



# Liquor Industry Development in New Brunswick – New Brunswick Liquor Corporation (ANBL)

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## Why Is This Important?

- ANBL contributed \$1.7 billion to the Province over a ten-year period ending in March 2021
- ANBL is a monopoly corporation responsible for controlling all access to New Brunswick’s liquor market and its decisions have social and economic impacts on New Brunswickers
- Local craft products accounted for 4.2% of sales (\$19 million) yet made up 27.6% of ANBL’s portfolio

## Overall Conclusions

- ANBL did not plan for its role in the development of the liquor industry in the Province
- ANBL did not effectively participate and engage in the development of the liquor industry in the Province
- ANBL did not follow key steps within its product lifecycle management processes
- ANBL’s pricing model has the potential to hinder ANBL profits and favours some suppliers over others
- ANBL has widespread data and document retention issues throughout its key processes

## What We Found

### Ineffective Planning and Engagement to Develop Province’s Liquor Industry

- No outcomes-based plan or documented strategy for the development of the liquor industry in the Province
- Local producers not effectively engaged by ANBL and solutions to issues raised by local producers not adopted
- No definitions or targets for providing suitable financial revenues
- Strategic Plan targets missed in 2016-2020, no targets set in 2020-2023 strategic plan

### Data and Documentation Retention Issues

- ANBL does not retain historical information in Bev Hub system
- Communication with suppliers not retained

### Weaknesses in Product Lifecycle Management

- No records to support key financial decisions
- Verbal approval and no evidence of review are common practices
- Key steps within listing and delisting processes not followed for all product categories
- Evaluation criteria not consistently applied
- Special arrangements existed for some local producers resulting in higher costs for ANBL
- Suppliers typically relied upon to set retail prices across product categories
- Pricing process encouraged suppliers to maximize cost to ANBL
- Pricing strategy not finalized or followed across product categories
- Sales thresholds had several weaknesses in all product categories