

# 2022 OASC Jurisdiction Report

# Prince Edward Island Liquor Control Commission



# Beverage Alcohol Financial Results\*

\$000,000	Fiscal 2021/22	Fiscal 2020/21	\$ Δ	% Δ
Net Sales	113,714	107,480	6,234	5.8
Gross Margin	62,059	59,384	2,675	4.5
Total Expenses	17,335	16,918	417	2.5
Net Income	47,968	45,243	2,725	6.0
CAPEX	.603	.754	-.151	-20.0

\* Please do not include Cannabis Results





# Product Details

9 Litre Equivalent Cases (000's)	Fiscal 2021/22	Fiscal 2020/21	Cases $\Delta$	% $\Delta$
Spirits	83	82	1	1.2
Wines	171	164	7	4.3
Beers	970	985	-15	-1.5
Refreshments* <i>(including Ciders)</i>	243	203	40	19.7
Liqueurs	11	10	1	10.0

\* Include all Ready to Drink products including Cider and Seltzer Products





# Product Details

Sales in 000,000	Fiscal 2021/22	Fiscal 2020/21	\$ Δ	% Δ
Spirits	26,182	25,069	1,113	4.4
Wines	25,211	23,358	1,853	7.9
Beers	44,142	43,855	287	0.7
Refreshments*	14,309	11,930	2,379	19.9
Liqueurs	3,778	3,193	585	18.3

\* Include all Ready to Drink products including Cider and Seltzer Products





\$62.99

**BUY LOCAL**

Coors LIGHT

Coors LIGHT

Coors LIGHT

Coors LIGHT

Coors LIGHT

# Fiscal 2022/23 YTD Beverage Alcohol Financial Results

## (To Current Fiscal Year-to-Date)

\$000,000	Fiscal 2022/23 (April-June)	Fiscal 2021/22 (April-June)	\$ Δ	% Δ
Net Sales	29,709	28,139	1,570	5.6
Gross Margin	16,093	15,347	746	4.9
Total Expenses	4,170	3,963	207	5.2
Net Income	12,494	12,039	455	3.8

Sales in 000,000	Fiscal 2022/23 (April-June)	Fiscal 2021/22 (April-June)	\$ Δ	% Δ
Spirits	6,858	6,373	485	7.6
Wines	6,507	5,743	764	13.3
Beers	11,615	11,518	97	0.8
Refreshments (including Cider Products)	4,008	3,879	129	3.3
Liqueurs	701	609	92	15.1





## WHAT'S NEW?

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### **Marketing & Sales:**

- New marketing systems to help streamline pricing and signage files.
- A new ticketing portal is being built for us to sell tasting event tickets online through our website.
- Due to the amount of growth and new RTD products, more floor space/displays being allocated to RTD products.
- Better for you consumer movement, shifting trends towards low/no alcohol, low/no sugar products.
- Due to current economic challenges, customers purchasing more value and higher alcohol products.
- Shifting focus to more digital/online promotions.
- More local producers coming to market.





DISARONNO  
AMARETTO

DEEP ROOTS  
DISTILLERY  
MAPLE  
LIQUEUR

## WHAT'S NEW?

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### **Retail Operations & Development:**

- Released RFPs for 4 new agency stores in some of our more underservices areas.
- Expanding with our first Cannabis store addition since legalization.
- PEI's first Specialty Store, Notables opened in Charlottetown. Notables offers a tasting room for classes, tastings, and events for customers and staff. This has been helpful in offering a personalize shopping experience.

### **Corporate Affairs & Regulatory Services:**

- Updated Liquor Control Act to allow package sales, delivery of alcohol with meal, and BYOW by licensees.
- Removed personal importation limits and now allow low alcohol products to be sold in general retail (.5 or less).



## EMERGING ISSUES

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### **Director of Supply Chain & Property Management:**

- Shortage of space in our warehouse has been problematic
- Markup structure for newer product ... i.e. kegged RTDs
- Ensuring adequate supply of local producers products
- Wait times for new equipment/materials/supplies
- Inventory will be a challenge moving forward. Current supply chain issues/lack of containers/skyrocketing freight costs will be factors contributing to stock issues moving forward.

### **Human Resources:**

- Shortage in the workforce and employee retention rates in our stores

## EMERGING ISSUES

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### **Marketing & Sales:**

- Customers venturing out of their comfort zone seeking new products and regions. Brand loyalty not as relevant anymore.
- Local producers requests (more listings, marketing concessions, mark up concessions, more access to direct delivery to Licensee's).
- Customers demanding more purchasing options through e-commerce, click and collect, delivery, special orders, etc.
- Pricing - forced to take larger and more frequent price increases due to the significant freight increases.

# MY KINDA BEER

LOCAL

LOCAL

READY TO DRINK

FRUIT WINE

READY TO DRINK

LAGER GLASS

This is the classic beer glass, used to enjoy, you guessed it, lagers.



ALE GLASS

Ales will be well-served by this glass. A wide opening helps unfold the rich aromas of ales and stouts.

PREMIUM

PREMIUM

FRUIT WINE/MEAD

READY TO DRINK

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# Questions?

