

NEW HAMPSHIRE STATE LIQUOR COMMISSION
Minutes of October 28, 2009 Meeting

Present: Chairman Mark Bodi; Commissioner Richard Simard; Craig Bulkley, Chief of Administration; John Bunnell, Administrator of Marketing & Sales; Peter Engel, Director of Store Operations; Tony Burns, Asst. Director of Store Operations; Rick Gerrish, Spirits Marketing Specialist; Evie Taft, Human Resources Administrator; Deputy Chief Scott Dunn, Enforcement.

Excused: Deb Milewski, IT Manager; George Tsiopras, Chief Financial Officer; Nicole Brassard, Wine Marketing Specialist; Chief Eddie Edwards, Enforcement.

I) ACCEPTANCE OF MINUTES FROM NH STATE LIQUOR COMMISSION MEETING HELD OCTOBER 14, 2009.

Commissioner Simard made a motion to accept the minutes from the October 14, 2009 meeting. Chairman Bodi seconded the motion. Motion carries.

II) ADMINISTRATIVE SERVICES REPORTS

1. Administrative Issues

Craig will be bringing a fiscal note to the Commissioners for signature in the next couple days, so it can be returned to the LBA in a timely manner. This is in regards to the sale of E-cigarettes and liquid nicotine products.

He is also preparing a letter for G&C regarding the permanent assignment for state vehicles.

2. Financial Report

Week ending October 25, 2009 weekly sales are up \$ 274,747 or 2.98 %, surpassing the weekly sales goal. Year to date is up 4.75 % at \$ 7.9M.

Case counts are up 2 % and customer count up 3.7 %.

3. IT Report

Nothing to report at this meeting.

4. Human Resources Report

There are several Over Due reports due.

July's billing for Workers' Comp was received. July had 2 claims over this year from last year, with the amount of \$126,704 in July 08, due to a couple payouts. The difference of \$90,212 and we're expecting some more large payouts for this fiscal year.

Lost time in warehouse, claim continues. There are 5 out on FMLA, and 1 is back on a part-time basis.

III) MARKETING AND SALES REPORT

1. Store Operations

Sales were up 5% in the stores last week. The stores at the border are doing well. The Hampstead store is doing better than 35% of other current locations.

Work is continuing at the Meredith location.

There are 2 items for today's Executive Session

a. Advertising RFP

Chairman Bodi noted for the record that he is recuzing himself from this item on the Agenda. At this time, Chairman Bodi left the meeting.

John continued with the Agenda item requesting the approval for the recommendation for Vital and Ryze from Manchester and Rumbletree Advertising from Portsmouth. Scoring is attached to the Agenda submission.

Commissioner Simard gave approval for continuation of the process for the RFP with Vital and Ryze and with Rumbletree Advertising.

Chairman Bodi was called back into the room to continue with the Commission Meeting.

2. Merchandising Report

A. Spirits

After review of each of the following items, Commissioner Simard made a motion to accept the Spirits items listed below, as recommended by Rick Gerrish and concurred by John Bunnell. Chairman Bodi seconded the motion. Motion carries.

A. SPIRITS:

1. TABLED, Appeal, Southern Wine & Spirits, Gran Gala Orange Liqueur, 1.75L
Gran Gala Orange Liqueur, 1.75L: Removed from agenda by supplier.
2. TABLED, Appeal, Horizon Beverage, Canton Ginger Liqueur
Canton Ginger Liqueur, 750ML: Granted the appeal received from Horizon Beverages regarding the Commission's recent decision not to grant a test market to Canton Ginger Liqueur. Commission approved the listing of this product as a test market item, after the offer was enhanced.
3. Appeal, Southern Wine & Spirits, Smirnoff Pear and Pineapple, 750ml
Smirnoff Pear & Smirnoff Pineapple, 750ML: Commission DENIED the appeal received from Southern Wine & Spirits regarding the Commission's recent decision not to grant a test market to Smirnoff Pear and Smirnoff Pineapple, 750ML size, as recommended.
4. One Time Buy Request, Horizon Beverage, Cazadores Reposado Tequila VAP
Denied the request received from Horizon Beverages to purchase 100 cases of Cazadores Reposado Tequila VAP, 1.0L size, as a one-time buy, as recommended.
5. Test Market Request
 - a. Horizon Beverage, Kraken Black Spiced Rum, 750ml
Denied the request received from Horizon Beverages to list Kraken Black Spiced Rum, 750ML size, as a test market item, as recommended.
 - b. Southern Wine & Spirits, Pitu Cachaca, 750ml
Denied the request received from Southern Wine & Spirits to list Pitu Cachaca, 750ML size, as a test market item, as recommended.
 - c. Horizon Beverage, 1800 Pomegranate Margarita, 1.75L
Approved the request received from Horizon Beverages to list 1800 Pomegranate Margarita, 1.75L size (new code--#5762) as a test market item, as recommended.
 - d. Bruichladdich Rocks Single Malt, 750ml
Approved the request received from Southern Wine & Spirits to list Bruichladdich Rocks Single Malt, 750ML (new code--#2739) as a test market item, as recommended.
6. December Special Offers
 - a. MS Walker
Approved 2 spirit special offers received from MS Walker for the month of December, as recommended
 - b. Horizon Beverage Company
Approved 27 spirit special offers received from Horizon Beverages for the month of December, as recommended.
 - c. Southern Wine & Spirits of NE
Approved 100 spirit special offers received from Southern Wine & Spirits for the month of December, as recommended.

7. December Additional Special Offers, Southern Wine & Spirits of NE
Approved 3 additional spirit special offers received from Southern Wine & Spirits for the month of December, as recommended.
8. December E-Coupons
Approved 12 spirit and 2 wine products (5188, 4308, 782, 4528, 7872, 41605, 8068, 482, 3625, 2585, 5364, 5365, 5735, 3423), to be featured during our December E-mail blast, as recommended
9. SPA Transfer Stoli Vodka, Martignetti Co.
TABLED the request received from Martignetti Companies to conduct a stock transfer of **5,000 CASES** of 1.75 liters of Stolichnaya Vodkas

B. Wines

Nicole Brassard is excused from today's meeting. After review of each of the following items, Commissioner Simard made a motion to accept the Wine items listed below, as recommended by John Bunnell. Chairman Bodi seconded the motion. Motion carries.

1. Close Outs – Perfects Wine Company
Approved close-out pricing received from Perfecta Wine Company for wine codes #33059 and 33060, as recommended.
2. December Chandon Sparkling Coupons
Approved the request received from Southern Wine & Spirits to conduct a Dom Chandon Sparkling \$3 off per bottle coupon during the promotional month of December featuring Dom Chandon wine codes #8223, 8537, and 44717 in conjunction with Moet Hennessy's national media campaign and consumer give-away to win one of two sets of tickets to the Boston Pop's Holiday Concert at the Verizon Wireless Arena, as recommended.
3. December Special Offers
 - a. Executive Wine & Spirits
Approved 10 wine special offers received from Executive Wine & Spirits for the month of December, as recommended.
 - b. Horizon Beverages
Approved 30 wine special offers received from Horizon Beverages for the month of December, as recommended.
 - c. Martignetti Companies of NH
Approved 27 wine special offers received from Martignetti Companies for the month of December, as recommended.
 - d. M.S. Walker
Approved 17 wine special offers received from MS Walker for the month of December, as recommended.
 - e. Southern Wine & Spirits of NE
Approved 43 wine special offers received from Southern Wine & Spirits for the month of December, as recommended.
 - f. Charles Zoulias
Approved 3 wine special offers received from Charlie Zoulias for the month of December, as recommended.
4. Primary Source Recommendations
Approved all primary source submissions (14-exclusive agent; 26-imported; and 4-primary source), as recommended.

B. INFORMATION ONLY:

1. Store Tastings
 - a. Acknowledged the request received from MS Walker to conduct an in-store tasting on October 30th in store #55 from 4-7 p.m., as recommended. Wine codes to be poured are #12213, 35049, and 28474.

- b. Acknowledged the request received from RP Imports to conduct an in-store tasting on November 19th in store #21 from 4-6 p.m., as recommended. Wine codes to be poured are #38681, 31542, and 40786.
- c. Acknowledged the request received from E & J Gallo Winery to conduct in-store tastings on November 14th in store #49 from 1-4 p.m. and on November 20th in store #49 from 3-6 p.m., as recommended. Wine codes to be poured are #33149 and 38899.
- d. Acknowledged the request received from The Imported Grape to conduct in-store tastings on October 30, 31st, and November 14th in store #69; on November 20th in store #1; and on October 29th in store #33, as recommended. Wine codes to be poured are #42797, 42863, 42864, 10761, and 10030.

IV) ENFORCEMENT & LICENSING REPORT

Enforcement Agenda was reviewed by Scott Dunn.

V) CHAIRMAN'S REPORT & LATE ITEMS

- a. Bailment Requests
- b. Coupon Approvals
- c. Legal Issues
- d. Late items / Other

Special offer for **late item** of E&J Gallo.

Approved 6 wine special offers received from E & J Gallo Winery for the month of December, as recommended

VI) EXECUTIVE SESSION

There are 2 items for Executive Session regarding disciplinary actions

At 1:30 PM a motion was made by Chairman Bodi and Commissioner Richard Simard to go into non-public session under RSA 91-a:3 for the purpose of disciplinary actions, which was unanimously adopted on a roll call vote.

Minutes prepared and submitted by:
Anne Bogart, Administrative Assistant
Office of the Commissioners