

**COVID-19: SOME NUMBERS  
(YOU CAN USE)**

Changes in state-level COVID-19 restrictions, as well as consumer behaviors, have led to crests and troughs in customer traffic across all industries. Each industry has been impacted differently, and some are further along in their economic recovery than others. Unfortunately, the on-premise side of the beverage alcohol industry has seen the deepest dip in business and has been the slowest to realize any significant bounce-back.

Let's take a look at some numbers ... *just in the State of Maryland:*

In early 2020 there were over 4,000 active on-premise beer-wine-liquor (BWL) establishments, not including private clubs with beverage alcohol licenses nor restaurants without any type of beverage alcohol license. (According to the Comptroller of Maryland.)

In 2019 the restaurant industry of Maryland employed 207,400 people ... that is over 7% of employment in the entire state. (According to the National Restaurant Association and the Restaurant Association of Maryland.)

In 2018 there were approximately \$13.3 billion in sales at Maryland's restaurants. (According to the National Restaurant Association and the Restaurant Association of Maryland.) The sales tax alone collected on these sales was \$800 million.

How does the restaurant industry impact the Maryland economy? Approximately every dollar spent at a Maryland restaurant goes on to contribute \$1.63 to the state economy.

These numbers tell the story of an industry that is a driving force in Maryland's economy. An industry that provides jobs and builds careers for thousands upon thousands of people and delivers billions in taxes (when including all the levels of taxation; i.e., sales taxes...income taxes...property taxes, etc.) to the local, state



and the federal governments,

Since the middle of March 2020, restaurant traffic across the entire United States hit a low of 24.2% of its 2019 levels. In the last few months there has been an increase of nearly 18% with restaurant traffic at 40.7%. (According to research and marketing company Zenreach.)

I realize I'm extrapolating national numbers and relating to Maryland with the following observation, but I don't think it's a stretch. If the restaurant industry is only achieving 40.7% of the traffic realized at the same time one year ago, then the earlier cited statistics for Maryland one year from now could be:

**40.7% of 4,000 would be a loss of 2,372 on-premise establishments.**

**40.7% of 207,400 is 123,000 people no longer employed by the restaurant industry of Maryland.**

**40.7% of \$13.3 billion is only \$5.4 billion in sales at Maryland's restaurants.**

The sales tax collected on these sales would be only \$325 million, a loss of almost \$500 million in just sales tax collected here in Maryland. This doesn't account for the billions in lost taxes at all the levels of taxation (income ... property, etc.).

We are all working to protect our businesses, our jobs, and our families as best we can during this crisis. I'm hoping you will share these frightening statistics with your elected and non-elected officials in government (*hint-hint, the Governor's office*). If those imposing these restrictions can see the economic catastrophe they are causing on a statewide level, maybe a greater urgency to reopen will be realized. ■

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Maryland • Washington, DC

**Beverage Journal**

Published Monthly by  
**The Beverage Journal, Inc.**  
(USPS# PE 783300)

Over 80 Years of Continuous Publication

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**POSTMASTER:** Send address changes to  
**THE BEVERAGE JOURNAL, INC.**  
P.O. Box 159, Hampstead, MD 21074-0159

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**Periodicals postage paid at Baltimore, MD** and additional mailing offices. Subscription rates: MD edition; 1 year \$45.00 plus tax, 2 years \$75.00 plus tax, 3 years \$100.00 plus tax, FedEx Ground delivery \$85.00 plus tax per year per edition, single copies \$10.00 plus tax. DC edition; 1 year \$36.00 plus tax, 2 years \$60.00 plus tax, 3 years \$83.00 plus tax, FedEx Ground delivery \$85.00 plus tax per year per edition, single copies \$5.00 plus tax.

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