[Aid4Mail Trial tag #14] Re: Native Distillery Sales Data

From: Bertram, Leisa **Date:** Friday, January 2
To: Ackerson, Tyler
Cc: Halbur, Todd

image002.jpg (1 Kb HTML) image001.png (1 Kb HTML) image002.jpg (1 Kb HTML) image001.png (2 Kb HTML) LCN License Sales Data.xlsx (16 Kb HTML)

I've done some calculations on the sheet and your numbers are correct. I did get a different number for the percent increase at 19% including Lonely Oak and 14% excluding them. I added to the sheet and put a totals section at the top. Please review and let me know what you think.Â

*Leisa Bertram*Â Â |Â Â AccountingÂ
Iowa Alcoholic Beverages DivisionÂ
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[p] 515.281.7370 â€¢Â https://abd.iowa.gov/
[e]Â Bertram@IowaABD.com
Â Â

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On Fri, Jan 26, 2018 at 11:21 AM, Ackerson, Tyler <ackerson@iowaabd.com> wrote:

> â€‹Awesome. Thank you, Leisa.
>
> So if I'm doing my math correctly (and please correct me if I'm wrong):
>
> 2016 total with our markup = â€‹$1,279,520.54
>
> 2017 total with our markup = $1,523,853.09
>
> 2017 increase over 2016: 16%
>
> Obviously Lonely Oak throws things off a bit since they had no bailment in 2016. Do you think it would be better to have aggregate calculations that includ exclude Lonely Oak and explain why?
>
> **Tyler Ackerson**Â | Â Education and Outreach
> Iowa Alcoholic Beverages Division Â â€¢Â Â 1918 SE Hulsizer Road, Ankeny, IA 50021
> (515) 281-7426 Â â€¢Â Â ackerson@iowaabd.comÂ Â â€¢Â Â https://abd.iowa.govÂ Â Â Â

	Gross to Supplier	Sold to LE	% Increase YOY
FY17 Total All Suppliers	$ 853,013.69	$ 1,279,520.54	
FY18 Total All Suppliers	$ 1,015,902.06	$ 1,523,853.09	19%
Excluding Lonely Oak			
FY17 Total Sold to LE	$ 853,013.69	$ 1,279,520.54	
FY18 Total Sold to LE	$ 974,420.02	$ 1,461,630.03	14%

		LCN000001	LCN000002	LCN000003	LCN000004	
07/01/2016 - 12/31/2016	Bailment Period	Mississippi River Distilling Company	Cedar Ridge Vineyards	Loney Oak Distillery	Iowa Distilling Company	TOTALS
FY17	07/01-07/15	$ 25,269.90	$ 33,175.34		$ 7,243.34	
	07/16-07/31	$ 14,106.00	$ 21,618.74		$ 2,971.64	
	08/01-08/15	$ 14,821.10	$ 26,334.54		$ 3,954.94	
	08/16-08/31	$ 15,906.20	$ 25,246.56		$ 4,662.04	
	GOLive AX	$ 2,854.80	$ 6,966.29		$ 915.87	
	09/01-09/15	$ 23,119.94	$ 23,578.14		$ 4,821.81	
	09/16-09/30	$ 18,566.84	$ 39,982.95		$ 6,068.86	
	10/01-10/15	$ 36,028.07	$ 45,344.42		$ 5,428.72	
	10/16-10/31	$ 26,516.24	$ 64,150.30		$ 5,599.18	
	11/01-11/15	$ 21,215.90	$ 34,752.98		$ 10,229.41	
	11/16-11/30	$ 17,177.25	$ 53,026.26		$ 4,686.62	
	12/01-12/15	$ 45,847.83	$ 49,662.00		$ 6,776.32	
	12/16-12/31	$ 21,658.38	$ 76,139.81		$ 6,588.16	
Total		**$ 283,088.45**	**$ 499,978.33**		**$ 69,946.91**	**$ 853,013.69**
		$ 141,544.23	$ 249,989.17		$ 34,973.46	$ 426,506.85
		$ 424,632.68	**$ 749,967.50**		**$ 104,920.37**	$ 1,279,520.54

07/01/2017 - 12/31/2017	Bailment Period	Mississippi River Distilling Company	Cedar Ridge Vineyards	Loney Oak Distillery	Iowa Distilling Company	TOTALS
FY18	07/01-07/15	$ 21,431.36	$ 34,192.24	$ 3,346.00	$ 7,608.05	
	07/16-07/31	$ 17,730.31	$ 30,485.08	$ 2,702.00	$ 8,277.07	
	08/01-08/15	$ 13,170.18	$ 31,682.80	$ 3,990.00	$ 6,361.06	
	08/16-08/31	$ 15,655.08	$ 49,168.46	$ 2,226.00	$ 8,275.06	
	09/01-09/15	$ 32,410.67	$ 40,004.05	$ 1,526.00	$ 8,012.60	
	09/16-09/30	$ 16,029.49	$ 49,210.24	$ 1,820.00	$ 5,452.48	
	10/01-10/15	$ 16,476.85	$ 23,183.51	$ 2,296.00	$ 9,077.17	
	10/16-10/31	$ 32,496.52	$ 76,151.85	$ 1,274.00	$ 6,676.37	
	11/01-11/15	$ 40,156.85	$ 44,877.16	$ 1,330.00	$ 9,103.68	
	11/16-11/30	$ 25,829.99	$ 48,580.16	$ 7,014.00	$ 9,349.65	
	12/01-12/15	$ 32,536.30	$ 73,320.86	$ 11,018.04	$ 4,970.00	
	12/16-12/31	$ 50,540.74	$ 63,397.06	$ 2,940.00	$ 12,539.02	
Total		**$ 314,464.34**	**$ 564,253.47**	**$ 41,482.04**	**$ 95,702.21**	**$ 1,015,902.06**
		$ 157,232.17	$ 282,126.74	$ 20,741.02	$ 47,851.11	$ 507,951.03
		$ 471,696.51	**$ 846,380.21**	**$ 62,223.06**	**$ 143,553.32**	$ 1,523,853.09
Percent Increase YOY		11%	13%		37%	19%

Excluding Lonely Oak

FY17 Total Sold to LE	$	1,279,520.54
FY18 Total Sold to LE	$	1,461,630.03
Percent Increase		14%

50% Markup
TOTAL sold to LE

50% Markup
TOTAL sold to LE

[Aid4Mail Trial tag #31] Mark Up Sheets

From: Bertram, Leisa **Date:** Thursday, Jun

To: Halbur, Todd

image001.png (2 Kb HTML) **image002.jpg** (1 Kb HTML) **Mark Up Analysis.pdf** (268 Kb HTML) **Mark Up Analysis.xlsx** (21 Kb HTML)

I have attached the excel file I used to examine the markups for May as well as a PDF that has all the sheets together. Based on these findings, I agree that the TPR method used increased t items in the listing. As this was a systematic calculation, I can confirm that all products listed on TPR would have been priced with an inflated mark up.Â

Thank you,Â

*Leisa Bertram*Â Â |Â Â AccountingÂ
Iowa Alcoholic Beverages DivisionÂ
1918 SE Hulsizer Road â€¢ Ankeny, Iowa
[p] 515.281.7370 â€¢Â https://abd.iowa.gov/
[e]Â Bertram@IowaABD.com

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Code	UPC	Pack	Description	Size	Normal Bottle	/1.50	TPR Bottle	TPR with Price adj	Price Up/Down	Mark up	Normal Case	/1.50	TPR Case	TPR with Price adj	Price Up/Down	Mark up	Vendor
62400	086024008086	6.00	Margaritaville Classic Lime Ma	1,750	10.53	7.02	9.53	6.02	-1.00	58.31%	63.18	42.12	57.18	36.12	-6.00	58.31%	Gemini Spirits
62405	086024008253	6.00	Margaritaville Last Mango Mar	1,750	10.53	7.02	9.53	6.02	-1.00	58.31%	63.18	42.12	57.18	36.12	-6.00	58.31%	Gemini Spirits
62420	086024009991	6.00	Margaritaville Skinny Margarit	1,750	10.53	7.02	9.53	6.02	-1.00	58.31%	63.18	42.12	57.18	36.12	-6.00	58.31%	Gemini Spirits
66936	086024018832	12.00	Grangala Triple Orange Liqueu	750	16.53	11.02	15.69	10.18	-0.84	54.13%	198.36	132.24	188.28	122.16	-10.08	54.13%	Gemini Spirits
80456	086024015435	12.00	Ryan's Cream Liqueur	750	10.05	6.70	9.05	5.70	-1.00	58.77%	120.60	80.40	108.60	68.40	-12.00	58.77%	Gemini Spirits
80458	086024015411	6.00	Ryan's Cream Liqueur	1,750	17.31	11.54	16.31	10.54	-1.00	54.74%	103.86	69.24	97.86	63.24	-6.00	54.74%	Gemini Spirits
88036	086024007843	12.00	Margaritaville Silver Tequila	750	11.27	7.51	10.27	6.51	-1.00	57.68%	135.24	90.16	123.24	78.16	-12.00	57.68%	Gemini Spirits
89496	086024007966	12.00	Margaritaville Gold Tequila	750	11.27	7.51	10.27	6.51	-1.00	57.68%	135.24	90.16	123.24	78.16	-12.00	57.68%	Gemini Spirits
33489	482016312177	12.00	Khortytsa Platinum Vodka	750	9.75	6.50	8.75	5.50	-1.00	59.09%	117.00	78.00	105.00	66.00	-12.00	59.09%	Global Spirits USA, LLC
33490	482016312177	6.00	Khortytsa Platinum Vodka	1,750	16.49	10.99	14.49	8.99	-2.00	61.12%	98.94	65.96	86.94	53.96	-12.00	61.12%	Global Spirits USA, LLC
59231	088004015947	6.00	Ice Box Mudslide	1,750	10.14	6.76	9.14	5.76	-1.00	58.68%	60.84	40.56	54.84	34.56	-6.00	58.68%	SAZERAC COMPANY INC
67586	088004016876	12.00	Kapali Coffee Liqueur	750	8.58	5.72	7.58	4.72	-1.00	60.59%	102.96	68.64	90.96	56.64	-12.00	60.59%	SAZERAC COMPANY INC
82956	088004015510	12.00	Firewater Cinnamon Schnapps	750	14.01	9.34	13.51	8.84	-0.50	52.83%	168.12	112.08	162.12	106.08	-6.00	52.83%	SAZERAC COMPANY INC
21598	080660203010	6.00	Ten High	1,750	13.86	9.24	13.36	8.74	-0.50	52.86%	83.16	55.44	80.16	52.44	-3.00	52.86%	SAZERAC NORTH AMERICA
30056	082928210242	12.00	Fleischmann's Gin	750	4.98	3.32	4.73	3.07	-0.25	54.07%	59.76	39.84	56.76	36.84	-3.00	54.07%	SAZERAC NORTH AMERICA
8828	080660365015	6.00	Lauder's	1,750	16.77	11.18	16.27	10.68	-0.50	52.34%	100.62	67.08	97.62	64.08	-3.00	52.34%	SAZERAC NORTH AMERICA

may Temp - TPR'S

Code	UPC	Pack	Description	Size	Normal Bottle	TPR Bottle	Price Up/Down	Normal Case	TPR Case	
62400	086024008086	6.00	Margaritaville Classic Lime Mar	1,750	7.02 10.53	6.02/6.35 = 58.30% 9.53	-1.00	63.18	57.18	Gemini Spirits
62405	086024008253	6.00	Margaritaville Last Mango Mar	1,750	7.02 10.53	6.02/6.35 = 58.30% 9.53	-1.00	63.18	57.18	Gemini Spirits
62420	086024009991	6.00	Margaritaville Skinny Margarit	1,750	7.02 10.53	6.02/6.35 = 58.30% 9.53	-1.00	63.18	57.18	Gemini Spirits
66936	086024018832	12.00	Grangala Triple Orange Liqueu	750	11.02 16.53	10.18/10.46 = 54.12% 15.69	-0.84	198.36	188.28	Gemini Spirits
80456	086024015435	12.00	Ryan's Cream Liqueur	750	6.70 10.05	5.70/6.03 = 58.77% 9.05	-1.00	120.60	108.60	Gemini Spirits
80458	086024015411	6.00	Ryan's Cream Liqueur	1,750	11.54 17.31	10.54/10.87 = 54.74% 16.31	-1.00	103.86	97.86	Gemini Spirits
88036	086024007843	12.00	Margaritaville Silver Tequila	750	7.51 11.27	6.51/6.84 = 57.75% 10.27	-1.00	135.24	123.24	Gemini Spirits
89496	086024007966	12.00	Margaritaville Gold Tequila	750	7.51 11.27	6.51/6.84 = 57.75% 10.27	-1.00	135.24	123.24	Gemini Spirits
33489	482016312177	12.00	Khortytsa Platinum Vodka	750	6.50 9.75	5.50/5.83 = 59.09% 8.75	-1.00	117.00	105.00	Global Spirits USA, LLC
33490	482016312177	6.00	Khortytsa Platinum Vodka	1,750	10.99 16.49	8.99/9.66 = 61.17% 14.49	-2.00	98.94	86.94	Global Spirits USA, LLC
59231	088004015947	6.00	Ice Box Mudslide	1,750	6.76 10.14	5.76/6.09 = 58.68% 9.14	-1.00	60.84	54.84	SAZERAC COMPANY INC
67586	088004016876	12.00	Kapali Coffee Liqueur	750	5.72 8.58	4.72/5.05 = 60.59% 7.58	-1.00	102.96	90.96	SAZERAC COMPANY INC
82956	088004015510	12.00	Firewater Cinnamon Schnapps	750	9.34 14.01	8.84/9.00 = 52.82% 13.51	-0.50	168.12	162.12	SAZERAC COMPANY INC
21598	080660203010	6.00	Ten High	1,750	9.24 13.86	8.74/8.90 = 52.86% 13.36	-0.50	83.16	80.16	SAZERAC NORTH AMERICA
30056	082928210242	12.00	Fleischmann's Gin	750	3.32 4.98	3.07/3.15 = 54.07% 4.73	-0.25	59.76	56.76	SAZERAC NORTH AMERICA
8828	080660365015	6.00	Lauder's	1,750	11.18 16.77	10.68/10.84 = 52.34% 16.27	-0.50	100.62	97.62	SAZERAC NORTH AMERICA

	Actual	Actual Markup %	50% Markup	Over
FY 2017				
Gross Sales	$ 305,619,126.00	1.5020%	$ 305,197,177.00	$ 421,949.00
Cost of Goods Sold	$ 203,464,785.00			
FY2016				
Gross Sales	$ 288,908,790.00	1.5061%	$ 287,732,754.00	$ 1,176,036.00
Cost of Goods Sold	$ 191,821,836.00			
FY2015				
Gross Sales	$ 277,706,516.00	1.5092%	$ 276,005,289.00	$ 1,701,227.00
Cost of Goods Sold	$ 184,003,526.00			
FY2014				
Gross Sales	$ 263,495,212.00	1.5138%	$ 261,088,194.00	$ 2,407,018.00
Cost of Goods Sold	$ 174,058,796.00			
FY2013				
Gross Sales	$ 255,813,575.00	1.5151%	$ 253,260,087.00	$ 2,553,488.00
Cost of Goods Sold	$ 168,840,058.00			
				$ 8,259,718.00

[Aid4Mail Trial tag #28] FY 17 Annual Agency Performance Report

From: Halbur, Todd **Date:** Friday, December

To: Steve Larson

Cc: Herb Sutton; Joshua Happe

FY 17 Annual Agency Performance Report for ABD.pdf (467 Kb HTML)

Attached is our FY 17 Annual Agency Performance Report that was submitted today to Linda Leto at the Department of Management.Â

Thanks,
ToddÂ

Todd Halbur
Iowa Alcoholic Beverages Division
Comptroller
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Performance Results

Fiscal Year 2017

ALCOHOLIC
BEVERAGES
DIVISION
State of Iowa

Governor Kim Reynolds

Lieutenant Governor Adam Gregg

Stephen Larson, Administrator

Table of Contents

Overview

Introduction: The Department of Commerce, Alcoholic Beverages Division (ABD) is pleased to present its Performance Report for Fiscal Year 2017 (July 1, 2016-June 30, 2017). This report contains information about the services ABD provided over the past fiscal year. This document is provided pursuant to Iowa Code section 8E.210, which requires agencies to report on performance. The report includes an agency overview, financial highlights summary, templates providing details about some of ABD's key results and a table outlining Fiscal Year 2017 performance plan measures and results by core function and service, product or activity (SPA).

Agency Vision: The Iowa ABD provides clarity, consistency and equity to all stakeholders within the beverage alcohol industry.

Agency Mission: To serve Iowans through responsible and efficient licensing, regulation and distribution of alcohol.

Agency Core Functions:

The agency's SPAs relate to the following core functions:

- Sales and Distribution
- Regulation and Compliance
- Resource Management

Services, Products and Activities:

- Reverting profits from the sale of spirits to the State of Iowa General Fund
- Funding substance abuse programs administered by the Iowa Department of Public Health
- Licensing and regulating all entities that are under the purview of Iowa Code chapter 123
- Operating a profitable spirits distribution model
- Minimizing costs of distribution through efficient management and allocation of resources
- Ensure the safety and security of state employees and state assets
- Developing education programs targeted at licensees to increase understanding and compliance

Key Results

Core Function: Sales and Distribution

Description: ABD is given statutory authority to be the exclusive wholesaler of spirits in the state of Iowa. Per Iowa Code section 123.24(4), the Division is required to assess a mark-up of 50% of the wholesale price paid by the agency for spirits. ABD is also entrusted with transferring profits from the sale of spirits to the State of Iowa General Fund.

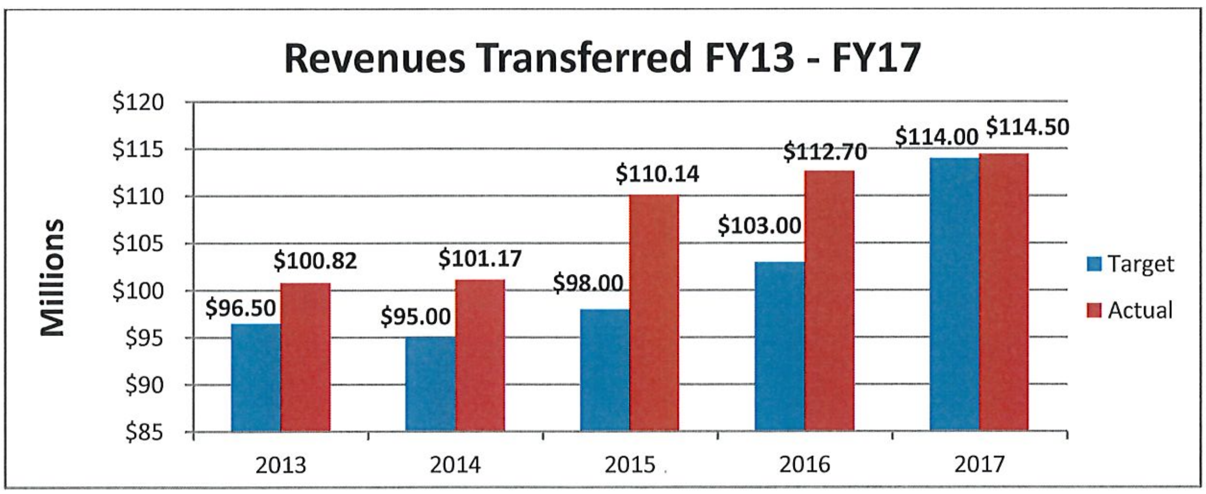
Why is this done: Iowa Code sections 123.53(2) and 123.53(5) require the agency to transfer liquor profits to the State of Iowa General Fund. ABD is also given a minimum transfer target that is established by the Revenue Estimating Conference (REC).

What is being done to achieve results: In Fiscal Year 2013 ABD hired an independent consultant to assess the current distribution model employed by the State. Some consultant recommendations have been implemented in order to improve distribution efficiency, resulting in increased profits and improved operating margins.

Performance Measure:

- Amount of revenues transferred to the State of Iowa General Fund
- Amount of revenues transferred for substance abuse programs

Performance Target: The REC established ABD's total transfer obligation. The Fiscal Year 2017 REC target was **$114 million**; this obligation was used as a base coupled with prior year transfers.



Note: Figures reported above represent substance abuse programs transfer and liquor profits transfer only.

Key Results

What was achieved: ABD reverted **$114.5 million** to the State of Iowa General Fund. Fiscal Year 2017 actually exceeded the target amount by **10.7%.** ABD set a goal of **$116.1 million** for the Fiscal Year 2018 target amount. As of December 2017, the agency has achieved **40.7%** of this goal.

Data sources: Review of ABD financial records and REC revenue reports.

Resources: These activities are funded through the wholesale of spirits and related revenues. Total expenses associated with generating transfer are **$234.5 million**. Major expenditures associated with performing this core function are the cost of goods sold, labor, and fuel.

ABD has established targets for SPAs related to its core function of sales and distribution:

Unit	Outcome Measure	FY 17 Target	FY 17 Actual
Warehouse Management	Maintain costs at a level equal to optimum % of sales	0.150%	0.19%
Freight	Decrease truck breakage	$10,000.00	$48,273.00
	Maintain costs at a level equal to optimum % of sales	1%	.86%
Warehouse Operations	Decrease warehouse breakage	$10,000.00	$2,546.00
	Maintain costs at a level equal to optimum % of sales	.70%	.78%
Product Administration	Maintain order accuracy above 95%	97%	99%

Key Results

Core Function: Regulation and Compliance

Description: ABD is responsible for licensing and regulating all entities associated with the sale, distribution and promotion of alcoholic beverages within the state of Iowa.

Why this is done: Iowa Code chapter 123 grants ABD the express authority to license and regulate entities associated with the sale, distribution and promotion of alcoholic beverages within the state of Iowa.

What is being done to achieve results: Each fiscal year, ABD reviews and modifies performance targets. Targets set for Fiscal Year 2017 related to regulation and compliance are outlined below:

Unit	Outcome Measure	FY 17 Target	FY 17 Actual
License Operations	Generate license revenue	$15,000,000	$15,664,468
	Maintain budgeted personnel expenses	$245,000	$186,956
Regulation	Ensure adequate compliance checks	1,100	357 *
	License complaints will be investigated within 15 days	90%	90%
Tobacco Enforcement	Number of tobacco compliance checks on retail outlets	3,400	3,577

Resources: These activities are funded through General Fund appropriation, license revenue and pass through appropriation from the Iowa Department of Public Health.

*ABD suspended compliance checks mid-Fiscal Year 2015 through Fiscal Year 2016, resulting in the number of actual compliance checks missing the target. The program has undergone a revamping and re-establishment of the program was implemented in Fiscal Year 2017.

Key Results

Core Function: Resource Management

Description: Provides vital infrastructure needs necessary to administer and support agency operations.

Why are we doing this: Effective resource management will assist ABD in fulfilling its functions in the areas of:

- Licensing and Regulation
- Distribution of Spirits
- Education of Licensees

What we're doing to achieve results: Each fiscal year, ABD reviews and modifies performance targets. Targets set for Fiscal Year 2017 related to resource management are outlined below:

Unit	Outcome Measure	FY 17 Target	FY 17 Actual
Risk and Safety	Amount of workers compensation claims	15	6
Education of Licensees	Percent of IPACT passing rate	96%	96%
Education of Licensees	Percent of IPLEDGE passing rate	96%	97%

Resources: These activities are funded through General Fund appropriation, license revenue and liquor revenues.

Name of Agency	Department of Commerce-Alcoholic Beverages Division			
Agency Mission:	To serve Iowans through the responsible and efficient licensing, regulation and distribution of alcohol.			
Core Function:	Sales and Distribution			
Unit	**Performance Measure**	**Performance Target**	**Performance Actual**	**Performance Comments & Analysis**
Liquor Revolving	Amount of revenues transferred to general fund	$84,050,000	$93,067,415	ABD exceeded target by 10.7%. FY 2017 amount transferred is a record transfer for the Division.
	Amount of revenues transferred to substance abuse	$19,950,000	$21,502,070	ABD exceeded target by 7.8%. Per Iowa Code section 123.53(5) the Division is obligated to transfer 7% of liquor sales for substance abuse.
	Totals	$104,000,000	$114,569,485	
Service, Products and Activities related to Sales and Distribution				
Unit	**Performance Measure**	**Performance Target**	**Performance Actual**	**Performance Comments & Analysis**
Product Administration	Maintain order accuracy rate of 95%	97%	99%	This measure relates to orders that have no errors. Minimizing errors will aid ABD in reducing distribution costs.
Warehouse Management	Maintain costs at a level equal to optimum % of sales	0.150%	0.190%	This measure relates to management functions associated with the distribution of spirits.
Warehouse Operations	Decrease warehouse breakage	$10,000	$48,273	ABD is responsible for damaged product.
Warehouse Operations	Maintain costs at a level equal to optimum % of sales	0.70%	0.780%	This measure relates to the warehouse function (direct costs) associated with the distribution of spirits.
Freight	Decrease truck breakage	$10,000	$2,546	ABD is responsible for damaged product.
Freight	Maintain costs at a level equal to optimum % of sales	1.0%	0..86%	This measure relates to the distribution function (direct costs) associated with the distribution of spirits.

Name of Agency	Department of Commerce-Alcoholic Beverages Division			
Agency Mission:	To serve Iowans through responsible and efficient licensing, regulation and distribution of alcohol.			
Core Function:	Regulation and Compliance			
Unit	**Performance Measure**	**Performance Target**	**Performance Actual**	**Performance Comments & Analysis**
Educational and Outreach	Percent of IPLEDGE passing rate	96%	97%	The IPLEDGE program is an online certification for retailers. The focus of the program is to alert and educate Iowa's tobacco retailers so they are more aware and informed of law changes to ensure illegal sales are not made.

License Operations	Generate license revenue	$15,000,000	$15,664,468	ABD is granted authority to issue licenses associated with the wholesale, distribution, and sale of all alcoholic beverages within the state.
License Operations	Maintain budgeted personnel expenses	$245,000	$186,956	Personnel expenses associated with licensing are funded through licensing revenue and general fund appropriation.
Regulation	Ensure adequate compliance checks	1,100	357	This measure tracks the number of compliance checks performed on wholesalers, distributors and retailers involved with alcoholic beverages.
Regulation	Licensee complaints will be investigated within 90 days	90%	90%	This measure was established in FY 2013. ABD strives to ensure compliance with Chapter 123, this measure ensures ABD is addressing regulatory issues expediently.
Tobacco Compliance	Number of tobacco compliance checks on retail outlets	3,400	3,577	ABD receives a pass through appropriation from the Iowa Dept. of Public Health to enforce tobacco compliance.

Name of Agency	Department of Commerce-Alcoholic Beverages Division			
Agency Mission:	To serve Iowans through responsible and efficient licensing, regulation and distribution of alcohol.			
Core Function:	Resource Management			
Unit	**Performance Measure**	**Performance Target**	**Performance Actual**	**Performance Comments & Analysis**
Risk and Safety Management	Amount of workers compensation claims	15	6	ABD has experienced significant increases in workers compensation premiums since FY 2009. Reducing the number of workers compensation claims will result in lower distribution costs.
Educational and Outreach	Percent of IPACT passing rate	96%	96%	The IPACT program is an online certification for retailers. The focus of the program is to alert and educate Iowa's alcoholic beverage retailers so they are more aware and informed of law changes to ensure illegal sales are not made.

[Aid4Mail Trial tag #32] Fwd: Mark Up Sheets

From: Halbur, Todd **Date:** Friday, June

To: Steve Larson

Cc: Herb Sutton; Joshua Happe

image002.jpg (1 Kb HTML) **image001.png** (2 Kb HTML) **Mark Up Analysis.pdf** (268 Kb HTML) **Mark Up Analysis.xlsx** (21 Kb HTML)

Steve:
Please see the email below from Leisa with her attachments of her analysis confirming the Markup percentage on TPR's.Â
We can have a follow up meeting to discuss further next steps.Â

Thanks,
ToddÂ

Todd Halbur
Iowa Alcoholic Beverages Division
Comptroller
1918 SE Hulsizer Road
Ankeny, Iowa 50021
(p)515-725-2087
(c)515-3214887
(e)Halbur@IowaABD.com

---------- Forwarded message ----------
From: **Bertram, Leisa** <bertram@iowaabd.com>
Date: Thu, Jun 7, 2018 at 3:30 PM
Subject: Mark Up Sheets
To: "Halbur, Todd" <halbur@iowaabd.com>

I have attached the excel file I used to examine the markups for May as well as a PDF that has all the sheets together. Based on these findings, I agree that the TPR method used increased t all items in the listing. As this was a systematic calculation, I can confirm that all products listed on TPR would have been priced with an inflated mark up.Â

Thank you,Â

*Leisa Bertram*Â Â |Â Â AccountingÂ
Iowa Alcoholic Beverages DivisionÂ
1918 SE Hulsizer Road â€¢ Ankeny, Iowa
[p] 515.281.7370 â€¢Â https://abd.iowa.gov/
[e]Â Bertram@IowaABD.com
Â Â

Code	UPC	Pack	Description	Size	Normal Bottle	/1.50	TPR Bottle	TPR with Price adj	Price Up/Down	Mark up	Normal Case	/1.50	TPR Case	TPR with Price adj	Price Up/Down	Mark up	Vendor
62400	086024008086	6.00	Margaritaville Classic Lime Ma	1,750	10.53	7.02	9.53	6.02	-1.00	58.31%	63.18	42.12	57.18	36.12	-6.00	58.31%	Gemini Spirits
62405	086024008253	6.00	Margaritaville Last Mango Mai	1,750	10.53	7.02	9.53	6.02	-1.00	58.31%	63.18	42.12	57.18	36.12	-6.00	58.31%	Gemini Spirits
62420	086024009991	6.00	Margaritaville Skinny Margarit	1,750	10.53	7.02	9.53	6.02	-1.00	58.31%	63.18	42.12	57.18	36.12	-6.00	58.31%	Gemini Spirits
66936	086024018832	12.00	Grangala Triple Orange Liqueu	750	16.53	11.02	15.69	10.18	-0.84	54.13%	198.36	132.24	188.28	122.16	-10.08	54.13%	Gemini Spirits
80456	086024015435	12.00	Ryan's Cream Liqueur	750	10.05	6.70	9.05	5.70	-1.00	58.77%	120.60	80.40	108.60	68.40	-12.00	58.77%	Gemini Spirits
80458	086024015411	6.00	Ryan's Cream Liqueur	1,750	17.31	11.54	16.31	10.54	-1.00	54.74%	103.86	69.24	97.86	63.24	-6.00	54.74%	Gemini Spirits
88036	086024007843	12.00	Margaritaville Silver Tequila	750	11.27	7.51	10.27	6.51	-1.00	57.68%	135.24	90.16	123.24	78.16	-12.00	57.68%	Gemini Spirits
89496	086024007966	12.00	Margaritaville Gold Tequila	750	11.27	7.51	10.27	6.51	-1.00	57.68%	135.24	90.16	123.24	78.16	-12.00	57.68%	Gemini Spirits
33489	482016312177	12.00	Khortytsa Platinum Vodka	750	9.75	6.50	8.75	5.50	-1.00	59.09%	117.00	78.00	105.00	66.00	-12.00	59.09%	Global Spirits USA, LLC
33490	482016312177	6.00	Khortytsa Platinum Vodka	1,750	16.49	10.99	14.49	8.99	-2.00	61.12%	98.94	65.96	86.94	53.96	-12.00	61.12%	Global Spirits USA, LLC
59231	088004015947	6.00	Ice Box Mudslide	1,750	10.14	6.76	9.14	5.76	-1.00	58.68%	60.84	40.56	54.84	34.56	-6.00	58.68%	SAZERAC COMPANY INC
67586	088004016876	12.00	Kapali Coffee Liqueur	750	8.58	5.72	7.58	4.72	-1.00	60.59%	102.96	68.64	90.96	56.64	-12.00	60.59%	SAZERAC COMPANY INC
82956	088004015510	12.00	Firewater Cinnamon Schnapps	750	14.01	9.34	13.51	8.84	-0.50	52.83%	168.12	112.08	162.12	106.08	-6.00	52.83%	SAZERAC COMPANY INC
21598	080660203010	6.00	Ten High	1,750	13.86	9.24	13.36	8.74	-0.50	52.86%	83.16	55.44	80.16	52.44	-3.00	52.86%	SAZERAC NORTH AMERICA
30056	082928210242	12.00	Fleischmann's Gin	750	4.98	3.32	4.73	3.07	-0.25	54.07%	59.76	39.84	56.76	36.84	-3.00	54.07%	SAZERAC NORTH AMERICA
8828	080660365015	6.00	Lauder's	1,750	16.77	11.18	16.27	10.68	-0.50	52.34%	100.62	67.08	97.62	64.08	-3.00	52.34%	SAZERAC NORTH AMERICA

May Temp - TPR'S

Code	UPC	Pack	Description	Size	Normal Bottle	TPR Bottle	Price Up/Down	Normal Case	TPR Case	
62400	086024008086	6.00	Margaritaville Classic Lime Mar	1,750	7.62 10.53	6.02/6.35 = 58.30% 9.53	-1.00	63.18	57.18	Gemini Spirits
62405	086024008253	6.00	Margaritaville Last Mango Mar	1,750	7.02 10.53	6.02/6.35 = 58.30% 9.53	-1.00	63.18	57.18	Gemini Spirits
62420	086024009991	6.00	Margaritaville Skinny Margarit	1,750	7.02 10.53	6.02/6.35 = 58.30% 9.53	-1.00	63.18	57.18	Gemini Spirits
66936	086024018832	12.00	Grangala Triple Orange Liqueu	750	11.02 16.53	10.18/10.46 = 54.12% 15.69	-0.84	198.36	188.28	Gemini Spirits
80456	086024015435	12.00	Ryan's Cream Liqueur	750	6.70 10.05	5.70/6.03 = 58.77% 9.05	-1.00	120.60	108.60	Gemini Spirits
80458	086024015411	6.00	Ryan's Cream Liqueur	1,750	11.54 17.31	10.54/10.87 = 54.74% 16.31	-1.00	103.86	97.86	Gemini Spirits
88036	086024007843	12.00	Margaritaville Silver Tequila	750	7.51 11.27	6.51/6.84 = 57.75% 10.27	-1.00	135.24	123.24	Gemini Spirits
89496	086024007966	12.00	Margaritaville Gold Tequila	750	7.51 11.27	6.51/6.84 = 57.75% 10.27	-1.00	135.24	123.24	Gemini Spirits
33489	482016312177	12.00	Khortytsa Platinum Vodka	750	6.50 9.75	5.50/5.83 = 59.09% 8.75	-1.00	117.00	105.00	Global Spirits USA, LLC
33490	482016312177	6.00	Khortytsa Platinum Vodka	1,750	10.99 16.49	8.99/9.66 = 61.17% 14.49	-2.00	98.94	86.94	Global Spirits USA, LLC
59231	088004015947	6.00	Ice Box Mudslide	1,750	6.76 10.14	5.76/6.09 = 58.68% 9.14	-1.00	60.84	54.84	SAZERAC COMPANY INC
67586	088004016876	12.00	Kapali Coffee Liqueur	750	5.72 8.58	4.72/5.05 = 60.59% 7.58	-1.00	102.96	90.96	SAZERAC COMPANY INC
82956	088004015510	12.00	Firewater Cinnamon Schnapps	750	9.34 14.01	8.84/9.00 = 52.82% 13.51	-0.50	168.12	162.12	SAZERAC COMPANY INC
21598	080660203010	6.00	Ten High	1,750	9.24 13.86	8.74/8.90 = 52.86% 13.36	-0.50	83.16	80.16	SAZERAC NORTH AMERICA
30056	082928210242	12.00	Fleischmann's Gin	750	3.32 4.98	3.07/3.15 = 54.07% 4.73	-0.25	59.76	56.76	SAZERAC NORTH AMERICA
8828	080660365015	6.00	Lauder's	1,750	11.18 16.77	10.68/10.84 = 52.34% 16.27	-0.50	100.62	97.62	SAZERAC NORTH AMERICA

FY 2017	Actual	Actual Markup %	50% Markup	Over
Gross Sales	$ 305,619,126.00	1.5020%	$ 305,197,177.00	$ 421,949.00
Cost of Goods Sold	$ 203,464,785.00			
FY2016				
Gross Sales	$ 288,908,790.00	1.5061%	$ 287,732,754.00	$ 1,176,036.00
Cost of Goods Sold	$ 191,821,836.00			
FY2015				
Gross Sales	$ 277,706,516.00	1.5092%	$ 276,005,289.00	$ 1,701,227.00
Cost of Goods Sold	$ 184,003,526.00			
FY2014				
Gross Sales	$ 263,495,212.00	1.5138%	$ 261,088,194.00	$ 2,407,018.00
Cost of Goods Sold	$ 174,058,796.00			
FY2013				
Gross Sales	$ 255,813,575.00	1.5151%	$ 253,260,087.00	$ 2,553,488.00
Cost of Goods Sold	$ 168,840,058.00			
				$ 8,259,718.00

[Aid4Mail Trial tag #22] Fwd: FYI - Product Management

From: Larson, Steve **Date:** Wednesday, January
To: Strauss, Stephanie; Herb Sutton; Joshua Happe; Todd Halbur; Bertram, Leisa [ABD]; Jake Holmes; Ackerson, Tyler [ABD]
Cc: Jodi Christensen; Nicole [ABD] Hartman; Carpenter, Erin

Product Management Timeline Project.docx (17 Kb HTML)

I have attached an outline for your information and please retain.

If you have questions or comments, please direct those to Jodi and Nicole.

Steve

Stephen Larson | Administrator
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---------- Forwarded message ----------
From: **Christensen, Jodi** <christensen@iowaabd.com>
Date: Wed, Jan 17, 2018 at 9:28 AM
Subject: FYI - Product Management
To: "Larson, Steve" <larson@iowaabd.com>, "Scebold, Nicole" <scebold@iowaabd.com>

Project Information

Jodi Christensen | Safety and Security
Iowa Alcoholic Beverages Division • 1918 SE Hulsizer Road, Ankeny IA 50021
[515] 725.0108 • [e] Christensen@IowaABD.com) • www.iowaabd.com

Product Management Meeting

January 16, 2018 10:30AM
Steve Larson
Nicole Scebold
Jodi Christensen

Discussion on Effective Dates for new Product Management

Iowa Broker Meeting, January 24, 2018
Southern Glazer, Johnson Brothers, Greg King, Rick Przbedia

Supplier Representative Meeting January 31, 2018

Tell –

New Publication (Formerly Promo) March 1, 2018

New Listing/Delisting Policy & Procedure July 1, 2018
Team: Nicole, Jodi, Jake
Review Team: Todd Halbur, Herb Sutton, Leisa Bertram, Stephanie Strauss

- Manual released 30-45 days prior to effective date (May 15, 2018)
- More modern look
- Include Adjusted Fee Schedule (Herb & Todd)
- Focus on policies and practices that will increase and maximize revenues

Size Extension

- Develop criteria
- Effective July 1, 2018

Delisting Policy – May 1, 2018

- Will be included in Listing/Delisting Policy & Procedure

Maximum Levels – May 1, 2018

- Included in the Listing/Delisting Policy & Procedure

Discounts – March 1, 2018

Highly Allocated

- Need Requirements for Programing
- Effective Date July 1, 2018

Special Orders

- Requirements submitted and a quote has been forwarded to Finance for signature
- Programming estimate 6 -12 weeks
- Effective Date July 1, 2018

Special Order on Hand

- Criteria to be listed on SOH

- Criteria to be reallocated to Special Order only

Review Pricing – Effective July 1, 2018

- Establish category floors
- Look at Variable Mark Up
    - Need Data
    - Would need reviewed after each quarterly price change

Manage the ABD Portfolio

- Resources Needed (FTE)
- Build the team
- Need Data

Justification to the NABCA Industry Advisory Committee regarding Quantity Discounts deducted from Invoice

- Todd & Leisa provide reasoning for not adopting the IAC recommendation
    - System challenge - Would require programming
    - Extra accounting/finance FTE's
    - Returns would also be challenging
    - Draft message – original intent was to get out of the promotions, this recommendation puts ABD not only in the Promos but actually performing almost all aspects of the programs.