

Maine State Liquor and Lottery Commission
Minutes of Meeting
Tuesday, January 10, 2023
Virtual component using Zoom

Call to Order:

Commission Chair Fitzgerald called the meeting to order at 10:00 A.M.

Roll Call

Commissioners in Attendance: Elizabeth Fitzgerald, Julie Sheehan, Stacey Fitts, and Kimberly Monaghan

BABLO/DAFS Staff in attendance: Director Gregg Mineo, Deputy Director Michael Boardman, Tracy Willett, Spirits Operations Manager, Lisa Rodrigue, Lottery Marketing Specialist, Terrence Meehan, Financial Analyst; Philip Mantis, Attorney General's Office, and Julie Waller, Clerk of the Commission

Pine State Spirits in attendance (Spirits portion only): Sheila Gibbons, Adam Victor, Terry Goodard, Nick Sanborn, Don Potter, and Tammy Tyler

Scientific Games in attendance (Lottery portion only): Darrell Frecker and Greta Larson

Fuseideas in attendance (Lottery portion only): Steve Mason

Others in attendance:

Spirits portion only: Rob Andreasen, David Hall, Zach Redman, Southern Glazer's; Gary Duncklee, RNDC; Stephen Chapman, MS Walker; Caitlin Murphy, HPM Associates; Bob Barton, Perfecta Wine; Christine Cummings, MGFPA; Michael Meier, RSVP; Jesse St. Laurent, Roopers; Stephanie St. Laurent, Roopers; Dean Nowell, Bow Street; Andy Delony, Distilled Spirits Council; Jody Reese, Stone Fence Beverage; Sonia Statires, Stone Fence Beverage

Lottery portion only: Rachel Olson, RTKAC; and Renee Loring

Approval of Minutes:

Commission Chair Fitzgerald asked for a motion that the minutes of the December 13, 2022, meeting be approved. A motion was made by Commissioner Sheehan to accept the minutes; the motion was seconded by Commissioner Fitts. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously.

Liquor Operations:

Director Mineo reported on December 2022 sales as follows:

- Sales report for December:
 - Shipping days: 21 TY vs. 22 LY
 - Cases sold were 132,068 TY vs. 143,553 LY; -8.0 %
 - Dollar Sales were \$22,579,706 TY vs. \$22,917,535 LY; -1.47%
 - Bailment collected: \$247,026
 - Depletion allowances: \$1,140,702

- Sales report for YTD:
 - Cases sold were 783,504 TY vs. 789,046 LY; -.70 %
 - Dollar Sales were \$130,245,019 TY vs. \$123,469,081 LY; +5.49%
 - Shipping days: 129 TY vs. 130 LY

Director Mineo reported the following sales and profit reports (sale and profit reports attached to the minutes):

- Maine Spirits Business Activity for December 2022
- Sales comparisons by County for Maine
- Top 25 Agents in 3 Month Case Sales
- Maine Luxury Spirits three-month trend
- Budget to Actual Financial Performance

New Business: None

Old Business: None

New Product Listings:

Spirits Operations Manager Tracy Willett presented forty-four (44) new product listings for January 2023. A motion was made by Commissioner Fitts to approve all the items presented for listing; the motion was seconded by Commissioner Sheehan. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously. (New product listings distributed and attached to the minutes.)

Label/Package Changes:

Spirits Operations Manager Tracy Willett presented two (2) label/package changes for January 2023. A motion was made by Commissioner Fitts to accept the label/package changes as presented; the motion was seconded by Commissioner Sheehan. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously. (Label/package changes distributed and attached to the minutes.)

Rebates:

Spirits Operations Manager Tracy Willett presented eight (8) rebates/coupons for January 2023. These rebates/coupons were standard in nature. A motion was made by Commissioner Fitts to accept these rebates/coupons; the motion was seconded by Commissioner Sheehan. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously. (Rebate/coupon distributed and attached to the minutes.)

Pine State Spirits:

Sheila Gibbons reported on the following:

- Winter Rack Art
- Winter Drink Recipes
- Winter Food Recipes
- December App Content Trends
- December Top Ads
- Facebook December 2022 Performance

- Instagram December 2022 Performance
- December 2022 - Top Instagram Posts (by Likes/Reactions)
- Email Marketing
- In The Know
- Blogs
- Maine Spirits App – Launched January 2018, Total Downloads – 101,762, New Downloads 1,391
- December Push Notification Results
- December TikTok
- 2022 Year in Review Stats
 - Top Cities - Portland, Lewiston, Augusta, Bangor, Scarborough
 - Top Counties – Cumberland, York, Kennebec, Penobscot, Androscoggin
- 2022 App Content Trends - Top Spirits Searched; Top Recipes Favorited; Top Spirits Favorited

Other Business: None

Public Comments: None

Lottery Operations:

Director Mineo reported on YTD (through December 31, 2022) sales as follows:

- Draw Sales FY23 \$46,181,036; +\$12,521,159 or +37.20%
- Fast Play Sales FY23 \$7,661,059; +\$961,861 or +14.36%
- Instant Game Sales FY23 \$165,017,796; -\$1,150,395 or -0.69%
- Total Combined Sales FY23 \$218,859,891; +\$12,332,625 or +5.97%

- Lottery Profit Transfer to General Fund
 - December Actual FY23 \$7,138,319; +\$1,128,703 to Budget +18.78%
 - YTD Actual FY23 \$38,372,605; +\$5,920,678 to Budget +18.24%

- Profit Transfer to Outdoor Heritage Fund
 - December Actual FY23 \$73,814; -\$3,109 to Budget -4.04%
 - YTD Actual FY23 \$580,604; +\$165,221 to Budget +39.78%

(Fiscal Year Comparison and Monthly Profit Report attached to minutes)

New Business: None

Old Business: None

Report on Tri-State Activities:

- Commissioner Sheehan reported that there was a short meeting held in December. New Hampshire requested the meeting because they needed the Megabucks rule changes for their digital platform, which was approved. Next meeting is scheduled on February 10, 2023.

Scientific Games:

- Darrell Frecker reported that Lotto America has the highest jackpot to date. They are currently working on 2023 initiatives including system enhancements and new fast play games. They will be launching quarterly releases of fast play games. They are working on major project to replicate self-service terminals that will accept credit and debit payments.
- Greta Larson went over calendar year 2022 sales. Instant sales are almost head-to-head with 2021. Calendar year 2022 sales are over 2018, 2019, and 2020. Sales for 2022 are over 2018 by 38% which is a very exciting number. Calendar year 2022 draw sales were \$75,436,884. Fast play is doing very well. The average value of tickets sold for fast play was \$6.07 in 2022. The average value of tickets sold for fast play 2021 was \$5.44. That is a 12% increase over the previous year. Play central HDs had a record year. The 2022 full line of play central sales were the highest year on record.

Fuseideas:

- Recap of December advertising - Living Lucky with Luke Combs ran in rotation with Holiday Reindeer Run and the ugly sweater TV spot. December 31 was the last day of the Reindeer Run promotion. Living Lucky with Luke Combs will continue through January. Plan for February is to drop off TV and go with radio to support Tri-state Megabucks. March is national problem gambling awareness month. Some radio and TV spots will run in support of responsible gaming.

Other Business:

- Deputy Director Boardman spoke regarding a partnership with National Council on Problem Gambling. Advertising is done during the holidays regarding responsible gift giving reminding the public that lottery tickets are not to be given to underage players. Lottery is an age restricted product. He also provided an update regarding two new staff members who will be starting shortly for the Lottery Division.

Public Comment: None

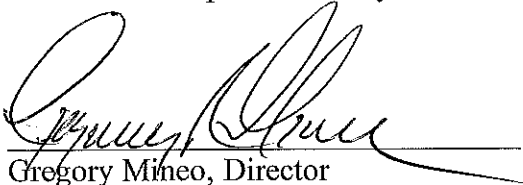
Adjournment:

The next Commission meeting is scheduled for Tuesday, February 14, 2023, at 10:00 a.m.
The March 2023 meeting is tentatively scheduled for Tuesday, March 14, 2023, at 10:00 a.m.

There being no further business Commissioner Fitzgerald declared the meeting adjourned at 11:45 a.m.



Elizabeth Fitzgerald, Chair
Maine State Liquor & Lottery Commission



Gregory Mineo, Director
Bureau of Alcoholic Beverages & Lottery Operations