

Maine State Liquor and Lottery Commission
Minutes of Meeting
Tuesday November 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, Kim Monaghan, John Schneck and Stacey Fitts

BABLO/DAFS Staff in attendance: Michael Boardman, Acting Director; Tracy Willett, Acting Deputy Director Liquor; Lisa Rodrigue, Lottery Marketing Manager; Daniel Meaney, Lottery Games Manager; Philip Mantis, Attorney General's Office; Terrance Meehan, Financial Analyst; and Julie Waller, Clerk of the Commission

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

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

Fuseideas in attendance (Lottery portion only): Steve Mason

Others in attendance:

Spirits portion only: Zach Redmann, David Hall, and John Ajay; Southern Glazer's; Gary Duncklee, RNDC; Caitlin Murphy, Luxco, Inc.; Seth Ferris, MS Walker; Bob Barton, Ruby Wines; Todd Blanchette, Stone Fence Beverage; Michael Meier and Cathy Sullivan, RSVP; Ken Grant, Nikki Hernandez, and Mike Dyer, Roopers; Jesse Lupo, Mossy Ledge Spirits; Dean Nowell, Bow Street; Dave Makson, Damon's Beverage; Mae Littlefield, Wild Bevy Distillery; Dave McConnell, Three of Strong

Approval of Minutes:

Commission Chair Fitzgerald asked for a motion that the minutes of the November 14, 2023, meeting be approved. A motion was made by Commissioner Schneck to accept the minutes; the motion was seconded by Commissioner Sheehan. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously.

Liquor Operations:

- Acting Director Michael Boardman provided an update regarding the RFP status. The RFP for the spirits contract is in the final stages. Director Boardman expects it to be released by the next Commission meeting on December 12, 2023. The deadline is June 2024.
- Acting Director Michael Boardman reported that Acting Deputy Director Tracy Willett and Division Director Larry Sanborn attended the NABCA Administrators Conference in October.

- Acting Director Michael Boardman reported on October 2023 sales as follows:
 - Maine Spirits Business Activity for October 2023
 - Sales report for October:
 - Shipping days: 21 TY vs. 22 LY
 - Cases sold were 111,688 TY vs. 108,646 LY; +2.80%
 - Dollar Sales were \$19,651,874 TY vs. \$18,759,726 LY; +4.76%
 - Bailment collected: \$260,330
 - Depletion allowances: \$894,200
 - Sales report for YTD:
 - Cases sold were; 522,028 TY vs. 529,555 LY; -1.42%
 - Dollar Sales were: \$89,173,479 TY vs. \$87,858,627 LY; +1.50%
 - Shipping days: 87 TY vs. 87 LY
 - Budget to Actual Financial Performance
 - Spirits Financial Activity – FY 2024
 - Spirits Operating Profits FY 2024
- Acting Deputy Director Tracy Willett reported the following sales and profit reports (sales and profit reports attached to the minutes):
 - Sales comparisons by County for Maine
 - Top 25 Agents in 3 Month Case Sales Increase

New Business: None

Old Business: None

New Product Listings:

- Acting Deputy Director Tracy Willett presented fifty-three (53) new product listings for November 2023. A motion was made by Commissioner Schneck 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:

- Acting Deputy Director Tracy Willett presented sixteen (16) label/package changes for November 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. (Label/package changes distributed and attached to the minutes.)

Value Added Packs:

- Acting Deputy Director Tracy Willett presented one (1) VAP/Seasonal listings for November 2023. A motion was made by Commissioner Sheehan to accept the label/package change as presented; the motion was seconded by Commissioner Schneck. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously. (VAP/Seasonal listings distributed and attached to the minutes.)

Rebates:

- Acting Deputy Director Tracy Willett presented eighteen (18) rebates/coupons for November 2023. These rebates/coupons were standard in nature. A motion was made by Commissioner Schneck 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. (Rebates/coupons distributed and attached to the minutes.)

Pine State Spirits:

- Sheila Gibbons reported on the following:
 - LET'S GET MERRY – Holiday-ready recipes
 - Holiday Rack Art
 - October App Content Trends
 - October 2023 Top Ads
 - October 2023 Social Performance
 - October 2023 Top Social Posts
 - October 2023 Email Marketing
 - Maine Spirits App – Launched January 2018, Total Downloads – 116,381; New Downloads – 1,278
 - October 2023 Push Notification Results
 - Cocktail Bot 5000
 - Merry Tasting Event – December 6th

Other Business: None

Public Comments: None

The next Commission meeting is scheduled for Tuesday, December 12, 2023, at 10:00 a.m.
The January 2024 meeting is tentatively scheduled for January 9, 2024, at 10:00 a.m.

Lottery Operations:

- Acting Director Michael Boardman reported that Lottery Operations hosted their spin event for the Prices is Right game on October 21, 2023.
- Acting Director Michael Boardman reported that some lottery winners that went to the Patriots game last Sunday. There will be more lottery winners going to Patriots games this season. There will be a suite game for lottery winners at the end of the year.
- Acting Director Michael Boardman reported that the GEA (Government Evaluation Act) report has been sent to the Commissioner for approval. After that it will be sent to the

Legislature, then it will get presented. Once that gets finalized the Commission members will be provided with copies.

- Acting Director Michael Boardman reported that Lottery Operations is working on a resolve that has to do with paying bonuses to retailers for lottery winning tickets that are not the jackpot. That is already done with most of the games. This resolve is being put together and is due on December 6, 2023. Commission members will be provided copies.
- Acting Director Michael Boardman reported on YTD (through November 4, 2023) sales as follows:
 - Draw Sales FY24 \$38,931,452; +\$5,084,801 or +15.02%
 - Fast Play Sales FY24 \$4,816,515; -\$300,515 or -5.87%
 - Instant Game Sales FY24 \$115,998,411 +2,505,203 or +2.21%
 - Total Combined Sales FY24 \$159,746,378 +\$7,289,489 or +4.78%
 - Lottery Profit Transfer to General Fund
 - October Actual FY24 \$1,967,191 -2,938,469 to Budget -59.90%
 - YTD Actual FY24 \$23,689,054; +\$1,613,582 to Budget +7.31%
 - Profit Transfer to Outdoor Heritage Fund
 - October Actual FY24 \$80,969 +4,046 to Budget +5.26%
 - YTD Actual FY24 \$552,576; +\$275,654 to Budget +99.54%

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

New Business: None

Old Business: None

Approval of New Games:

- No new games.

Report on Tri-State Activities:

- Commissioner Sheehan reported that a Tri-State meeting is scheduled for November 15 – 17, 2023.

Scientific Games:

- Darrel Frecker reported that the Megabucks game is doing 20% - 30% better over the last few weeks with the added draw. Fast-Play launched three Holiday games last weekend. Quarterly games were launched in October. There are more games planned for January and going into the second quarter of next year. The Cash-Pop game is still in development.
- Greta Larson reported that the Maine Lottery has an upcoming holiday systems promotion called Holiday Ca\$h. This promotion will run from December 10th- December 23rd. If players purchase any draw game ticket of \$5 or more (excluding WPT and FP) they have the chance to win \$25

instantly. Greta reported that in the first 5 weeks of this year's Reindeer Run promotion, the Maine Lottery had 452,370 tickets entered. Greta provided the following figures for the Reindeer Run promotion.

- Tickets entered are up +14.3% or 56,506 tickets over 2022.
- Tickets entered are up +63.3% or 175,398 tickets over 2021.
- Tickets entered are up +38.8% or 126,510 tickets over 2020.

Megabucks tickets entered accounted for 10.88% of total tickets entered so far. Megabucks entries are up 91.12% over 2022's first 5 weeks of the Reindeer Run Promotion. Holiday Games (Holiday \$100s, \$200s, & \$500s) accounted for 20.09% of total entries. This category is up 10.79% over 2022's first 5 weeks of Reindeer Run promotion.

Fuseideas:

Steve Mason reported that through the month of October they ran a Powerball Patriot's promotion. They were also running the Ultimate Dash advertising. From September 18 – November 12, 2023, they ran the Tri-State Megabucks campaign. Beginning November 13, 2023, they launched their Holiday campaign. They are now 100% Holiday Reindeer Run promotion through the end of the year. Steve then showed their Second Chance Holiday TV advertisement.

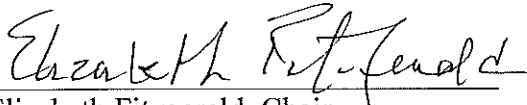
Other Business: None

Public Comment: None

Adjournment:

The next Commission meeting is scheduled for Tuesday, December 12, 2023, at 10:00 a.m.
The January 2024 meeting is tentatively scheduled for January 9, 2024, at 10:00 a.m.

There being no further business Commissioner Schneck made a motion to adjourn; the motion was seconded by Commissioner Sheehan. The roll was called, and the motion carried unanimously. The meeting adjourned at 12:00 p.m.


Elizabeth Fitzgerald, Chair
Maine State Liquor & Lottery Commission


Michael Boardman, Acting Director
Bureau of Alcoholic Beverages & Lottery Operations