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THE Municipal LIQUOR STORE
Official Publication of the
Minnesota Municipal Beverage Association
www.municipalbev.com

Volume 78, Number 6, 2019/2020

Water and Shoes

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MUNICIPAL LIQUOR STORE
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On the Cover

Do you ever stop and think about how lucky we are in the United States? We are so blessed, but many don't realize how much. This isn't about "toys;" but the simple things like water and shoes.

In this issue, see how the City of Paynesville, specifically Paynesville Liquor manager Bill Ludwig, worked with citizens and local businesses to gather shoes for residents of Paynesville, Liberia.

See Page 12.

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MMBA PRESIDENT'S MESSAGE

By Chris Arnold,
Bagley

There have been many changes in the world since my last article. I hope everyone is well. With all of the changes going on it's nice to see we're getting into the new normal or are we?

Today I'd like to talk about customer service customer loyalty. It doesn't matter if you're selling a bottle of booze or 12 pack of beer, or a $100,000, 10-year-old piece of farm equipment, customers shop in your business because they're loyal to you.

The reason they are loyal to you is because you've provided good customer service to them in the past. If you do not have good customer service you do not have a good business.

The first priority in my store is a happy customer. My grandfather always told me doing one good thing comes back 10 times. Do one bad thing it comes back 100 times. Plus, bad news travels faster than good.

The last few months have been trying times to provide good customer service. For example, we've been running out of various products, so I've been substituting other products and giving my customers a discount. A loyal customer is worth their weight in gold.

Municipal liquor stores may be the largest chain in the state, but we all run our operations differently. But I'm pretty sure I can say we all have good customer service and we care about our customers. One of the reasons for this is the education we get from the Minnesota Municipal Beverage Association.

It was strange not having our conference this spring, but I look forward to going to Arrowwood later this year (COVID-19 allowing) and seeing familiar faces and hopefully some new ones.

For those of you who don't know, the number of municipal liquor operations is growing thanks to overwhelming support from our state house representatives and senators. If you get a chance, please take time to contact your local legislators. Thank them for their support on this year's ominous bill and for everything they do for us in our industry.

Not only do we have to provide good customer service to our customers and build customer loyalty, we need to build good customer relations with our representatives and a good loyalty to them. They don't usually hear someone say thank you for what they've done for us. So try to make their day and contact them, because we will likely need them in the near future.

Stay healthy and safe and I 'm planning to see you in October at the 2020 annual conference.

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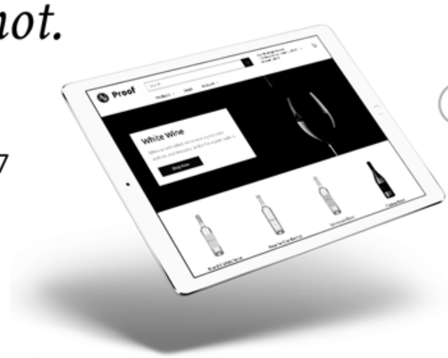

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Interim Guidance for Implementing Safety Practices for Critical Infrastructure Workers Who May Have Had Exposure to a Person with Suspected or Confirmed COVID-19

Accessible version: https://www.cdc.gov/coronavirus/2019-ncov/community/critical-workers/implementing-safety-practices.html

To ensure continuity of operations of essential functions, CDC advises that critical infrastructure workers may be permitted to continue work following potential exposure to COVID-19, provided they remain asymptomatic and additional precautions are implemented to protect them and the community.

A potential exposure means being a household contact or having close contact within 6 feet of an individual with confirmed or suspected COVID-19. The timeframe for having contact with an individual includes the period of time of 48 hours before the individual became symptomatic.

Critical Infrastructure workers who have had an exposure but remain asymptomatic should adhere to the following practices prior to and during their work shift:

- Pre-Screen: Employers should measure the employee's temperature and assess symptoms prior to them starting work. Ideally, temperature checks should happen before the individual enters the facility.
- Regular Monitoring: As long as the employee doesn't have a temperature or symptoms, they should self-monitor under the supervision of their employer's occupational health program.
- Wear a Mask: The employee should wear a face mask at all times while in the workplace for 14 days after last exposure. Employers can issue facemasks or can approve employees' supplied cloth face coverings in the event of shortages.
- Social Distance: The employee should maintain 6 feet and practice social distancing as work duties permit in the workplace.
- Disinfect and Clean work spaces: Clean and disinfect all areas such as offices, bathrooms, common areas, shared electronic equipment routinely.

If the employee becomes sick during the day, they should be sent home immediately. Surfaces in their workspace should be cleaned and disinfected. Information on persons who had contact with the ill employee during the time the employee had symptoms and 2 days prior to symptoms should be compiled. Others at the facility with close contact within 6 feet of the employee during this time would be considered exposed.

Employers should implement the recommendations in the Interim Guidance for Businesses and Employers to Plan and Respond to Coronavirus Disease 2019 to help prevent and slow the spread of COVID-19 in the workplace. Additional information about identifying critical infrastructure during COVID-19 can be found on the DHS CISA website or the CDC's specific First Responder Guidance page.

INTERIM GUIDANCE

This interim guidance pertains to critical infrastructure workers, including personnel in 16 different sectors of work including:

- Federal, state, & local law enforcement
- 911 call center employees
- Fusion Center employees
- Hazardous material responders from government and the private sector
- Janitorial staff and other custodial staff
- Workers – including contracted vendors – in food and agriculture, critical manufacturing, informational technology, transportation, energy and government facilities

ADDITIONAL CONSIDERATIONS

- Employees should not share headsets or other objects that are near mouth or nose.
- Employers should increase the frequency of cleaning commonly touched surfaces.
- Employees and employers should consider pilot testing the use of face masks to ensure they do not interfere with work assignments.
- Employers should work with facility maintenance staff to increase air exchanges in room.
- Employees should physically distance when they take breaks together. Stagger breaks and don t congregate in the break room, and don t share food or utensils.

CDC CISA CYBER+INFRASTRUCTURE

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More mix ideas: Flavored soda water, ginger ale, lemonade, beer, etc.

ASK ABOUT DISPLAY UNITS FOR YOUR STORE!

WHAT WINE MARKETERS SHOULD KNOW ABOUT CANNABIS CONSUMERS

By Tina Caputo

You know the stereotypical image of the young, male, Doritos-munching stoner? Well, you might just want to forget it. According to cannabis industry analysts, a new consumer of THC products has emerged, spurred by the legalization of adult-use cannabis in 10 states across the country.

To help paint a clearer picture of the modern-day user of THC products, three cannabis industry experts came together for a panel discussion at the Unified Wine & Grape Symposium, held January 29 to 31 in Sacramento, California. They were moderator Rebecca Stamey-White, a partner at the Hinman & Carmichael law firm in San Francisco; Liz Stahura, the president and cofounder of BDS Analytics, a cannabis sales and market research firm in Boulder, Colorado; and Cynthia Salarizadeh, the chief strategy officer for House of Saka beverages in Napa Valley and a managing partner of KCSA Strategic Communications, a cannabis industry public relations firm in New York City.

A Modern Profile

Marijuana use in the United States is nothing new, Stahura says, but legalization has caused a shift in consumer attitudes, beliefs, and behaviors. According to BDS research, 80 percent of Americans age 21 and older believe that some form of marijuana use should be legal, and 32 percent of those living in states where cannabis is legal for both medical and recreational use said they've consumed cannabis in the last six months.

"What is fundamentally different about cannabis and cannabis consumption as compared to alcohol is that there are so many different forms and functionalities [of cannabis]," Stahura says. "The reality of the situation is that there is no one specific subtype of cannabis consumer."

There are, however, some commonalities among them. BDS reports that the average cannabis consumer is 42 years old, slightly more likely to be male than female, and is more likely to have a higher income than that of the general population.

Cannabis consumers who also drink wine are 40 years old, on average, college educated, and use cannabis primarily for recreational purposes rather than for health and wellness benefits. If these profiles sound familiar to wine marketers, it's not surprising. Says Stahura, "There are a lot of parallels."

Alcohol Overlap

The number of cannabis users who also drink alcohol appears, however, to be declining. According to BDS, 68 percent of cannabis consumers now drink alcoholic beverages, down from 72 percent at the end of 2018. One-third of cannabis consumers surveyed said they'd reduced their alcohol consumption overall.

While those figures may worry those in the wine industry, Stahura says many mitigating considerations are involved. "When you think about that 30 percent," she says, "the two largest groups are, first, young adults who are cash strapped," and second, "a medically motivated group—folks looking to make health changes in their lives.

"There are different ways and reasons that consumers are utilizing the products," Stahura adds, such as recreational versus health reasons, and one is not always a substitute for the other.

Beverages on the Rise

Today's cannabis users of consume their THC products in different forms. In 2014 bulk flower accounted for 69 percent of cannabis sales. That number has since dropped, to 43 percent, as branded edibles and concentrates gain market share. Cannabis-infused beverages, such as sparkling water, currently account for just 1 percent of sales in Colorado, the largest market BDS tracks, but the panelists expect sales in legal states to increase in the near future. Says Stamey-White, "I'm [calling] 2019 the Year of the Cannabis Beverage."

Improved production technology is likely to be an important driver of sales. "Maybe six or eight months ago, nobody could nail the science to create an odorless, tasteless, water-soluble [cannabis] solution, and every one of the beverages that existed tasted like swamp water or bong water," says Salarizadeh, who is set to launch a cannabis-infused, nonalcoholic rosé this spring. Now that a water-soluble solution exists, she says, it's possible to make better-tasting drinks to appeal to more sophisticated consumers—including those who typically drink wine.

With the panelists predicting that adult-use cannabis will be legal federally by 2021 at the latest, wine producers might just want to think about developing beverages of their own.

Tina Caputo is a writer based in Northern California who covers wine, beer, food, and travel. She was formerly the editor in chief of Vineyard & Winery Management magazine, and her work has appeared in Wine Enthusiast, Visit California, Sonoma magazine, the San Francisco Chronicle, and many other publications. She also produces the podcast Winemakers Drinking Beer.

LET'S MAKE SURE WE ARE TALKING ABOUT THE SAME THINGS: TIED-HOUSE LAWS AND THE THREE-TIER SYSTEM

By Daniel Croxall

Excuse all the hyphens.

Friends and colleagues have been asking me what tied-house laws are and what is this three-tier system, exactly. So let's step back and explore these terms.

What is a "tied house"?

In simple terms, a tied-house is any retail outlet that is beholden to a particular alcohol manufacturer for any reason.

The concept can be illustrated by traditional pubs or saloons prior to Prohibition. Large alcohol manufacturers would provide such retailers with low-interest loans, free draft systems, and even direct payments in exchange for favorable or monopolistic treatment from that retailer.

In some cases, a manufacturer might own every retail outlet in town, which outlets would then sell only that manufacturer's product. So the result of tied houses is a decrease in competition and consumer choice, while providing retailers with every incentive to oversell alcoholic beverages (particularly those made by the retailer's benefactor).

After Congress repealed Prohibition in 1933 through the Twenty-First Amendment, every state in the union enacted some version of laws designed to prohibit and minimize tied-houses.

What is the "three-tier system?"

In its purest form, the three-tier system is a market regulation concept whereby each "tier" of alcohol manufacture, wholesale (distribution), and retail must remain completely separate from the others. That is, a manufacturer cannot have an ownership or business interest in a distributor or a retailer and all the vice versas you can imagine.

As the California Supreme Court put it, "[m]anufacturing interests were to be separated from wholesale interests, wholesale interests were to be segregated from retail interests. In short, business endeavors engaged in the production, handling, and final sale of alcoholic beverages were to be kept distinct and apart." California Beer Wholesalers Assn., Inc. v. Alcoholic Beverage Control App. Bd., 5 Cal. 3d 402, 407 (1971).

Most states have some version of these regulations to keep each tier independent of the others, mainly for the purpose of prohibiting tied houses and the anti-competitive results and temperance issues they raise. There are many variations on this theme among the states, since the Twenty-First Amendment gave the states the power to create their own regulatory schemes.

So what are "tied-house laws"?

These laws and regulations are those enacted by the state legislatures or promulgated by the state agencies for the purpose of creating and enforcing that state's version of the three-tier system. Again, the purpose was to prohibit (or at least minimize) large manufacturers from unduly influencing wholesalers and retailers.

This isn't a theoretical problem.

"In the era when most tied-house statutes were enacted, state legislatures confronted an inability on the part of small retailers to cope with pressures exerted by larger manufacturing or wholesale interests." California Beer Wholesalers, 5 Cal. 3d at 407-08. There are myriad different tied-house laws that states have enacted and modified over the years—each jurisdiction is different to some degree. California's, originally enacted in 1935, can be found in the California Business and Professions Code section 25000 et seq. And California has a ton (more on these in later posts).

As a specific example, California Business and Professions Code section 25503 provides that it is illegal for a manufacturer to give "anything of value" to a retailer (or wholesaler), to give rebates or kickbacks to retailers, to pay a retailer for advertising in the retail outlet, and to give a retailer any free goods (with some exceptions). So California's idea was to try to keep separation between the tiers by essentially prohibiting bribes for favorable treatment. There are many more restrictions and exceptions contained in California's statutes and regulations.

As the Supreme Court noted, these regulations were designed to prevent dominance in the market by large-scale players and to maintain independence between the tiers. California Beer Wholesalers, 5 Cal. 3d at 408.

Why do we care?

Without these laws, the market would turn into a free-for-all for those with the deepest pockets. Of course international monoliths would take every advantage to squeeze out pesky independent brewers who keep taking market share—dare I say even pay bribes to retailers? And as I have pointed out before, many state three-tier systems and accompanying tied-house regulations are under attack through sophisticated lobbying efforts, legal challenges (see prior blog posts), and even through circumventing the laws in questionable/illegal ways.

Are there problems with the three-tier system? You bet. Do the benefits outweigh the problems? That depends on if you favor consumer choice, an even playing field, and good old independently brewed beer in all its glorious iterations.

Professor Daniel (Dan) Croxall teaches at the University of the Pacific, McGeorge School of Law. His scholarly interests center around legal writing and laws that impact the craft beer industry, including constitutional issues such as the First Amendment and tied-house laws.

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-Tito
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Sources: (1) IRI, Total US Food & Drug 52wks ending 9/09/18, Top 25 Spirit Brands

WATER & SHOES

By Bill Ludwig
Paynesville Liquor

This article written by Paynesville Liquor manager and MMBA director Bill Ludwig recently appeared in the *Daily Observer*, the oldest newspaper in Liberia, which is headquartered in Paynesville, Liberia.

Do you ever stop and think about how lucky we are in the United States? We are so blessed, but I do not think we realize how much. I am not talking about “toys;” I am talking about the simple things like water and shoes.

In February, Mayor Jeff Thompson of Paynesville, Minnesota invited his city council, department heads and the Area chamber president to meet delegates from Paynesville, Liberia, including the Mayor Pam Belcher-Taylor to discuss the possibilities of rekindling a sister city relationship.

Mayors Jeff Thompson of Paynesville, Minnesota and Pam Belcher-Taylor of Paynesville, Liberia

It was interesting to hear about the Liberian Paynesville. It is their largest city with half a million residents. While we discussed our economies, municipalities and local industries, Mayor Pam stated that 300,000 of their residents were children. Most of these children have an extremely limited source of fresh drinking water. While they are working on setting up ATM stations to dispense fresh water, most children get fresh water from 500m/l bags that are sold from vendors at 15 cents each. Many of these vendors have been shut down as their water has been unsafe. She stated that many of the wells were unsafe to drink and many children have died from results of bad water. I sat in awe and thought of my 18-month-old granddaughter, her sippy cup is filled from our own tap water. We never have to worry.

Mayor Belcher-Taylor went on to describe that most of their children do not even have shoes. My wheels were starting to turn as our mayor [Thompson] asked how we could help. She replied, “Send Shoes!” I immediately jumped in and said “I can help!!” The chamber president chimed in and the ideas began to flow like water.

I will never, ever forget the smiles on all the delegates’ faces! Truly Inspiring!

After they toured our city facilities their last stop was at the Liquor Store. I presented all the delegates with Paynesville Liquor t-shirts. They had referenced the one I was wearing several times during our meeting. Mayor Pam and I toured the store discussing Municipal Liquor. She loved the idea as a source of income to increase revenues for Paynesville, Liberia; she stated, “We need to check into this idea this is great.”

Our association continues to fight for Municipal Liquor and the value it brings to our communities. We have many naysayers including a few of our own members that cannot see the true value. Yes, the value is in the profits, but more importantly our value is in helping people. Isn’t that what a community-based business should do?

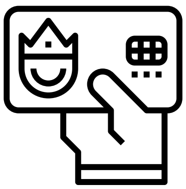
Let us lead by example … Spread the word!

Brooklyn Park City Council Member Wynfred Russell and Bill Ludwig, Liquor Store Manager of the City of Paynesville, Minnesota

UPDATE FROM BILL:

Delegates from Paynesville Liberia picked up their shoes. We stuffed their SUV totally full not leaving any room, the shoes are in a container waiting for departure.

THE 10 MOST IMPORTANT PROS AND CONS OF LOYALTY PROGRAMS



By Sean Ogino
Customer Loyalty

Why Are Loyalty Programs Important?
Loyalty programs came into existence when companies realized that the competitive advantage that they once experienced due to product differentiation no longer holds good due to a proliferation of similar looking and "me too" products. In such an environment, having loyal customers became more important and more difficult. So much so that Frederick Reichheld from Bain & Company went on to say that customer loyalty is a rare commodity.

But it's important to examine the pros and cons of e-commerce loyalty platforms in order to ensure that you choose what's right for your company and audience. Let's take a look.

Benefits of Loyalty Programs
1. Customer Retention
The primary motive behind a loyalty program is to retain customers by rewarding them for their repeat purchase behavior. In fact, Khan and Khan (2006) have also said, "Loyalty exists when a person regularly patronizes a particular (store or non-store) that he or she knows, likes and trusts."

In short, the customer loyalty program is a tool to retain customers by giving them a solid motive to buy again from the company and establishing habits.

There are many studies which have explained this relationship between loyalty program and retention rate. One European study found that customers' relationship perception of a Dutch financial services company's loyalty program explained about 10% of the total variation in customer retention and customer share.

Annex Cloud's own customer loyalty statistics—taken from our clients—have shown that a well-implemented loyalty program can achieve the following:
- Loyalty programs increase overall revenue by 5-10%.
- Loyalty members spend 5-20% than non-members on average.
- Loyalty program members buy 5-20% more frequently than non-members.

The direct impact that customer retention strategies have on the bottom line of business is a well-established fact.

A business with a 60% customer retention rate is losing 3-4 times as many customers a business with 80% retention rates. Besides, increasing customer retention by just 5% boosts profits by 25 to 95%, according to the advisory firm Bain & Co.

Indeed, out of the list of pros and cons of a loyalty program, retention is likely the ultimate benefit.

2. Relevant Customer Data and Consumer Trends
Consumer data gets recorded in the company's database as soon as a shopper registers for a loyalty program. Companies can use this data for omni-channel, offline, and ecommerce segmentation, profiling their best customers and tailoring their offerings to specific groups of consumers.

As loyalty program data gives the company a complete view of customer behavior, buying habits, and preferences, the company can use this information to invigorate its inventory management, pricing, and promotional planning. This data also enables marketers to measure the results of special promotions based on additional purchases, use of additional channels, or decreased time between purchases.

The reaction of Tesco's chairman speaks volume about how efficient loyalty programs are in extracting valuable information from a customer. He has said, "What scares me about this [loyalty program], is that you know more about my customers in three months than I know in 30 years!"

3. Higher Cart Value
As explained in the above point, a company can use collected data to cross-sell and up-sell. It can offer extended warranties after an item is purchased, suggest accessories that go well with the purchased item, and provide discounts on related purchases. Moreover, the loyalty program can also bring relief by increasing demand in slow seasons.

Its best example is an airline mileage program that is available only on selected flights. Due to less wastage, such targeted promotions are prone to yield more satisfactory results.

4. Reducing Unprofitable Customers
One of the less frequently considered items on this list of the pros and cons of loyalty programs is that they let companies shed unnecessary weight.

A well-designed loyalty program allows companies to segment customers and discover profitable and unprofitable customers. It helps them in dropping off the customers who only buy the discounted lines and avoid premium range almost on a regular basis. These customer profiles can cost more money than they generate.

Through a loyalty program, companies can reward the better customers only and thereby minimize the payout to not so profitable customers. Without an iota of doubt, this is the most efficient way to retain the customers from whom the company generates the most profit.

Art designed by Becris via Freepik.com

5. Better Customer Communication
A loyalty program offers a direct line to customers, making communication much easier.

Aside from announcing new products/services, promoting sales, and the like, a useful item on this list of the pros and cons of loyalty programs is that they facilitate recalls when necessary. This is possible due to the purchase date and barcode of the recalled items. The recall notice gains more weight and significance, as it is based on the consumer's actual purchase of the affected good.

Compared to a store sign or newspaper notice, the chance that this email-borne recall notice will get read by the people is high.

Cons of Loyalty Programs

1. Difficulty in Pinpointing Where Loyal Behavior Actually Comes From
It's very hard for the loyalty framework to break away from the transactional spirit. More than often, it appears that the one who is a frequent buyer is a loyal one.

But that may not be the case, as he may be buying from the company just because that's convenient for him. Or, he may be buying just for the benefits that the loyalty program is giving him in the form of rewards.

Thus, loyalty, which in essence is an emotion, may not be gauged by the loyalty program.

However, this point on the list of pros and cons of loyalty programs can be addressed by merging your loyalty program with advocate marketing tactics. Reward customers for referring friends, writing reviews, and the like. This will make it simpler to see who's just a frequent buyer and who among your loyal customers is actually willing to vouch for you.

2. Balancing the Bottom Line
Out of all the pros and cons of loyalty programs, the financial component is the most stressful.

Discounts, regardless of the form, are going to hurt the bottom line of a company. A typical $50 sale transaction breaks down to $40 in costs and $10 in profit. A 5% loyalty discount—$5 off a $50 sale—results in a 50% decrease in profits. The costs remain the same, but instead of earning $10 from the sale, profit is reduced to $5. What appears to be a small discount—in this case, 5%—can significantly impact profits.

The key to moving beyond this financial loss is to make sure that your loyalty program is fairly priced and effective. If the program really is increasing repeat purchases and average order value, then as long as your discounts are balanced you'll have no problem recouping the losses.

3. Market Saturation
Just like the products, loyalty programs are everywhere and may appear identical. They all have similar membership provisions, purchase requirements, and benefits. But in this ultra-competitive world, firms are unable to pull back from their loyalty program commitments due to the fear of lost sales.

With the average household participating in over nine reward programs, there is a need for businesses to create programs that are unique and distinguishable. But it's very hard to design a loyalty program that is based on the sustainable competitive advantage that cannot be copied. Advocate loyalty programs are a good way to stand out, though, as you can reward customers for unique actions that work for your audience.

4. Past Customer Profitability Doesn't Always Guarantee Future Profitability
Loyalty programs hope to bring more repurchases based on the historical behavior of customers. But with time, their incomes, needs, and lifestyles change. Naturally, their buying patterns also change. Clearly, people prefer to opt out of the old form of loyalty program.

A Maritz poll indicated the same by finding that four out of ten loyalty program participants quit at least one program. That's the reason why some experts are justifiably critical of measures of loyalty like RFM (Recency, Frequency, and Monetary Value). RFM is a good measurement tool for customer loyalty, but it's far from perfect.

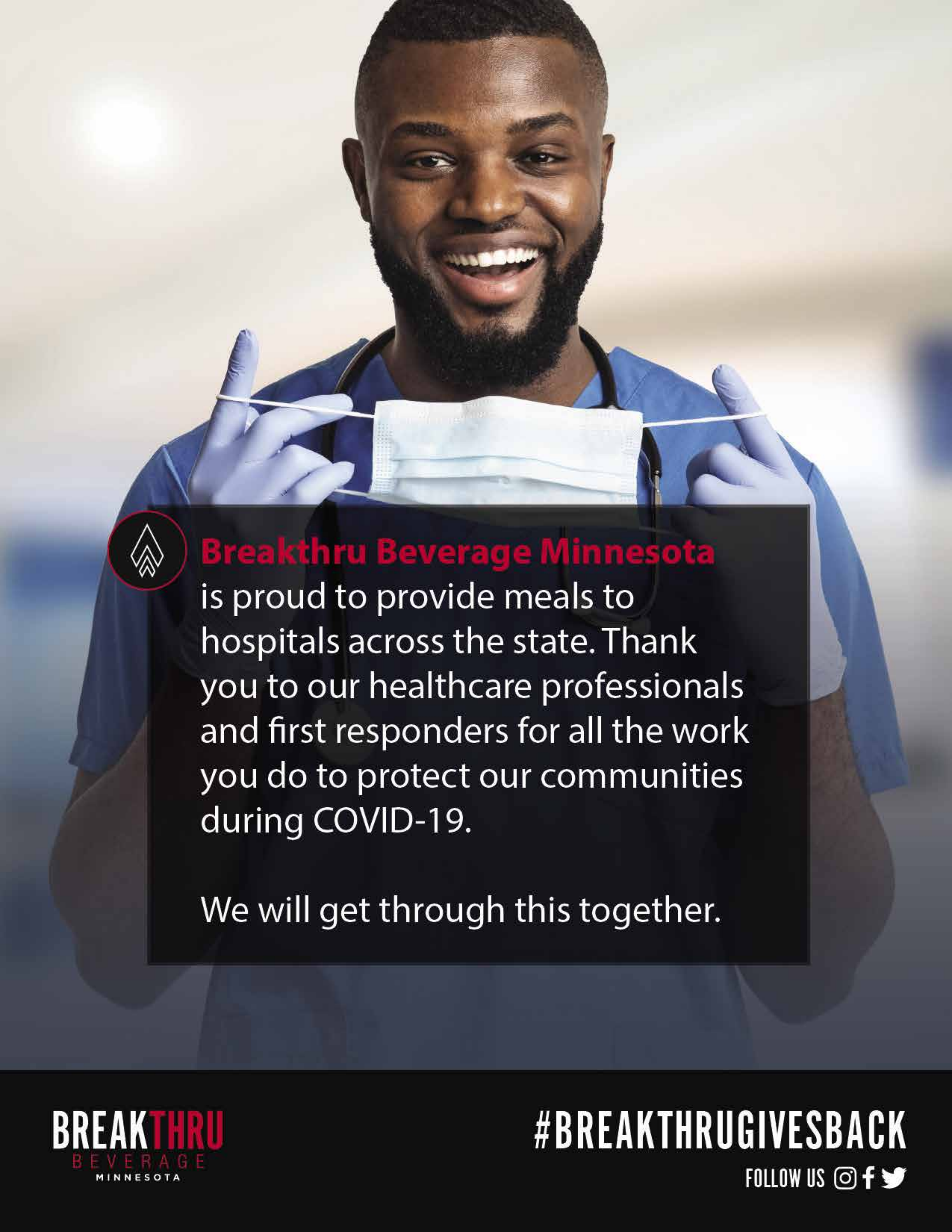
5. Limitations of Loyalty Data
As loyalty data does not look at the purchases from other brands and stores, it provides a limited picture of consumers' overall purchase behavior. Customer panel data may also be more representative than loyalty card member data. Furthermore, customers may feel offended if they are uncomfortable sharing sensitive information in order to get the incentives of the program.

However, it's possible to address this point on the list of the pros and cons of loyalty programs by incentivizing customers to share their other purchase data by rewarding them for submitting third-party receipts to you. Whether they do so by scanning physical receipts or by forwarding e-receipts, you can gather this information to reward them for their purchases of your goods while also processing the receipts for additional information.

Remember that nobody is doubting the importance of loyal customers. The debate is about the loyalty program's power in creating more loyal customers. This is because not all loyalty programs are successful.

Some of them have failed due to their undifferentiated appeal and some due to the wrong implementation. Some have also failed due to the wrong value proposition.

Understanding the aforementioned pros and cons of loyalty programs will help in refraining from such mistakes.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WANT TO QUICKLY REDUCE YOUR LIQUOR INVENTORY LOSSES? FOCUS ON YOUR BACKDOOR

Often when we think of liquor inventory control, our minds go to behind the bar. To take it one step further, the default-mode for most bar and restaurant operators is to attribute inventory loss to staff.

If we're not careful, we can wrongly place blame on our team members for over-pouring select guests, comping too many drinks, broken bottles, or outright theft.

Liquor Inventory Control Starts at the Backdoor
Liquor inventory control and loss prevention begins when products arrive at your venue.

Have a Designated Receiving Area
When your receiving process is loose, it's an invitation for unscrupulous players to take advantage of you. Some operators accept unattended deliveries—be it food or beverages—where no staff member is present when products arrive.

For those venues, this process is *critical*.
Designate a specific area where deliveries will be accepted, and install a video camera there.

Now, announce it. Let everyone know—staff and vendors—that this area is monitored.

This simple, but powerful change does a few things at once:

- eliminates confusion (everything is in ONE place)
- increases accountability (people behave better when they're on camera)
- adds a layer of security
- instant replay!

Know Who Takes Deliveries
For normal deliveries, where a manager or employee is present to receive inventory, on the invoice:

- get a legible signature
- note the day/date/time

Checkmark Verify Invoices
For each item listed on the invoice, whoever takes responsibility for receiving the order—even if it's the owner—should place a checkmark beside the item. This is such a simple procedure, but it's easy to get lazy with it, especially when you're busy.

To truly verify, that means putting eyes on each product, then checking it off the invoice. Don't write over any of the data on the invoice—it really interferes with the audit process later.

Take Notes
In addition to checkmark verifying what products have arrived, you'll also want to make a note of any anomalies with the order. This includes:

- returned products
- shortages
- breakage
- product not ordered
- empty keg returns
- anything that has a financial or inventory element

The Receiving Process in Action

It's a super-simple process, and here's what it looks like once you get it rolling:

- The delivery driver arrives at the designated drop spot, which is on camera.
- The driver grabs the owner, manager, or another employee who is responsible for the delivery.
- Each item is visually verified and checked off on the invoice.
- Any anomalies are clearly noted on the invoice.
- The staff member signs/prints their name, date and time on the invoice.

Just by adding these four simple steps, you'll reduce a lot of stress, eliminate ambiguity, and most importantly, they prevent us from blaming someone for losses when it's really not their fault!

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