

# Control State Results for July 2018

August 20, 2018

During July 2018 nine-liter spirits case sales in the control states grew 4.6% over same period sales last year. July's rather robust sales growth is, at least partially, attributable to last July's weak comp (0.5%) and an anomaly in a control state's July 2018 sales reporting calendar.

Alabama (4.6%), Idaho (4.2%), Maine (7.0%), Michigan (5.0%), Mississippi (16.7%), Montana (8.5%), New Hampshire (15.5%), Oregon (4.8%), Pennsylvania (3.0%), West Virginia (11.6%), and Wyoming (7.4%) reported monthly growth rates exceeding their twelve-month trends. The growth rates for Iowa (1.0%), Montgomery County Maryland (-3.5%), North Carolina (2.6%), Ohio (2.2%), Utah (0.8%), Virginia (1.7%), and Vermont (0.7%) fell short of their twelve-month trends.

Control state rolling-twelve-month volume growth, 2.4%, improved upon June's reported 2.0%. Volumes in the control states grew 2.4% year-to-date compared to 2.7% a year ago.

Control state spirits shelf dollars were up 6.7% during July while trending at 4.9% during the past twelve months. Alabama (9.8%), Iowa (4.0%), Idaho (6.5%), Maine (10.2%), Michigan (7.5%), Mississippi (17.6%), Montana (9.0%), New Hampshire (13.6%), Oregon (6.9%), Pennsylvania (6.2%), West Virginia (16.6%), and Wyoming (10.6%) reported growth rates exceeding their twelve-month trends, while Montgomery County Maryland (-0.9%), North Carolina (4.6%), Ohio (4.6%), Utah (2.1%), Virginia (3.8%), and Vermont (2.0%) grew shelf dollars at rates below theirs.

Shelf dollars in the control states are up 5.0% year-to-date compared to 4.7% last year.

Price/Mix for July is 2.1%, down slightly from June's 2.3%.

July's Control State spirits nine-liter case and shelf dollar growth rates were effected by an anomaly in the New Hampshire sales reporting calendar and last year's weak Control State comp.

New Hampshire, with 4% of Control States' spirits nine-liter case volumes and 5% of Control States' dollars, reported five weeks of sales this July versus four weeks of sales during July 2017, artificially inflating sales and skewing Control States results. New Hampshire had six more selling days during this year's July than during last year's.

Overall, July 2018 had five more selling days, 1.0% more, than last year's July.

After equalizing nine-liter spirits case sales with respect to selling-day variations, July's volumetric growth is 3.6%, and rolling-twelve-month volume is up 2.5%. Likewise, after equalizing shelf dollars, July's shelf dollar growth rate is 5.8% with a twelve-month trend of 5.0%.

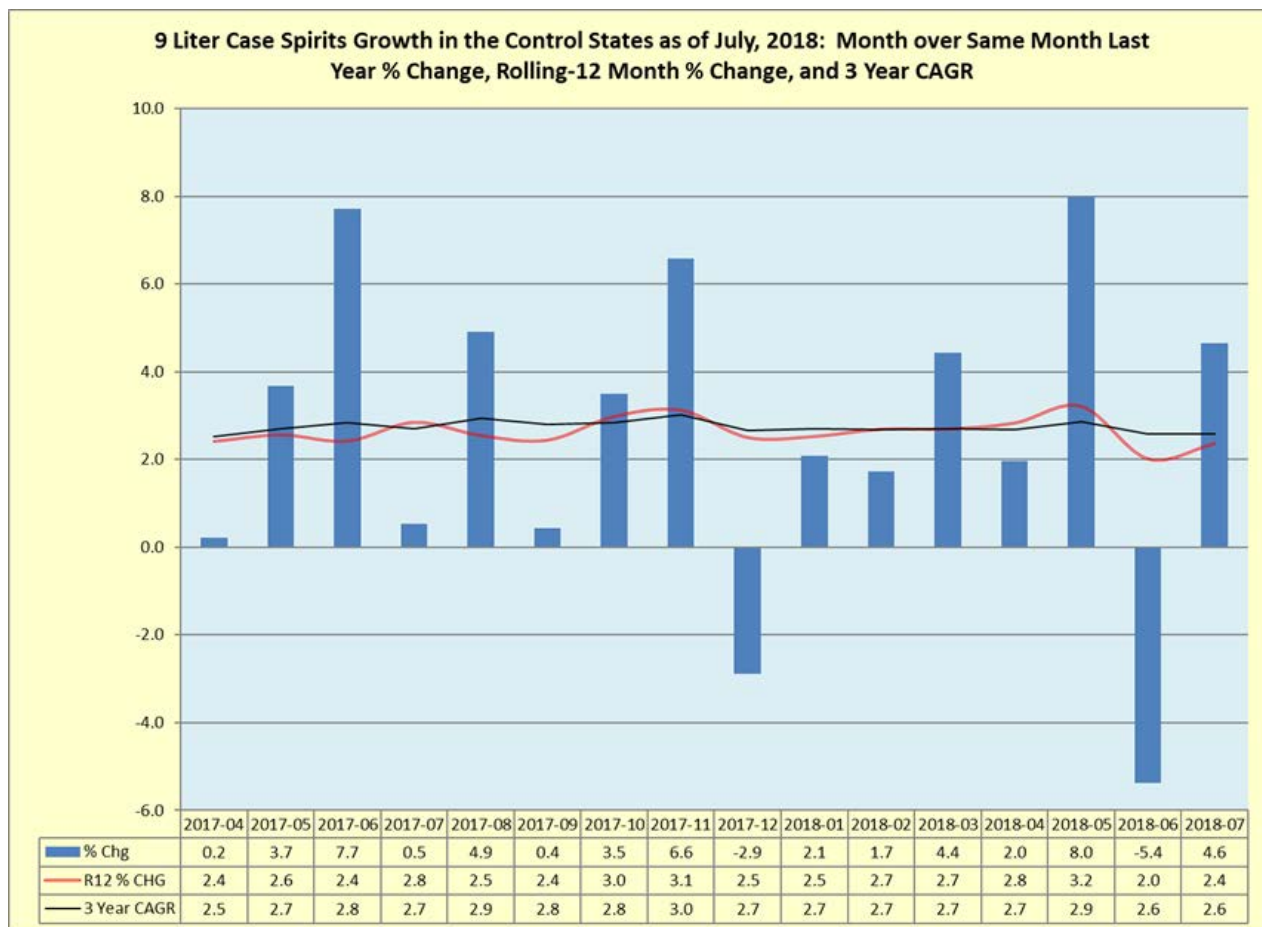
July's equalized Price/Mix is 2.2%.

Irish Whiskey, with 1% share of the nine-liter case control states spirits market, was July's fastest growing category with 17.8% growth reported and a twelve-month trend of 13.7%. Vodka, with 35% share, grew during the same periods at 5.2% and 2.2%, respectively. Every category--Brandy/Cognac (2.2%), Canadian Whiskey

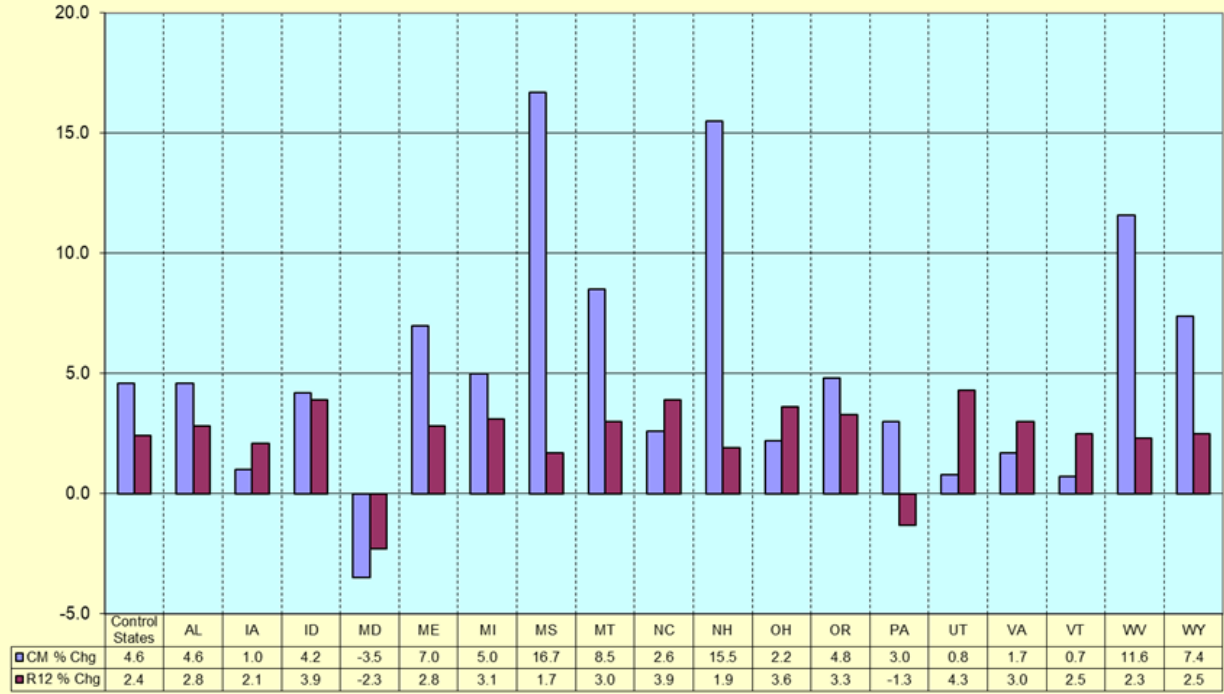
(3.5%), Cocktails (7.7%), Cordials (3.6%), Domestic Whiskey (6.2%), Gin (2.3%), Irish Whiskey (17.8%), Rum (0.9%), Scotch (0.7%), Tequila (10.1%), and Vodka (5.2%)--grew at a rate above its twelve-month trend.

July's nine-liter wine case sales growth rate was 5.7%. Pennsylvania (reporting 0.9% nine-liter case growth for wines), New Hampshire (20.5%), Utah (-1.4%), Mississippi (15.4%), Montgomery County Maryland (-2.0%), and Wyoming (5.4%) are the control states that are the sole wholesalers of wines and spirits within their geographical boundaries. Rolling-twelve-month wine volume growth in these six control states was -0.6%, improving upon June's reported -1.1%.

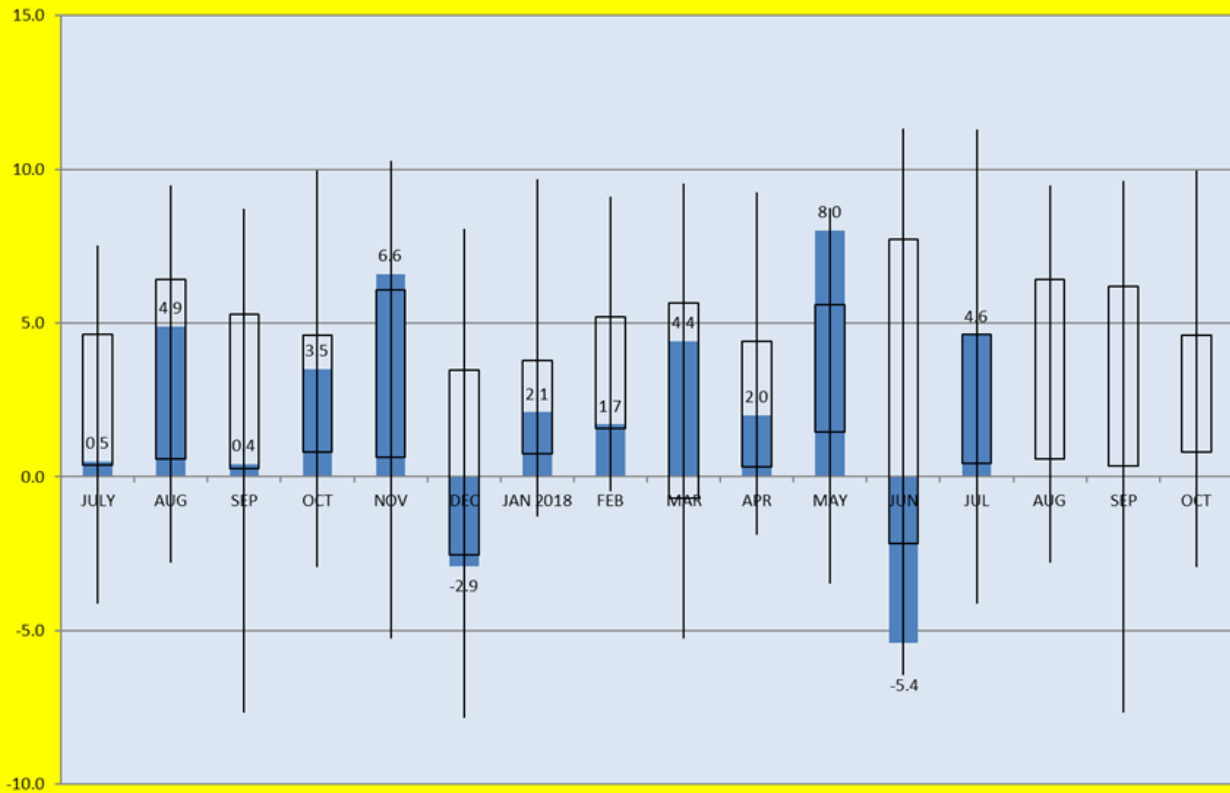
	9L Cases CM % Chg	Shelf \$ CM % Chg	Price/Mix	Control States
Total Control States	4.6	6.7	2.1%	
Central Region	3.3	6.1	2.8%	IA, MD, MI, OH, PA, WV
NE Region	11.9	11.6	-0.3%	ME, NH, VT
NW Region	4.7	6.5	1.8%	ID, MT, OR, UT, WY
Southern Region	4.2	6.3	2.1%	AL, MS, NC, VA



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



**Control State 9L Cases % Chg over Same Month Last Year Through July, 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, 2009 Through July, 2018 with a Six Month Moving Average Trend Line

