

April 22, 2025
Veterans & Legal Affairs
Public Hearing - LD 1754

Good morning distinguished committee members,
My name is Kristina Hansen. I am the co-founder and general manager of Round Turn Distilling in Biddeford where we produce the Bimini Gin family of products. I am writing today to testify in support of LD 1754. I previously provided testimony to this bill's predecessor, LD 1695, in April of 2023.

Since our opening in June of 2015, we have had the ability to connect directly with our local community and customers through our downtown Biddeford tasting room. While we are lucky enough to have robust support from spirits distributors and agency stores across the state, in-person retail sales of Bimini Gin constitute a significant percentage of our revenue, afforded by the privilege of being able to sell our gin at our facility without having to operate as a full agency store. As we approach our 10th anniversary in business, it is our hope that this bill is voted out of committee "Ought to Pass." Direct-to-Consumer shipping would allow us to expand our community to include the whole state - particularly areas where our products are not available through local agents - as well as serve customers outside of Maine while keeping that revenue in the state.

There is precedent for this type of progressive change. Maine lawmakers have approved other measures designed to help small in-state producers like us cut through red tape in order to simplify operations and better serve our customers.

For example, there were times in our first year of business where our tasting room "sold out" of bottles of gin, forcing us to turn customers away empty-handed. This was not because our distillery's entire inventory had been cleaned out. It was because we had sold through the cases of product that had been processed through the Maine Spirits system. Obtaining this separate inventory required us to physically deliver to the product to the warehouse in Hallowell, repurchase it at the agent price, and then return it to our facility where it was now legally eligible for sale. The dozens of cases in our back warehouse would have been illegal to put on the shelf, creating a frustrating loss of revenue.

Thankfully, in 2016, a measure was passed that allowed us to simply keep a record of the inventory sold through our tasting room, meaning we could immediately and seamlessly move product from our warehouse to our tasting room shelves for sale. We now settle up with the state on a monthly basis, a system nearly identical to the sales tracking and reporting requirements outlined in this bill.

Since our opening, other measures have passed that allow us to sell bottles at farmer's markets and at tasting events. These provisions have allowed us to expand our presence as a small Maine company selling directly to Maine consumers, and we believe that LD 1754 can serve as

the newest phase in this progression toward growing Maine's craft distilling sector and the state economy as a whole.

As a small spirits producer, obtaining distribution outside of one's home market is extremely difficult. Most national distributors won't take on brands of our size. Even in the markets we have successfully entered, our gins aren't readily available on store shelves due to competition with larger national brands. DTC sales would allow us to serve customers outside of Maine with the state benefitting by capturing the margin on the sale instead of it going to an out-of-state middleman.

Our products are actually already available on a handful of e-commerce sites. However, these orders are fulfilled by third-party retail partners located in myriad other states, who in turn are supplied by our wholesale partner located in California. This means we as the producer are three steps removed from the sale, the bottle's carbon footprint is enormous, and Maine receives zero revenue. Bringing DTC sales in-house at our distillery would provide both our company and the state with full retail margins, as well as allow us to maintain customer relationships with a personal touch. Every hat or t-shirt we currently sell online is personally packed by me with a handwritten thank-you note. Since our very first summer, we have had countless customers who are tourists or planning to travel ask us to ship them bottles of gin, or if they can purchase bottles from us once they return home, only to be told Maine doesn't allow it. It is our belief that opening up this new sales channel can only benefit both Maine and our small business.

We respectfully ask the members of this committee to consider the benefits of this bill and to vote out LD 1754 "Ought to Pass."

I thank you for your time and wish you a pleasant and productive day.

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