



Oregon Liquor Control Commission
Retail Innovations Group
Meeting Minutes
October 4, 2013

Members in attendance:

Patrick Bernards, Steve Brown, Brian Butenschoen, Jay Nelson, Shawn Miller, Bill Perry, Jonathan Polonsky, Paul Romain, Steven Sciborski, Patrick Sieng, Steve Thomson.

OLCC staff in attendance:

Rob Patridge, Farshad Allahdadi, Tom Erwin, Brian Flemming, Merle Lindsey, Michael O'Connor, Laura Paul, Bill Schuette, Christie Scott, Jesse Sweet.

Guests:

Joan Buck, Joanie Cosgrove, Paul Cosgrove, Maury Hornstein, Janelle Lawrence, Ryan Lumaco, Jana McKamey, Patty McMillan, Jan Nordlund, Laura Pech, Danelle Romain.

10:10 A.M. - Chairman Patridge called the meeting to order. Introductions were made and an agency overview was given. The group was asked if there was any data on the current system they would like to receive.

Data requests for the current system:

1. Special Orders: What kind of revenue does the 1200 special order items represent? How much revenue over a five year period?
2. Special Orders: How much revenue does the "per case" surcharge create?
3. Licensee sales: What percentage of sales are license sales?
4. What is the loss of revenue to Calif. border sales?
5. More detailed break down of agency expenses and credit card fee expenses?

Process:

The group will be working together to look at areas for change which may include statutory, rule, internal policy and/or operation changes. Member substitution will be allowed when necessary but consistent attendance by the designated member is encouraged.

Chairman Patridge opened the floor for individuals to add topics they would like to be considered as the committee walks through the process.

Group ideas for consideration:

- Counties
 - more money for Enforcement
 - more money for District Attorney
 - more money for mental health and addiction
- Consumer
 - more availability
 - points of access
 - ability to find specific product online & have it shipped to store of their choice for pick up
- Agents/Retailers
 - remove the limitation to agents compensation
 - require delivery to licensee in rural areas
 - allow gift cards
 - price flexibility
 - change the compensation formula as stores convert to non-exclusive
 - equal access to beer, wine and distilled spirits
 - § ability to accept credit as well as cash for beer and wine
- Distillers
 - a portion of OLCC revenue to the spirits industry similar to Wine Assoc.
 - data reflecting who is purchasing their product
 - Oregon distillers at PDX and Made in Oregon stores
- Wholesale / Distributors
 - wholesalers and suppliers do not support retail credit
- Wineries
 - protect retail shelf space
 - protect advertising space
 - integrity of category management
- Licensees
 - ability to pay with credit card
 - delivery
 - § allow temporary authority for new on-premise licenses
- OLCC
 - additional data reporting to distributors & others
 - warehouse efficiency and logistics
 - ℞ remove language which prohibits exclusive agents from holding an O-license.
 - ℞ add beer and wine to related item list
 - protecting Oregon wine, beer and craft spirits
 - continue communications with City officials to help them understand their authority

Next Steps:

At the next meeting the group will cover the following topics from the matrix:

Outlet Density (revised to Consumer Access to Product)
Delivery to Liquor Licensees
Inventory Ownership
Sales of Related Items
Making Oregon Products Available

Chairman Patridge asked the group to come back on October 18th with any information related to the above topics that would benefit the group and help guide the process.

Next Meeting Scheduled:

October 18, 2013
10:00 a.m. to 2:00 p.m.
OLCC Headquarters
9079 SE McLoughlin Blvd.
Portland, OR. 97222