Call to Order:

Acting Chair Patricia Rice called the meeting to order at 10:00 A.M.

Roll Call

Commissioners in Attendance: Betsy Fitzgerald, Patricia Rice, Julie Sheehan, and Larry Davis.

BABLO Staff in attendance: Director Gregg Mineo, Deputy Director Tim Poulin (Spirits portion only), Deputy Director Michael Boardman, (Lottery portion only), Tracy Willett, Spirits Operations Manager (Spirits portion only), Eileen Bonenfant, Clerk of the Commission.

Pine State Spirits in attendance (Spirits portion only): Stephanie LaPointe, Sheila Gibbons, Jason Clary, and Don Potter.

Scientific Games in attendance (Lottery portion only): Darrell Frecker and Calvin Rinck.

Others in attendance:

Spirits portion only: Gary Duncklee, Horizon Beverage; Seth Ferris, MS Walker; David Hall, Rob Andreasen & Scott Ramsey, Southern Glazers; Steven Sullivan, RSVP; Alan Nye, Old Port Spirits; Donald Damon & Dave Makson, Damon’s Beverage; Dean Nowell, Bow St; Patrick Murphy, Martignetti; Jesse St. Laurent & Meg Dumais, Roopers.

Lottery portion only: Steven Mason, Fuseideas

Approval of Minutes:

Acting Chair Rice asked for a motion that the minutes of the February 11, 2020, meeting be approved. A motion was made by Commissioner Davis to accept the minutes. Motion was seconded by Commissioner Fitzgerald and motion passed unanimously.

Liquor Operations:

Director Mineo reported on February 2020 sales as follows:

• Sales report for January:
  ▪ Selling days: 20 TY vs. 20 LY
  ▪ Cases shipped were 94,047 TY vs. 89,843 LY; +4.68%
  ▪ Dollar Sales were $15,073,462 TY vs. $14,071,085 LY; +7.12%
  ▪ Baliment collected: $205,031
  ▪ Depletion allowances: $623,160
• Sales report for YTD:
  ▪ Cases shipped were 900,884 TY vs. 862,302 LY; +4.47%
  ▪ Dollar sales were $147,509,771 TY vs. $137,799,822 LY; +7.05%
- Selling days: 172 TY vs. 171 LY

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

- Maine Spirits Business Activity for January 2020
- Sales comparisons by County for Maine (counties of interest).
- Luxury Program sales
- Budget to Actual financial performance

New Business:

Director Mineo briefed the Commission on the concerns regarding one the new item SLRRRP infused gelatin being presented today. Concerns were centered around the fact the item is a small gelatin shot in a bucket and where these items would be displayed, concerns on redemption and impact on the State. He offered that the commission hear from the retailers on where these items would be displayed and if they thought it would sell. The commission decided to vote on the item separately from the other fifty-three new items being presented.

Old Business:

Director Mineo provided a follow up to the commission on 2019 Summer Tourism Statistics that could possibly have impacted the Spirits sales in Maine in 2019.

New Product Listings:

Deputy Director Poulin presented fifty-four (54) new product listings for March 2020. A motion was made by Commissioner Davis to approve the items for listing excluding the SLURRP infused gelatin. Motion was seconded by Commissioner Fitzgerald and the motion passed unanimously.

A motion was made by Commissioner Davis to approve the SLURRP infused gelatin. Motion seconded by Commissioner Sheehan. The motion passed with 3 Commissioners (Fitzgerald, Davis and Sheehan) voting in favor and 1 Commissioner (Rice) voting against. (New Product listing attached to the minutes)

Label/Package Changes:

Deputy Director Poulin presented twenty-one (21) label/package changes for March 2020. A motion was made by Commissioner Fitzgerald to accept the label/package changes as presented. Motion seconded by Commissioner Sheehan and the motion passed unanimously. (Label/package changes distributed and attached to the minutes.)
Value Added Packs:

Deputy Director Poulin presented three (3) value added pack/seasonal wraps for March 2020. A motion was made by Commissioner Davis to accept the value-added pack/seasonal wrap. Motion seconded by Commissioner Sheehan and passed unanimously. (Value added pack/Seasonal wrap distributed and attached to the minutes.)

Quarterly Price Changes:

Deputy Director Poulin presented one hundred and fifteen (115) items for quarterly price changes. A motion was made by Commissioner Fitzgerald to accept the quarterly price changes as presented. Motion was seconded by Commissioner Sheehan and the motion passed unanimously. (Quarterly price changes attached to the minutes)

Delisted Items:

Deputy Director Poulin presented seventy-nine (79) items for delisting for March 2020. A motion was made by Commissioner Sheehan to approve the items for delisting. Motion was seconded by Commissioner Fitzgerald and the motion passed unanimously. (Delisted Items attached to the minutes)

Rebates:

Deputy Director Poulin presented eleven (11) rebates and coupons for March 2020. All rebates and coupons were standard in nature. A motion was made by Commissioner Fitzgerald to accept all rebates and coupons. Motion seconded by Commissioner Sheehan and the motion passed unanimously. (Rebates distributed and attached to the minutes.)

Pine State Spirits:

Sheila Gibbons reported on the following:

- Maine Spirits sponsored the second annual Spirits Quest which is part of Restaurant Week in Portland.
  - 14 restaurants participated from the Old Port district. Each location had a specialty cocktail sample paired with a food item.
- Maine Spirits social media that will be tailored to staying at home.

Other Business: None

Public Comments: None
Lottery Operations:

Director’s Report:

Director Mineo reported on February sales as follows:

- Draw Sales FY20 $35,793,778; -$11,408,772 or -24.17%
- Fast Play Sales FY20 $6,719,650; +$2,468,446 or +58.06%
- Instant Game Sales FY20 $161,917,377; +$14,605,932 or +9.92%
- Total Combined Sales FY20 $204,430,805; $5,665,607 or +2.85%

- Lottery Profit Transfer to General Fund
  - February Actual FY20 $6,410,407; $1,783,301 to Budget +38.54%
  - YTD Actual FY20 $36,780,679; $4,855,896 to Budget +12.67%

- Profit Transfer to Outdoor Heritage Fund
  - February Actual FY20 $43,551; -$8,077 to Budget -15.65%
  - YTD Actual FY20 $384,768; -$189,391 to Budget -32.99%

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

New Business: None

Old Business: None

Approval of New Games: There were no new games this month.

Scientific Games:

Darrell Frecker reported that SGI is restricting travel due to the COVID-19 pandemic. There will be no travel to high risk areas. Other areas will be limited to one person. SGI and the lottery will have a game planning meeting at the end of March to plan the next three months of games. Mr. Frecker reported that SGI is supporting two promotions that are currently going on with the lottery RewardME Lottery Club. One is a Lucky for Life promotion to win prizes. The other is a points multiplier for players entering a $25 instant ticket.

Fuseideas:

Steve Mason reported that TV and Radio for the James Bond instant game ran through February 19th and was replaced by the new Fast Play advertising featuring Fast Freddy. On March 1st we launched the Get More television spot that supports the Lucky for Life promotion. We are also running the responsible gambling television in radio during the month of March which is designated as problem gambling awareness month.
Other Business:

Deputy Director Boardman reported that the RFP for the advertising and public relations contract has been released. The proposals are due on April 2, 2020 and the lottery expects to receive several responses. In addition, Deputy Director Boardman also reported that he will be speaking at the Problem Gambling Awareness conference at the end of the month.

Director Mineo reported on the progress of the lottery move to 19 Union Street. The move date is scheduled for mid to late May.

Public Comment: None

Adjournment:

The next Commission meeting is scheduled for Tuesday, April 14, 2020, at 10:00 a.m. in Hallowell, Maine; with snow days of April 16, 2020, if needed.

The May meeting is tentatively scheduled for Tuesday, May 12, 2020 at 10:00 a.m. in Hallowell, Maine.

There being no further business a motion was made by Commissioner Fitzgerald and seconded by Commissioner Davis to adjourn. The motion carried unanimously, and the meeting adjourned at 12:05 p.m.

Patricia Rice, Acting Chairman
Maine Liquor & Lottery Commission

Gregory Mineo, Director
Bureau of Alcoholic Beverages & Lottery Operations