

NABCA CONTROL STATE RESULTS

Control State Results for January 2018

Control State Results

March 6, 2018

During January, nine-liter control states spirits case sales grew 2.1% over same period sales last year. Alabama (7.8%), Idaho (4.0%), Iowa (11.5%), Maine (5.1%), Michigan (4.0%), Mississippi (7.4%), Montana (25.6%), North Carolina (5.9%), Ohio (4.5%), Utah (4.0%), Vermont (3.1%), West Virginia (3.1%), and Wyoming (10.1%) reported monthly growth rates for January that exceeded their twelve month trends. The growth rates for Montgomery County Maryland (-2.9%), New Hampshire (-4.8%), Oregon (1.8%), Pennsylvania (-11.4%), and Virginia (2.5%) fell short of matching their twelve month trends. Control state rolling-twelve month volume growth, 2.5%, mirrored December's reported 2.5%. Spirits volumes have grown 2.1% year-to-date compared to 1.7% a year ago.

Control state spirits shelf dollars grew 4.4% during January while trending at 4.9% during the past twelve months. Alabama (12.1%), Idaho (5.9%), Iowa (12.5%), Montgomery County MD (5.7%), Maine (10.6%), Michigan (5.6%), Mississippi (7.8%), Montana (25.4%), North Carolina (7.8%), Ohio (8.1%), West Virginia (6.6%), and Wyoming (10.9%) reported growth rates exceeding their twelve month trends. New Hampshire (-3.1%), Oregon (3.3%), Pennsylvania (-7.1%), Utah (6.1%), Virginia (3.8%), and Vermont (3.8%) grew shelf dollars at rates below their twelve month trends. Shelf dollars in the control states are up 4.4% year-to-date compared to 3.4% last year.

Price/Mix for January is 2.3%, down from December's reported 2.6%.

January's Control States spirits nine-liter case and shelf dollar growth rates were effected by the Control States' reporting calendars:

- In the Control States more cases of spirits and wines are sold during December than during any other month, and sales are concentrated during the month's last two weeks. December's share of annual spirits nine-liter case sales is 10.3%.
- In the Control States fewer cases of spirits and wines are sold in January than during any other month.
- January's share of annual spirits nine-liter case sales is 7.2%.
- Sales in Pennsylvania, which has 15.0% of Control States' spirits nine-liter case volumes, are reported monthly by the NABCA based upon the State's 4-5-4 week fiscal quarters. Sales for January, 2017 were reported for the period December 26, 2016 through January 22, 2017, and sales for January, 2018 were reported for the period January 1, 2018 through January 28, 2018.
- Pennsylvania's -11.4% January, 2018 growth rate results from comparing a mixed December 2016/January 2017 set of sales results with a calendar January, 2018 set of sales results.
- In Pennsylvania, nine-liter cases of spirits grew during calendar month January, 2018 over calendar month January, 2017 at 4.1%.
- Montana's January, 2018 nine-liter case volume grew over same period last year sales at 25.6%. This growth rate was inflated due to the State's warehouse being closed during the first week of

January, 2017. The State, anticipating this closing, encouraged its retailers to place orders during December, 2016 for products needed early in January.

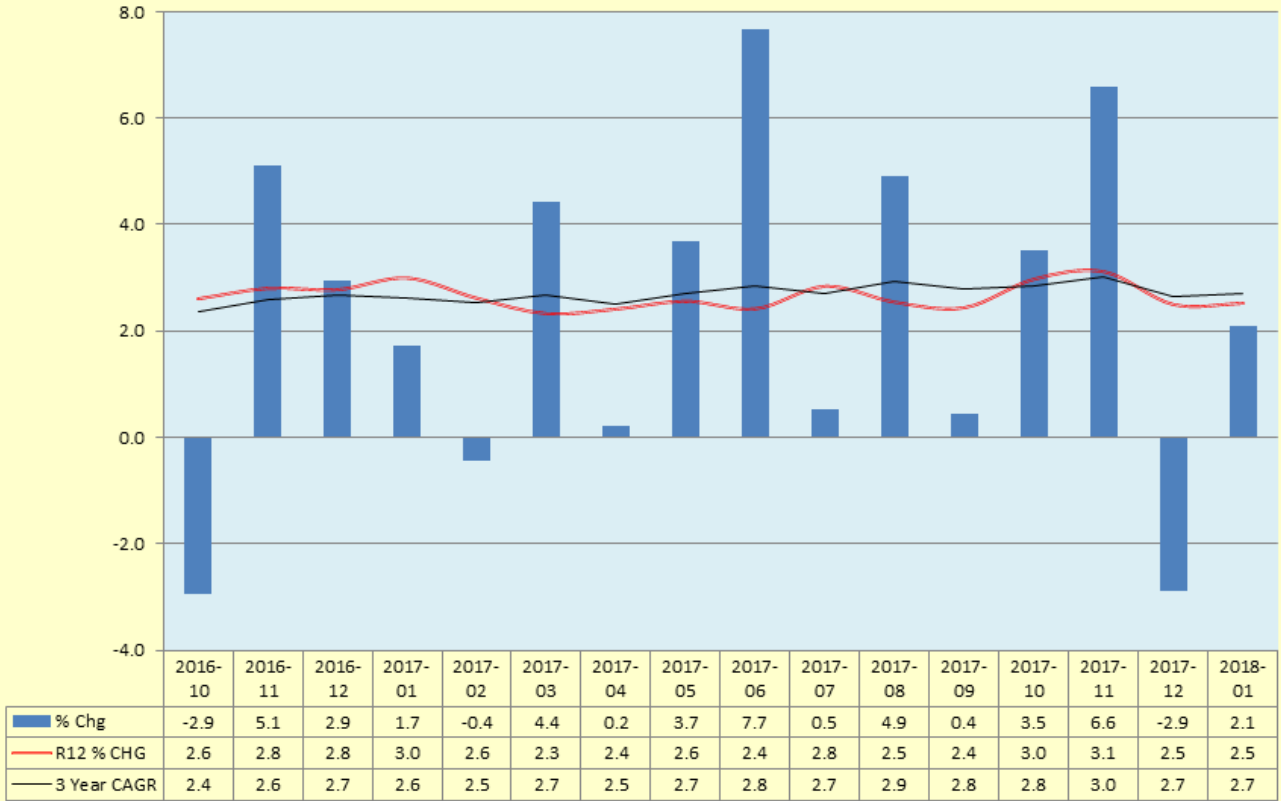
- January, 2018 was a month with four Sundays compared to January, 2017 which had five. Retail outlets in six Control States (Alabama, Mississippi, Montana, North Carolina, Utah, West Virginia) are closed on Sundays.

Irish Whiskey, with 1% share of the nine-liter case control states spirits market, grew its January volumes fastest among all categories with reported growth of 12.6% and a twelve month trend of 15.1%. Vodka, with 35% share, grew during the same periods at 3.6% and 3.1%, respectively. Domestic Whiskey(10.5%), Gin(0.8%), and Vodka(3.6%) grew at rates exceeding their twelve month trends while Brandy/Cognac(3.1%), Canadian Whiskey(8.3%), Cocktails(5.8%), Cordials(2.8%), Irish Whiskey(12.6%), Rum(-1.4%), Scotch(0.2%), and Tequila(8.9%) grew at rates below theirs.

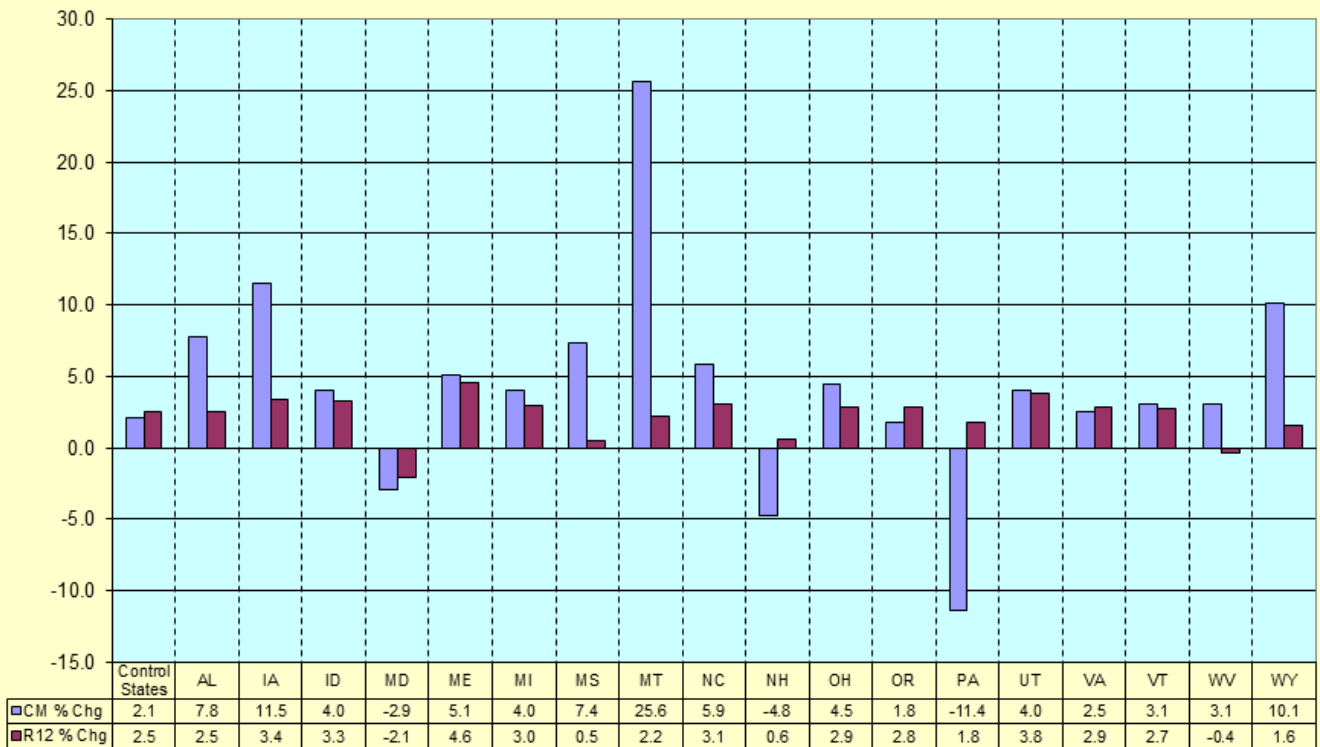
January's nine-liter wine case sales growth rate was -8.2%. Pennsylvania (reporting -17.1% nine-liter case growth for wines), New Hampshire (-2.3%), Utah (-0.7%), Mississippi (11.5%), Montgomery County Maryland (0.2%), and Wyoming (7.5%) are the control states that are the sole wholesalers and retailers of wines and spirits within their geographical boundaries. Rolling-twelve month wine volume growth in these six control states was 2.4%, up from December's reported 2.0%.

	9L Cases CM % Chg	Shelf \$ CM % Chg	Price/Mix	Control States
Total Control States	2.1	4.4	2.3%	
Central Region	-0.4	2.7	3.1%	IA, MD, MI, OH, PA, WV
NE Region	-1.5	1.0	2.5%	ME, NH, VT
NW Region	5.5	6.7	1.2%	ID, MT, OR, UT, WY
Southern Region	5.4	7.2	1.8%	AL, MS, NC, VA

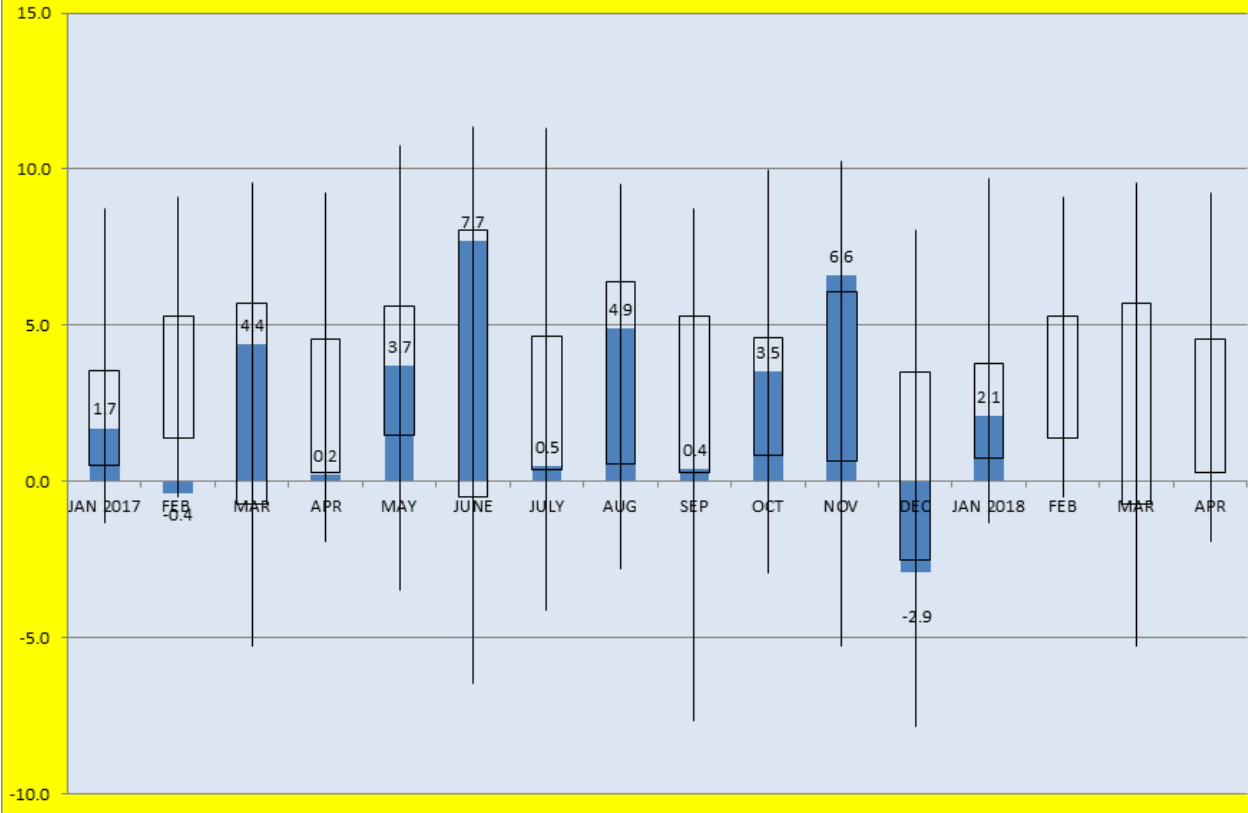
9 Liter Case Spirits Growth in the Control States as of January, 2018: Month over Same Month Last Year % Change, Rolling-12 Month % Change, and 3 Year CAGR



9 Liter Case Spirits Growth in the Control States by State as of January, 2018: Month over Same Month Last Year % Change and Rolling-12 Month % Change



Control State 9L Cases % Chg over Same Month Last Year Through January, 2018 with Monthly Avg High and Low, as well as All-Time High and Low, Growth Rates



Price/Mix for Spirits in the Control States From January, 2008 Through January, 2018 with a Six Month Moving Average Trend Line

