

Maine State Liquor and Lottery Commission
Minutes of Meeting
Tuesday, February 14, 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, John Schneck, 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; Daniel Meaney, Lottery Games Manager; 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 Goddard, and Tammy Tyler, Nick Sanborn, Don Potter

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; Caitlin Murphy, HPM Associates; Michael Meier, RSVP; Jesse St. Laurent, Roopers; Mike Dyer, Roopers; Kurt Ciechon, Stone Fence Beverage; Patrick Murphy, Martignetti; Seth Farris, MS Walker; Sam Patel, Kenny Chestnut, Hill Top Superette, Evan Bruning,

Lottery portion only: Renee Loring

Approval of Minutes:

Commission Chair Fitzgerald asked for a motion that the minutes of the January 13, 2023, meeting be approved. A motion was made by Commissioner Schneck to accept the minutes; the motion was seconded by Commissioner Monaghan. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously.

Liquor Operations:

Director Mineo reported on January 2023 sales as follows:

- Sales report for January:
 - Shipping days: 22 TY vs. 21 LY
 - Cases sold were 96,409 TY vs. 93,285 LY; +3.35 %
 - Dollar Sales were \$16,154,288 TY vs. \$14,564,328 LY; +10.92%
 - Bailment collected: \$272,065

- Depletion allowances: \$1,708,745
- Sales report for YTD:
 - Cases sold were 875,086 TY vs. 877,808 LY; -0.31 %
 - Dollar Sales were \$146,399,308 TY vs. \$138,033,409 LY; +6.06%
 - Shipping days: 151 TY vs. 151 LY

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

- Maine Spirits Business Activity for January 2023
- Sales comparisons by County for Maine
- Top 25 Agents in 3 Month Case Sales
- Budget to Actual Financial Performance

New Business:

- Sample Discussion – Spirits Operations Manager Tracy Willett proposed that rather than bringing in actual sample bottles of New Product Listings for Commission review, the process transition to a PowerPoint presentation for label review. Commission Chair Fitzgerald asked for a motion to change the format of New Product Listing samples as discussed. A motion was made by Commissioner Schneck to change the format; the motion was seconded by Commissioner Monaghan. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously.

Old Business: None

New Product Listings:

Spirits Operations Manager Tracy Willett presented fifty-six (56) new product listings for February 2023. A motion was made by Commissioner Schneck to approve all the items presented for listing; the motion was seconded by Commissioner Monaghan. 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 twenty-one (21) label/package changes for February 2023. A motion was made by Commissioner Schneck to accept the label/package changes as presented; the motion was seconded by Commissioner Monaghan. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously. (Label/package changes distributed and attached to the minutes.)

Value Added Packs:

Spirits Operations Manager Tracy Willett presented one (1) VAP/Seasonal listing for February 2023. A motion was made by Commissioner Schneck to accept the label/package changes as presented; the motion was seconded by Commissioner Fitts. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously. (VAP/Seasonal listing distributed and attached to the minutes.)

Rebates:

Spirits Operations Manager Tracy Willett presented eleven (11) rebates/coupons for February 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 Monaghan. 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 Drink Recipes
- Winter Food Recipes
- February Occasions – Facebook / Instagram
- February Occasions – Pinterest
- January App Content Trends
- January 2023 Top Ads
- Facebook January 2023 Performance
- Instagram January 2023 Performance
- January 2023 - Top Instagram Posts (by Likes/Reactions)
- January 2023 Email Marketing
- January 2023 In The Know
- January 2023 Blogs
- Maine Spirits App – Launched January 2018, Total Downloads – 103,753; New Downloads for January-1,991
- January 2023 Push Notification Results
- January TikTok
- 2023 Limited Release Spirits Lottery Now Open!
 - Sheila presented in detail the mechanics of the lottery

Other Business: None

Public Comments: None

Lottery Operations:

Director Mineo reported on YTD (through January 31, 2023) sales as follows:

- Draw Sales FY23 \$56,221,388; +\$15,829,629 or +39.19%
- Fast Play Sales FY23 \$9,125,521; +\$1,388,521 or +17.95%
- Instant Game Sales FY23 \$192,177,213; -\$2,032,325 or -1.05%
- Total Combined Sales FY23 \$257,524,122; +\$15,185,825 or +6.27%

- Lottery Profit Transfer to General Fund
 - January Actual FY23 \$6,858,726; +\$2,051,033 to Budget +42.66%
 - YTD Actual FY23 \$45,231,331; +\$7,971,711 to Budget +21.40%

- Profit Transfer to Outdoor Heritage Fund
 - January Actual FY23 \$60,536; -\$1,002 to Budget -1.63%
 - YTD Actual FY23 \$641,140; +\$164,219 to Budget +34.43%

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

New Business: Director Mineo presented the Annual Report of the Bureau of Alcoholic Beverages and Lottery Operations. This is a calendar year report submitted to the Legislature annually. The report is due to the Legislature February 15, 2023. In order to give the Commission ample time to review the report Director Mineo recommended the Bureau request an extension of the February 15 due date for this report. The Commission will review the report and provide their feedback at the next Commission Meeting (scheduled March 14,2023).

Old Business: None

Approval of New Games:

Lottery Marketing Specialist Lisa Rodrigue presented three (3) new games for approval.

- (\$3) PictureME
- (\$20) \$50,000 BLAST
- (\$5) DELUXE DOLLARS

A motion was made by Commissioner Schneck to accept all games as presented; the motion was seconded by Commissioner Monaghan. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously. (Games attached to the minutes.)

Report on Tri-State Activities:

- Commissioner Sheehan reported that there was a brief meeting held in Concord on Friday, February 10, 2023. The financials were reviewed, and everything looked great. A report was given by the Development Committee on how a new logo was chosen. There will be a new Tri-State scratch ticket starting in September. Next meeting is scheduled in April 2023.

Scientific Games:

- Darrell Frecker spoke of the draw vs instant sales; instants typically do 80% of the total sales. Currently draw sales are 25% of the total. On the instant and promotion front, a planning meeting was held last Thursday. Strategies were discussed at this meeting. Games are planned out from now through the end of August. Promotions are planned out for the entire 2023 calendar year.
- Greta Larson spoke about the Reindeer Run promotion. This year's promotion exceeded the 2020 Reindeer Run promotion. The next Price is Right drawing is on June 2, 2023. This game has the third highest unique player. The next Patriot's Second Chance drawing is March 4, 2023. Greta also spoke regarding last year's March systems promotion on Lucky for Life.

Fuseideas:

- Steve Mason reviewed advertising activities. Throughout the month of January, the Living Lucky with Luke Combs promotion ran on TV and radio. During the first week of February, Powerball Jackpot Alert radio spots were running. Following that, the Megabucks Made in Maine radio spot is running through the end of February. March is problem gambling awareness month. Responsible gaming messages will be running on TV and radio throughout March. In the middle of March, there will be a radio promotion supporting Lucky for Life. Steve presented the new Tri-State Megabuck logo.

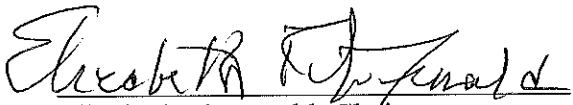
Other Business: None

Public Comment: None

Adjournment:

The next Commission meeting is scheduled for Tuesday, March 14, 2023, at 10:00 a.m.
The April 2023 meeting is tentatively scheduled for Tuesday, April 11, 2023, at 10:00 a.m.

There being no further business Commissioner Fitts made a motion to adjourn; the motion was seconded by Commissioner Schneck. The roll was called, and the motion carried unanimously. The meeting adjourned at 11:45 a.m.



Elizabeth Fitzgerald, Chair
Maine State Liquor & Lottery Commission



Gregory Mirneo, Director
Bureau of Alcoholic Beverages & Lottery Operations