

Maine State Liquor and Lottery Commission

Minutes of Meeting

Tuesday, December 10, 2024

Virtual Component using Zoom

Call to Order:

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

Roll Call

Commissioners in Attendance: Chair Elizabeth Fitzgerald, Julie Sheehan, Stacey Fitts, Kim Monaghan, John Schneck.

BABLO/DAFS Staff in Attendance: Director Louis Luchini, Deputy Director Michael Boardman, Acting Deputy Director Tracy Willett, Lisa Rodrigue, Lottery Marketing Specialist, Terry Meehan, Financial Analyst, Philip Mantis, Assistant Attorney General, Nicholle Clark, Liquor Operations Associate, Dan Meaney, Lottery Games Manager, Niall Breen, Lottery Operations/Security, Judy Thomas, Marketing Specialist, and Julie Waller, Clerk of the Commission.

Pine State Spirits in attendance: Sheila Gibbons, Don Potter and Tammy Tyler

Scientific Games in attendance: Greta Cerce and Renee Loring

Fuseideas in attendance: Steve Mason

Approval of Minutes:

Commission Chair Fitzgerald asked for a motion that the minutes of the November 12, 2024 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's Report. Director Luchini stated that the State had finalized the wholesale spirits contract with Pine State Trading Company. As directed by the Legislature, the State entered into a single 10-year contract extending into November of 2034.

Director Luchini also updated the Commission on the Modernization Project that has been "live" since late October. The project has been going very well. The new system will provide licensees the ability to pay fees and submit excise taxes online, rather than mailing in checks.

Director Luchini gave a brief overview of nationwide trends on decreasing spirits sales and some potential causes. Director Luchini also noted that Costco has had their initial buy in since receiving an agency store license, which will give a bump to overall numbers.

Director Luchini reported on November 2024 sales as follows:

Sales Report for November:

- Shipping days: 20 TY vs. 21 LY
- Cases Sold were 114,104 TY vs. 116,150 LY; down 1.76%
- Dollar Sales were \$20,030,355 vs. 20,100,104 LY; down 0.35%
- Bailment collected \$259,243
- Depletion Allowances \$829,522

Sales Report Year to Date:

- Cases sold YTD: 639,886 vs. 638,164 LY; up 0.27%
- Dollar sales YTD: \$111,354,237 vs. \$109,273,583; up 1.9%
- Shipping days were up 1 day over last year
- Averaged on a cases sold per day basis, cases sold are down 0.65%; and dollar sales are up 0.97%
- Spirits Operating Profit for November was \$5,048,905
- Spirits Profit Transfer for November was \$4,782,262
- Acting Deputy Director Tracy Willett presented:
 - Maine county case analysis
 - Top 25 Agency Liquor Stores in 3 Month Case Sales Increase

New Business: None

Old Business: None

New Product Listings:

Acting Deputy Willett presented 46 new products to be listed in December. Two items initially included in the documents were requested to be removed from the list by the broker (Svedka Cosmopolitan and Svedka Espresso Martini). A motion was made by Commissioner Sheehan to approve the 46 new items presented for listing; the motion was seconded by Commissioner Fitts. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously.

Label Changes:

Acting Deputy Willett presented one item for a label change. A motion to approve the label change was made by Commissioner Sheehan; the motion was seconded by Commissioner Fitts. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously.

Quarterly Price Adjustments:

Acting Deputy Willett presented quarterly prices adjustments, including over 100 items with a decreasing price. A motion was made by Commissioner Sheehan to accept the price changes; the motion was seconded by Commissioner Fitts. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously.

Delisted Items:

Acting Deputy Willett presented 254 items for delisting. A motion was made by Commissioner Sheehan to approve the items for delisting; the motion was seconded by Commissioner Fitts. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously.

Rebates:

Acting Deputy Willett presented 29 rebates/coupons for December 2024. These rebates/coupons were all standard in nature. A motion was made by Commissioner Sheehan to approve these rebates/coupons; the motion was seconded by Commissioner Fitts. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously.

Pine State Spirits:

- Sheila Gibbons reported on the following:
 - Holidays 2024
 - November 2024 App Content Trends
 - November 2024 social media performance
 - November 2024 Email marketing
 - Maine Spirits App
 - November push notifications results
 - November social media videos

Other Business: None

Public Comments: None

The next Commission Meeting is scheduled for Tuesday, January 14, 2025, at 10:00 A.M.

The February 2025 meeting is tentatively scheduled for Tuesday, February 11, 2025, at 10:00 A.M.

Lottery Operations

Director Luchini reported that the Lottery is in the process of adding a new option to Powerball called Double Play. The launch has been delayed because of ICS issues, but we

are expecting to roll it out in January. Director Luchini also stated that work has been going on the new rules for Mega Millions, which will change the pricing from \$2 to \$5. This change is scheduled for April. The New England Patriots promotion has been ongoing, and the lottery has sent two groups of second chance winners a Patriots game in Foxborough, MA.

Director Luchini reported on the following YTD (through November 30, 2024) sales as follows:

- Draw Sales FY 25 \$28,083,300; down \$14,545,648 from FY24, or -34.12%
- Fast Play Sales FY 25 \$8,852,584; up \$3,009,066 from FY24, or 51.49%
- Instant Sales FY 25 \$137,325,475; up \$2,200,067 from FY24, or 1.67%
- Total Combined Sales FY25 \$174,261,359; down \$9,336,515 from FY24; or -5.09%
- Lottery Profit Transfer to General Fund
 - November \$6,447,169
 - YTD Actual FY25 \$30,770,261; up \$1,154,878 over budget, or up 3.9%
- Profit Transfer to Outdoor Heritage Fund
 - November \$42,048
 - YTD Actual \$137,617; down \$200,843 from budget, or down -59.34%

New Business: None

Old Business: None

Approval of New Games: None

Report on Tri-State Activities

Commissioner Julie Sheehan gave a report on Tri-State activities. She noted that in November, Maine hosted the Tri-State Commission meeting in Portland. The event was well attended and went very well. Thanks were due to Lisa Rodrigue, who spent months planning and scheduling the event and activities.

Report From Scientific Games

Greta Cerce presented on behalf of Scientific Games. Greta presented the upcoming instant game and Fast Play game launches for January. She presented on the upcoming RewardME promotions, including the Golden Spin drawing for a trip to Las Vegas (June 2025), and the Secret Santa promotion running through January 13, 2025. She also previewed the Merry Money promotion running from December 15 to 28, 2024.

Report From Fuseideas

Steve Mason presented an update for Fuseideas. Steve updated the Commission on advertising for holiday promotions and the upcoming Double Play feature to be added to Powerball.

Other Business: None

Public Comments: None

Adjournment:

The next Commission meeting is scheduled for Tuesday, January 14, 2025 at 10:00am.

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There being no further business, Commissioner Sheehan made a motion to adjourn; the motion was seconded by Commissioner Fitts.



Elizabeth Fitzgerald, Chair
Maine State Liquor & Lottery Commission



Louis Luchini, Director
Bureau of Alcoholic Beverages & Lottery Operations