

Member Services – May 2017

Statistical Review

The following chart illustrates where all stores are by Region and ALSA members as of Dec 31. 2016.

| Region | May 17 2017 Total Stores | Dec 31 2016 ALSA 2016 | May 17 2017 ALSA 2017 |
|--------------------|-----------------------------|--------------------------|--------------------------|
| Calgary | 445 | 151 | 152 |
| Edmonton | 392 | 162 | 164 |
| North | 180 | 66 | 66 |
| Central | 291 | 93 | 89 |
| South | 142 | 64 | 58 |
| Out of Province | | 2 | 1 |
| | 1450 | 538 | 530 |

* Out of Province NWT

Current Statistics for renewal

Invoices Prepared 189 (representing 538 member stores plus 10 new members and 7 former members)

Renewed to date 500 (Closed stores and non-renewed to date 38) Renewal rate 93%

New Members 30

Total Membership 530

Partnership Update

Marketing Contracts Prepared 8

Contracts confirmed 6

New Partner – Alberta Treasury Branch Phase 1

Prospective Partners – 3 Alberta agencies

Not yet renewed: Liquor Accessories, AMA Grant Ventures

Coke prices appear to be generating new or returned members. Several new stores this year have cited the Coke prices as the new attraction.

Attached is the brand new Moneris Price List for 2017. They remain unchanged from the last list. This is significant because ATB offered us a full percentage plus higher base rate on Visa and Mastercard and is a full half cent more per transaction for Interac. They advised that without Merchant Services there was nothing more they could offer above the Group Benefits previously announced.

Membership Highlights

Of the 30 new members for 2017, 15 are expansion of the chains since 2016. One is an additional Coop Store in Central Co-op 1, 8 are former members re-joined with Coke prices and, 7 are brand new stores.

Contacts with non-renewed stores and several non-members indicate that the economy is a principal factor. Sales are down significantly, and they have had to reduce staff sizes. Family stores are now employing more family members than hiring outside.

North

| | |
|---|--|
| Non-Member stores visited since March 1, 2017 | 32 |
| Member stores visited (renewal reminders) | 20 |
| Communities visited: | Spruce Grove, Stony Plain, St Albert, Sherwood Park, Leduc |

South

| | |
|--|--|
| Non-Member Stores visited since March 1, 2017: | 40 |
| Member stores visited: | 10 |
| New communities visited: | Okotoks, Olds, Didsbury, Carstairs, Lethbridge, Cochrane |

Issues discussed with the owners/managers:

- AGLC's proposed changes to minimum ordering
- Alberta government's Labour Law Review
- Connect Logistics' discussions of introducing new plastic pallets
- Other issues related to BDL products
- ALSA's plans for marijuana
- Proximity of stores outside Edmonton and Calgary

Feedback:

- Majority of store owners feel that a minimum product pricing should be introduced by the AGLC to stop the unethical practice of selling products below Liquor Connect prices.
- Mixed reviews on AGLC's proposed changes to minimum ordering.
- Mixed reviews on Marijuana legalization
- As mentioned above, many store owners are struggling because of the economy and other stores undercutting aggressively – forcing them not to renew or join ALSA

In addition, Solo Liquor approached ALSA and had shown interest in joining as a member. However, their intention was to become ALSA member using only 1 store, which was against the ALSA By Law. Therefore, ALSA refused to accommodate Solo Liquor's request to join using 1 store.

Travel Plans next quarter North

Vegreville, Vermilion, Elk Point, Lloydminster, Wainwright, Viking, Slave Lake, Bonnyville, Cold Lake, Stony Plain, Spruce Grove, Drayton Valley, as well as stores in and around Edmonton.

Travel Plans next quarter South

Turner Valley, Black Diamond, Sundre, Crolene, Innisfail, Penhold, Beiseker, Linden, Drumheller, Lethbridge, Medicine Hat, Brooks, Fort MacLeod, Nanton, Claresholm, Crowsnest Pass, Pincher Creek. Will contact some board members to visit stores along (depending on the availability)

Howard Riddel
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Membership Services Coordinator, South