



Memo

Date:	August 2024
To:	Oregon Lottery Commission
From:	Michael Wells, Director
Subject:	Request for approval of alternative disclosure process for Plaid Pantries, Inc.
Oregon Administrative Rule	OAR 177-040-0001(4)

In 2015, Lottery adopted OAR 177-040-0001(4) which authorizes an alternative disclosure process for large public companies or multi-state retail chains seeking traditional contracts with Oregon Lottery. To qualify for this alternative disclosure process, the applicant must have at least 30 individual retail locations, \$10 million in gross annual revenues and over 300 employees.

The alternative disclosure process focuses the security background investigation on the business entity vs. the entire corporate structure.

As of July 2024, Plaid Pantries, Inc. operates in two states, has 106 retail locations and has approximately 774 employees. The total gross revenue for year 2023 was approximately \$231,987,499 dollars. Plaid Pantries, Inc. currently holds 3 gaming licenses in Washington, and 103 Oregon contracts. Plaid Pantries Inc clearly meets the qualifications for the alternative disclosure process.

If approved by the Commission, it is recommended that the organization change process is continued using supplied disclosure information provided by Plaid Pantries, Inc. Oregon Lottery Security will conduct an investigation on the business entity. At any time, additional disclosure may be required to ensure the fairness, integrity, security, and honesty of the Lottery.

I met with the Assistant Director for Security and Retail Contracts Manager to discuss the framework of the alternative disclosure rule and concluded it would be prudent to request the commission waive the personal disclosure requirements for Plaid Pantries, Inc. which qualifies for the alternative disclosure process.

Since 2015 the Oregon Lottery Commission has approved the use of an alternative disclosure process for five current traditional retailers, four tribally owned entities, and one entity that is in the application process.

Current Traditional Retailers: Chevron, Walmart, Circle K, BP Products North America, Pilot Travel Centers

Tribally Owned Entities: Chinook Winds Bar & Restaurants, Roxy Ann Lane at Bear Creek, The Golf Course at Birch Creek, Hamley's Steakhouse

Entities in Application Process: WinCo