

Wendy Knight, Commissioner

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To:Chair Andrew PerchlikFrom:Wendy Knight, Commissioner, Department of Liquor and LotteryDate:April 3, 2025Re:\$1.82M Budget Request for B2B Website

In its FY26 budget request, the Department of Liquor and Lottery is seeking \$1,820,000 (ADS Development Contract – B2B System Project) to cover the unexpected increase in cost of the Business-to-Business (B2B) website that was approved in the FY25 budget.

In 2024, Provi was selected as the vendor for the B2B website. That contract was executed in July 2024. During the discovery phase of the B2B website project last fall, the Agency of Digital Services determined that the existing Microsoft Dynamics D365 inventory platform that DLL uses to operate its 802Spirits retail network was outdated, and that the Provi platform could not interface with the outdated D365 platform.

To be able to launch the B2B website, DLL is upgrading D365 through a contract with Accenture, the state contractor that maintains the D365 platform. The needed upgrade to D365 to allow for the B2B feature increased the FY26 expected costs to \$2,141,840. The original FY26 budget was \$321,840. The Department is seeking \$1,820,000 to fund the required D365 upgrade. This is a one-time cost.

The B2B program will greatly improve the ordering experience and cost efficiency of spirits sales for DLL licensees (bars, restaurants hotels, resorts). The B2B website will provide the on-premise licensees with online ordering capabilities, product inventory searches, a store locator, comparable item suggestion to out-of stock products, and scheduled pick-ups. The B2B website is slated to launch July 1, 2025.

