

September 13, 2018 – *see correction highlighted below*

Statement Regarding Liquor Mart Thefts

Over the last several months, Liquor Marts have seen an increasing number of thefts in our Winnipeg locations. We know this is concerning for our customers and frustrating for the police. It is concerning and frustrating for us as well.

While recent coverage of these incidents has mostly focused on the assumption that Manitoba Liquor & Lotteries has done little to combat this problem, it is important to note the positive outcomes - the arrests of several individuals in recent weeks who are responsible for hundreds of thefts/robberies at our Liquor Marts. In cooperation with police, we continue to focus on apprehending the most egregious offenders.

The safety and security of our employees and customers is, and will remain, our number one priority. We employ state of the art security equipment that captures high definition images from all angles, and our Surveillance & Security department works seven days a week diligently, investigating and reporting incidents.

We have security guards stationed in a number of Winnipeg Liquor Marts that play an important role in observing, detecting and deterring theft. Our security guards and staff are trained to approach people they think may be stealing, speak with them, and discourage them from leaving the store with the product; a method that is usually successful with the traditional shoplifter. It is our understanding that a policy of non-violent crisis intervention is the norm at retailers across the country.

What we have been experiencing recently has been a completely different type of scenario. These criminals are brazen and dangerous when confronted, as seen in previously reported incidents.

We implement industry best practices in combatting theft and have internal security policies that are similar to, if not the same as, most major retailers. We continue to explore new ways to address the issue of growing theft in our Liquor Marts.

It should be noted that even with the recent increase in these types of incidents, our shrinkage remains low. In the past twelve months it was approximately 0.2% of total sales. In the previous twelve months it was 0.13%. This translates to an increased cost, of products stolen, of approximately \$200,000. (Liquor Mart gross sales are just over **\$400 million**). Regardless, no price is worth anyone being seriously hurt over a bottle of spirits.

***Correction:** *Liquor Mart gross sales total just over **\$400 million**, while gross liquor sales from all channels, including private retailers and licensees, total just under \$800 million as was indicated previously.*

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