Native American communities has been bred into me, and I'm very passionate about the customers living on and near the reservations throughout South Dakota.

I have a couple projects to tell you about that we've been doing to help fight hunger. Our first one is called Feed the Hungry; our goal is to provide food essential items for those in need in times of a gap in benefits. As you all know, when a person goes to sign up for SNAP, they don't receive those benefits immediately, so they'll go to their local food pantry to be able to get items until their SNAP benefits begin. We do a fundraising event held in each of our 20 locations between early November and Christmas when customers are feeling the most generous to help stock food pantries across the communities in South Dakota we operate in. There are no administrative costs, and one hundred percent of the money collected goes right to those in need. Additionally, I personally match up to 500 dollars for each of the 17 non-profit food pantries. We have been doing this for nearly 10 years and have raised thousands for those in need.

Another project that I'm working on is a travel trailer for essentials, food and other grocery items. Our goal is to provide healthy foods as well as essential products to areas where there is little means of transportation. GF Buche Company is working with a non-profit organization named One Spirit on the Pine Ridge Indian Reservation to secure a semi-trailer and truck with both frozen and cold storage so that we can, on a consistent basis, transport grocery items to those communities that are anywhere from 50 miles on into 10 miles away from a grocery store. We plan to go out to these districts, which are small communities on the reservation, and sit there for half-day, or one day a week, and have food available for those customers that don't have transportation. This will definitely fill a void, but it certainly doesn't leave much for variety and choices for the people.

The project I'm most excited about is food delivery to lockers, we hope to be rolling this out during the first quarter of 2022. Our goal is to provide healthy foods, as well as essential products, to areas where there is very little means of transportation. GF Buche Company received a grant to install temperature-controlled food lockers – similar to a school locker, but with frozen and cold storage as well as ambient storage – which will allow us to store anything from frozen vegetables to fresh vegetables to canned vegetables. We are putting these lockers in Marty, South Dakota, which is a town 16 miles away from the nearest grocery store. Marty is on the Yankton Sioux Reservation, and these lockers will give customers the ability to shop online with any smart device – or they can shop directly from the unit. The lockers will be put in a community center that has very flexible hours and is in a location for people to easily get to. Customers will be given a locker code when they order their groceries, and then they will be able to go in and pick up those groceries. Residents will also be able to use SNAP benefits in addition to debit and credit payments. A cold delivery truck will be used to bring these residents their groceries and deposit them into the lockers within the unit, so we are super excited to be rolling this project out because I think that this is something that could potentially work not just in small communities within the reservations, but in small town across America.

GF Buche Company is the only South Dakota independent grocery retailer that has been approved to accept SNAP benefits online. This allows SNAP participant customers the ability to order food online and have a safe, contact-free, online experience just like any other customer.

Lastly GF Buche Company will be participating in a test of online WIC purchasing, working with the State of South Dakota and the Rosebud Sioux Tribe. WIC clients living on the Rosebud Sioux Reservation, the Pine Ridge Reservation, as well as four other reservations across the state, will be able to order WIC online as well.

But none of these ideas will ever completely work to end hunger in rural and Native American communities until something is done to enforce our federal antitrust laws. Big box stores and dollar chains are leveraging their power over manufacturers to create unfair competition and dominate markets not just in South Dakota but in small towns throughout the country. We are competing heavily with dollar store formats – which have recently popped up in every rural town – where approximately 70 percent of their sales are consumable products. That means that 70 percent of their sales compete heavily with my grocery store and every other independent and family-owned grocery store across this country. However, dollar stores primarily carry ultra-processed foods which means very little to no healthy options for their customers, further leading to obesity and other negative health outcomes. What programs or initiatives do dollar stores participate in and contribute to in the communities they serve? The answer is few, if any. You'll never see their name on the back of a ball team uniform or as sponsors of a local food drive.

How do dollar stores drive independents like myself out of business? They use “cheater size” packaging, which is a size of product that looks the same as you can find in your local grocery store, but it is actually smaller. Customers see a cheaper price at their dollar store but fail to realize that the price point also reflects the sizing. Where antitrust issues are concerned, these dollar chains restrict manufacturers from selling those smaller-sized products to independents like myself so I can't even compete fairly.

The worst abuse, however, from these national big-box stores and dollar chains is how they prevent independent grocers from getting the products we need to keep our shelves stocked and our customers happy. Let me put into context how pervasive these anticompetitive practices are. My wholesaler affiliate, Associated Wholesale Grocers (AWG), out of Kansas City, KS, is the largest cooperative wholesaler in the United States and does \$22 billion in retail sales annually. But during the pandemic, Ball™ who produces jars and jar lids for canning vegetables and other products, decided not to sell their products to AWG so those customers of mine that want to live off the land and want to eat healthy and use canning as a source to get through the winter, can't buy them from me. But you can go into any Target or Walmart and find their product on the shelf. Unfortunately, that doesn't do my customers any good because the nearest Walmart or other big-box chain closest to the communities I serve is over 50 miles away.

Likewise, during the pandemic, AWG was forced to put allocations on all kinds of products like ramen noodles, ground beef, Pedialyte and formula for babies, as manufacturers prioritized their big-box and national accounts well before independents. The quantities we received were so limited that we had to personally drive product from our lower volume stores to fill shelves at other locations that were out. The distance from our lowest volume store to our store in Pine Ridge is 253 miles; not the most economical situation for me, but that doesn't concern me one bit. I'm glad to do it for my customers if it means they won't go hungry. But picture this, please: Pine Ridge, one of the poorest counties in the nation, not having WIC items like formula for babies on their local grocery store shelf because my big-box and national competitors can force manufacturers to fill their orders and disregard independents.

I apologize if I seem a little upset about antitrust laws not being enforced and unfair competition being the result, but it's because I care passionately about my customers going hungry and I truly believe this is a life-or-death situation. Can you imagine if we didn't make that twice-a-week twice trip, consisting of over 500 miles per week? People on the Pine Ridge Indian Reservation could have starved, and that's just wrong. Unless we start enforcing antitrust laws, guys like me are going to disappear by the thousands across the country. And I'll guarantee there will not be a CEO from Walmart or Dollar General that will drive across this state to deliver food and goods to their customers. Thank you.