



PENNSYLVANIA LIQUOR

— FISCAL —

2020
2021

— YEAR —

CONTROL BOARD

ANNUAL

REPORT



FINE WINE & GOOD SPIRITS

OUR MISSION

The mission of the Pennsylvania Liquor Control Board
is to responsibly sell wine and spirits as
a retailer and wholesaler,
regulate Pennsylvania's alcohol industry,
promote alcohol education and social responsibility
and maximize financial returns for the benefit of all Pennsylvanians.

04-09

Introduction

04-05

Message from the Board

06-07

Board Biographies

08

Executive Director
Biography

08

Executive Team

09

Organizational Structure

10-11

Financial Highlights

12-19

Fine Wine & Good Spirits
Sales Highlights

20

Legislative Synopsis

21-23

Retail Operations

24-35

Marketing & Merchandising

36-37

Distribution

38-40

Wholesale Operations

41

Information Technology
Services

42-51

Regulatory Affairs

52-55

Pennsylvania Producers

56-57

Administration

58-61

PLCB Management's
Discussion and Analysis

62-89

Financial Statements

90-104

Appendix: Stores Ranked by
Total Dollar Sales, FY 2020-21

105

Research Notes

MESSAGE FROM THE BOARD

Dear Fellow Pennsylvanians:

We're pleased to present you with the Pennsylvania Liquor Control Board's (PLCB) Fiscal Year 2020-21 Annual Report. This publication outlines the PLCB's operations, highlights popular products and sales trends and shares financial results for the period of July 1, 2020, to June 30, 2021.

In fiscal year 2020-21, the PLCB achieved record net income and the largest annual sales increase in PLCB history, with sales of \$2.91 billion (including liquor and sales taxes) reflecting a \$349.4 million or 13.7% increase over the prior year. Additionally, fiscal year 2020-21 sales were \$238.5 million or 8.9% higher than the PLCB's previous (pre-COVID-19) record sales of \$2.67 billion in fiscal year 2018-19. Net income for the year totaled a record \$264.9 million, \$56.1 million or 26.9% higher than fiscal year 2019-20. Contributions to the General Fund, which finances Pennsylvania's schools, health and human services programs, law enforcement and public safety initiatives, among other important public services, totaled \$764.8 million. Revenues and contributions are summarized on pages 10-11 of this report, while detailed financial reports are available beginning on page 62.

As the PLCB continued to navigate the impacts of the COVID-19 pandemic, activities for fiscal year 2020-21 focused on adapting to a "new normal" for conducting business and making strategic investments and plans to modernize infrastructure to enable continued growth.

Ongoing communication among employees, suppliers and licensees enabled the PLCB to adapt strategically to sustained supply chain constraints to optimize product availability for customers.

The opening of a new distribution center in Philadelphia allowed the PLCB to serve southeastern Pennsylvania through a larger, state-of-the-art facility better located for receiving and delivering goods. The new facility – which serves Fine Wine & Good Spirits (FW&GS) stores, licensee service centers and licensees participating in the Licensee Delivery Program (LDP) – holds double the amount of product as the former distribution facility and is equipped to accommodate projected growth for the Philadelphia-area market. See pages 36-37 for new facility highlights.

Pandemic-inspired e-commerce growth prompted the commission of an independent analysis of the PLCB's e-commerce fulfillment center that resulted in the implementation of new strategies that yielded significant gains in terms of operational efficiencies, process improvements and cost savings. We hope Pennsylvanians have taken advantage of the broad selection and exclusive offerings at FWGS.com. More information on these changes is available on page 37.

The reopening of the majority of FW&GS stores as of the beginning of the 2020-21 fiscal year marked a return to in-store shopping and the chance for customers to experience products in a traditional retail setting, as well as online through FWGS.com. Ongoing safety protocols instituted at the outset of the pandemic remained in place through 2020-21, facilitating consumer confidence in a safe return to shopping in stores.

To position the agency to successfully meet future growth, the PLCB instituted changes to its organizational structure. Under leadership of the PLCB Board and newly appointed executive director Michael Demko, business units were realigned with organizational needs in support of current projects and future goals.

With the goal of modernizing technology and organizational infrastructure through 2023, the PLCB embarked in fiscal year 2020-21 on design of an entirely new enterprise resource planning (ERP) platform. Through the design and implementation of new, integrated, cloud-based systems – dubbed Project New Horizon – the PLCB will transform the way it does business and reports sales and revenues through various channels. As part of the new ERP, the PLCB will replace its current retail e-commerce platform, FWGS.com, as well as its Licensee Online Order Portal (LOOP).

Other highlights and key PLCB achievements during the fiscal year include:

- The opening of two new Premium Collection stores within historic landmarks – The Granary in Philadelphia and the Produce Terminal Building in Pittsburgh – marked exciting milestones for the PLCB in 2020-21 and allow customers to experience history while shopping in FW&GS stores. For photos and highlights, see page 22.
- FW&GS store renovation efforts, which continued throughout the pandemic, resulted in more than 80% of stores statewide remodeled as of the close of the fiscal year. Information on store operations and enhancements is available on pages 21-23.
- Dollar sales for canned and non-canned ready-to-drink (RTD) beverages increased by 91.3% over the prior year with sales of canned RTD wines and spirits increasing by 336.3%. To learn more about the increasing popularity and growth of this product segment, see page 27.
- Continued wholesale business growth resulted in a 16.9% increase in the number of licensees holding wine expanded permits, with the addition of new grocery and convenience stores accounting for 70% of total year-over-year growth. Read more on pages 38-40.
- The release of the PLCB's biennial Report on Underage and High-Risk Drinking detailed trends and rates of consumption for underage and college students and outlines statewide education and prevention programming by various organizations to address alcohol-related issues. The report is available under the Education section of lcb.pa.gov.
- The PLCB awarded \$1.4 million in grant funding to support alcohol education initiatives to reduce underage and dangerous drinking and approved \$2 million in grants in support of Pennsylvania's wine and beer industries. A breakout of alcohol education grants is available on page 50 and an overview of wine and beer grants is available on pages 52-55.

The activities and accomplishments outlined in this report speak to our commitment to continual improvement in our service to Pennsylvania consumers, licensees, partners in prevention, beverage alcohol industry members and other stakeholders.

We thank you for the opportunity to share this information with you.

Sincerely,



Tim Holden
Chairman



Mike Negra
Member



Mary Isenhour
Member

BOARD BIOGRAPHIES

The Pennsylvania Liquor Control Board was created by state law on Nov. 29, 1933. The agency is governed by a board whose three members are appointed by the Governor and confirmed by two-thirds of the state Senate.

TIM HOLDEN CHAIRMAN

Tim Holden was first nominated to the Pennsylvania Liquor Control Board by Governor Tom Corbett on June 14, 2013, and was unanimously confirmed by the state Senate on Nov. 13, 2013.

Tim was named chairman of the PLCB by Governor Tom Wolf on Feb. 17, 2015. He was nominated to a second term by Governor Wolf on May 18, 2016, and was unanimously confirmed by the state Senate on June 29, 2016. He was nominated to serve a third term by Governor Wolf on May 21, 2020, and was unanimously confirmed by the state Senate on Oct. 21, 2020.

He is a native of St. Clair, Schuylkill County. After attending St. Mary's Elementary School and St. Clair Area High School, Tim received an athletic scholarship to Fork Union Military Academy, completing one year of college prep. He earned a football scholarship to the University of Richmond, but an illness cut short his football career. Tim completed his education at Bloomsburg University, receiving a Bachelor of Arts degree in sociology.

In 1980, Tim earned his license as an insurance broker and real estate agent. He went on to work as a probation



officer, was sergeant-at-arms for the Pennsylvania House of Representatives and served as sheriff of Schuylkill County from 1985 to 1992.

Tim was a member of Congress for 10 terms, representing the Sixth District from 1993 to 2002 and the 17th District from 2003 to 2012. The Sixth District was comprised of Schuylkill and Berks counties, as well as parts of Northumberland and Montgomery counties. The 17th District was comprised of Schuylkill, Dauphin and Lebanon counties, as well as parts of Perry and Berks counties.

Tim was a member of the House Agriculture Committee, and served as vice chairman of that committee in the 110th and 111th Congresses. He was named chairman of the committee's Subcommittee on Conservation, Credit, Energy and Research during the 110th and 111th Congresses, and he served on the Livestock, Dairy and Poultry subcommittee. In the 105th Congress, Tim was appointed to the Transportation and Infrastructure committee.

He and his wife, Gwen, live in St. Clair.

MIKE NEGRA BOARD MEMBER

Mike Negra, a resident of Potter Township, Centre County, was first nominated to the Pennsylvania Liquor Control Board by Governor Tom Corbett on Sept. 10, 2014, and was unanimously confirmed to a four-year term by the state Senate on Oct. 16, 2014. He was nominated by Governor Wolf for a second term on June 11, 2018.



Mike is a partner in Negra-Graham Theatrical Advisors, which was formed in 2010 to help emerging theaters handle historic renovation projects. Previously, he served as the board president, construction manager and executive director of the non-profit, community performing arts center State Theatre in State College. In 1984, he founded Mike's Video, a video rental/ music software/TV and appliance sales and service chain. Negra also has extensive experience in the entertainment industry, acting as road manager or production manager for various artists.

He is a partner in MWA Land Management, a real estate holding company. In addition, he helps manage South View

Farm, a working farm in Centre Hall.

A radio, TV and film graduate of the University of Maryland, Negra served on the executive board of the Centre County Chamber of Business and Industry and has been active in numerous charity organizations in that county. For more than 20 years, he has collected, cellared and sampled wines, studied

the wine industry and has visited numerous wineries in the U.S. and abroad. In addition, he has consulted with a number of local restaurants on their wine lists.

Mike served as regional vice president of an appliance and electronics volume buyers group and has negotiated product placement and pricing with national and international vendors. Negra was the chief retail spokesman for the Recording Industry Association of America (RIAA) during its fight against copyright infringement, and he testified before the U.S. Senate on the issue.

He lives in Centre Hall with his wife, Wanda White.

MARY ISENHOUR BOARD MEMBER

Mary Isenhour was nominated to the Pennsylvania Liquor Control Board by Governor Wolf on Feb. 15, 2019, and was confirmed to a four-year term by the state Senate on June 19, 2019. Mary is the first female Board member in the history of the PLCB.

A Kansas native, Mary has more than 30 years of experience working with officials at every level and branch of government.

As Secretary of Legislative Affairs and Chief of Staff to Governor Wolf, Mary played a key role in the passage of Act 39 of 2016, the most comprehensive modernization of the beverage alcohol landscape in Pennsylvania since Prohibition. She was also responsible for advancing other important policy items for Governor Wolf such as increased education funding, the legalization of medical marijuana and finding efficiencies in state agencies to achieve savings of more than \$1 billion.



Mary's career in public service began in the late 1980s with the Kansas House of Representatives, serving as Communications Director and then Chief of Staff to the House Majority Leader. In 1995, she was named the national political director at the Democratic Legislative Campaign Committee in Washington, D.C., and in 1999 she relocated to Harrisburg as the executive director of the Pennsylvania House Democratic Campaign Committee. She served as the Executive Director of the Pennsylvania Democratic Party, a senior advisor to Governor Ed Rendell and in 2013 she joined Tom Wolf's campaign for governor as a senior advisor.

Mary is a partner with the Rooney Novak Isenhour Group, a Harrisburg business development and strategic consulting firm.

Mary and her husband, Bill Patton, live in suburban Harrisburg.

EXECUTIVE DIRECTOR BIOGRAPHY

MICHAEL G. DEMKO

As Executive Director, Michael Demko is responsible for directing the administrative and business operations of the PLCB and managing the executive team. In this role, he provides leadership, strategic planning and recommendations for agency initiatives to the Board.



he worked as a manager and controller in the restaurant industry. He brought to the agency a solid background focused on financial controllership, strategic planning, forecasting, budgeting and financial analysis. Michael's primary goal is to implement initiatives that streamline overall PLCB operations.

Prior to his appointment in August 2020, Michael served as PLCB Chief Operating Officer and Director of Finance. Michael brought more than 30 years of professional retail, licensing and wholesale experience in accounting, finance and operations to the PLCB. Before joining the agency in October 2018, he served as vice president/controller of Nine West Holdings, Inc. (formerly the Jones Group), an American designer, marketer and wholesaler of women's wear. Prior to that,

Michael holds a Bachelor of Science degree in accounting from King's College and an Associate's Degree in Hotel and Restaurant Management from Luzerne County Community College. He also serves as an appointed trustee for his local church.

Michael lives in Mountaintop, Luzerne County, with his wife, Jacqueline. They have two adult daughters.

EXECUTIVE TEAM

(AS OF JUNE 30, 2021)

Director of Regulatory Affairs

Tisha Albert

Chief Counsel

Rodrigo Diaz

Chief Information Officer

Rob McCabe

Director of Policy & Communications

Elizabeth Brassell

Director of Administration

Jason P. Lutcavage

Chief Merchandising Officer

Deborah Rivera

Chief Operating Officer

Andrew Collins

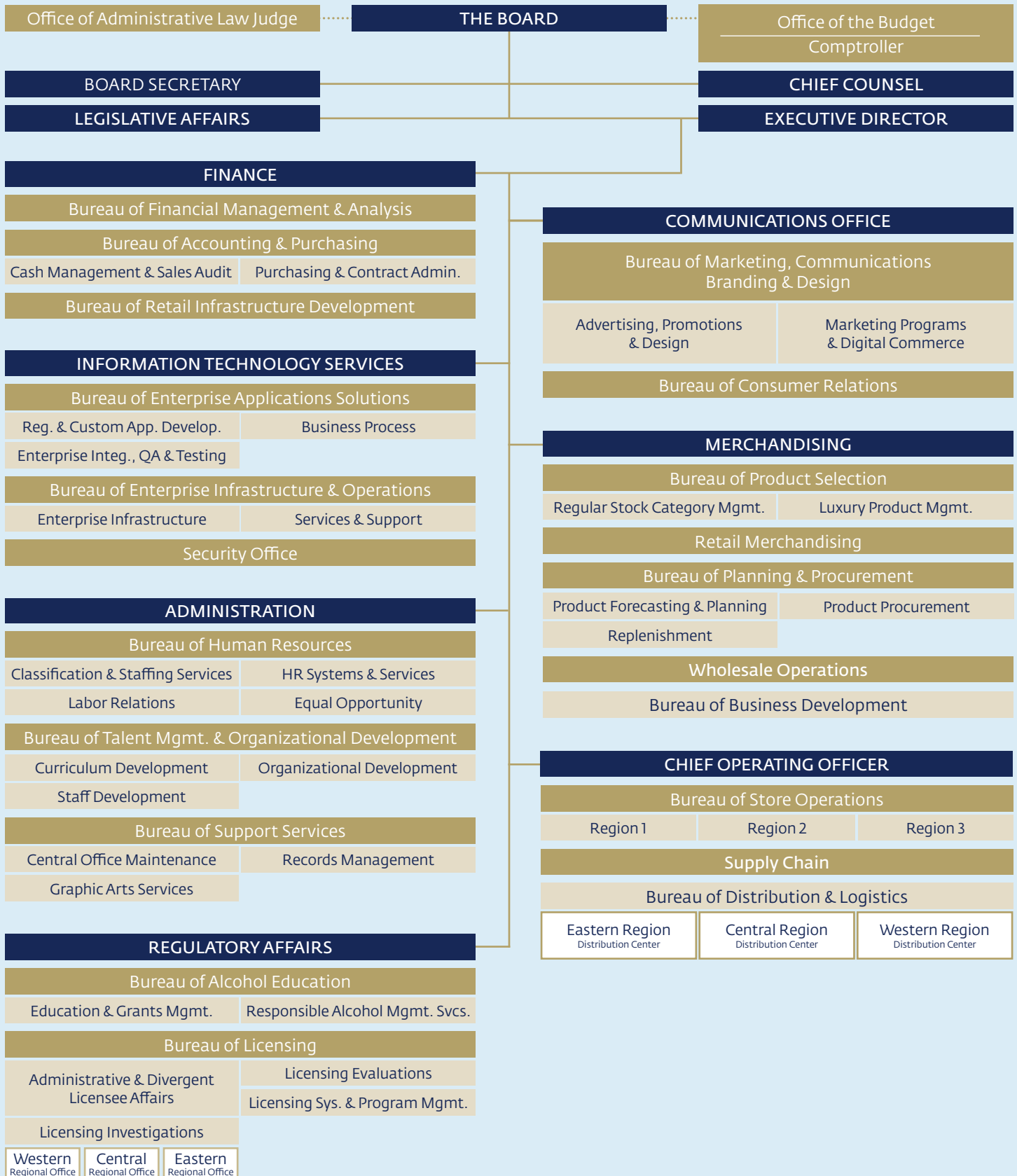
Director of Legislative & Governmental Affairs

Michael Vigoda

Board Secretary

John Stark

ORGANIZATIONAL STRUCTURE



FINANCIAL HIGHLIGHTS

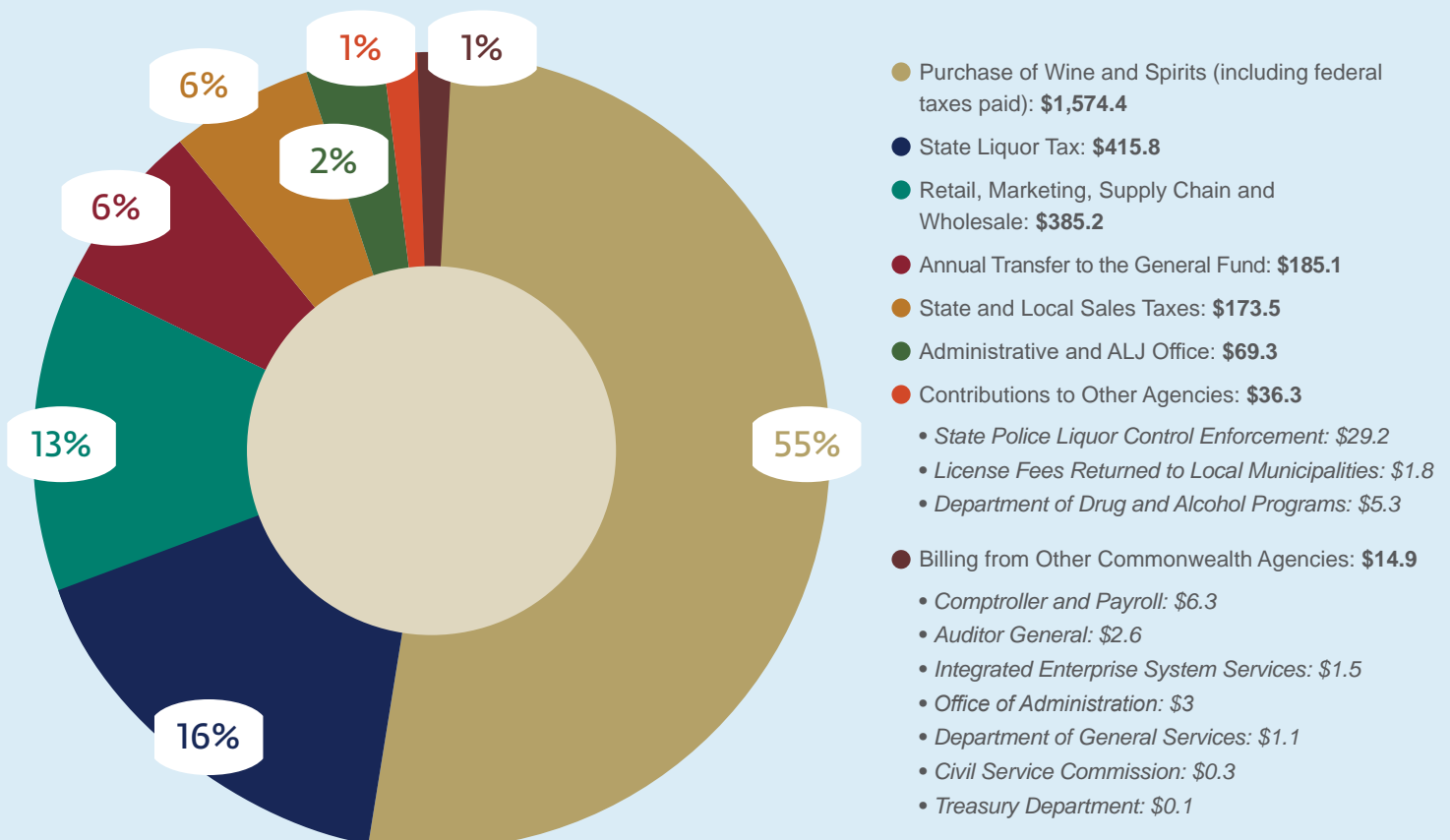
Where The Money Goes

The PLCB generated more than \$2.91 billion in sales and taxes from Fine Wine & Good Spirits stores, direct deliveries to licensees and from its e-commerce website.

Together, **more than \$813.4 million** was returned to the General Fund, state and local government and other beneficiaries in fiscal year 2020-21.

- The PLCB returned \$764.8 million to the General Fund:
 - \$415.8 million in liquor tax
 - \$163.9 million in state sales tax
 - \$185.1 million transferred to the General Fund
- The Pennsylvania State Police received \$29.2 million for the enforcement of liquor laws.

DISTRIBUTION OF PROCEEDS (IN MILLIONS)



- The Department of Drug and Alcohol Programs received \$5.3 million to educate and prevent problem alcohol use.
- Philadelphia and Allegheny counties received \$9.6 million in local sales taxes.
- Local communities received \$1.8 million in returned licensing fees.

IN THE LAST FIVE YEARS, THE PLCB HAS PROVIDED:

- \$3.6 billion to the Pennsylvania General Fund
- \$149.9 million to the Pennsylvania State Police

- \$18.3 million to the Department of Drug and Alcohol Programs
- \$19.5 million to local municipalities in returned license fees

IN FISCAL YEAR 2020–21, THE PLCB:

- Authorized \$2 million in grants in support of Pennsylvania's wine and beer industries
- Awarded \$1.4 million in alcohol education grants to reduce underage and dangerous drinking

PLCB SUMMARY FINANCIAL INFORMATION (IN THOUSANDS EXCEPT AS INDICATED)

	FY 2020-21*	FY 2019-20	FY 2018-19	FY 2017-18	FY 2016-17	CAGR **
Sales Net of Taxes	\$2,317,842	\$2,039,324	\$2,126,928	\$2,066,562	\$2,012,789	3.6%
Gross Profit	\$743,476	\$652,764	\$675,155	\$658,030	\$621,907	4.6%
Gross Margin	32.1%	32.0%	31.7%	31.8%	30.9%	0.9%
Operating Expenses	\$469,467	\$457,086	\$501,726	\$522,590	\$525,209	-2.8%
Operating Income	\$274,009	\$195,678	\$173,429	\$135,440	\$96,697	29.7%
Other Revenues	\$20,085	\$43,813	\$48,869	\$53,336	\$36,305	-13.8%
Transfers to State Police	\$29,236	\$30,780	\$31,257	\$30,528	\$28,107	1.0%
Net Income	\$264,858	\$208,711	\$191,041	\$158,248	\$104,895	26.1%
Transfers to General Fund	\$185,100	\$185,100	\$185,100	\$185,100	\$216,696	-3.9%
Drug & Alcohol Transfers	\$5,297	\$4,174	\$3,821	\$2,500	\$2,500	20.6%
Liquor Tax	\$415,839	\$365,707	\$381,876	\$371,508	\$361,856	3.5%
State Sales Tax	\$163,878	\$143,946	\$150,195	\$146,027	\$142,005	3.6%
Local Sales Tax	\$9,643	\$8,777	\$9,680	\$9,398	\$9,060	1.6%
License Fees for Return ^	\$1,812	\$4,273	\$4,478	\$4,632	\$4,275	-19.3%
Grants	\$2,643	\$2,331	\$3,457	\$2,486	\$965	28.6%
Operating Exp./Net Sales	20.3%	22.4%	23.6%	25.3%	26.1%	
Contributions/Net Sales ^^	35.1%	36.5%	36.2%	36.4%	38.0%	
Return on Assets	30.8%	42.3%	34.2%	28.9%	19.9%	

*Financial results for fiscal year 2020-21 are unaudited.

**CAGR - Compound Annual Growth Rate.

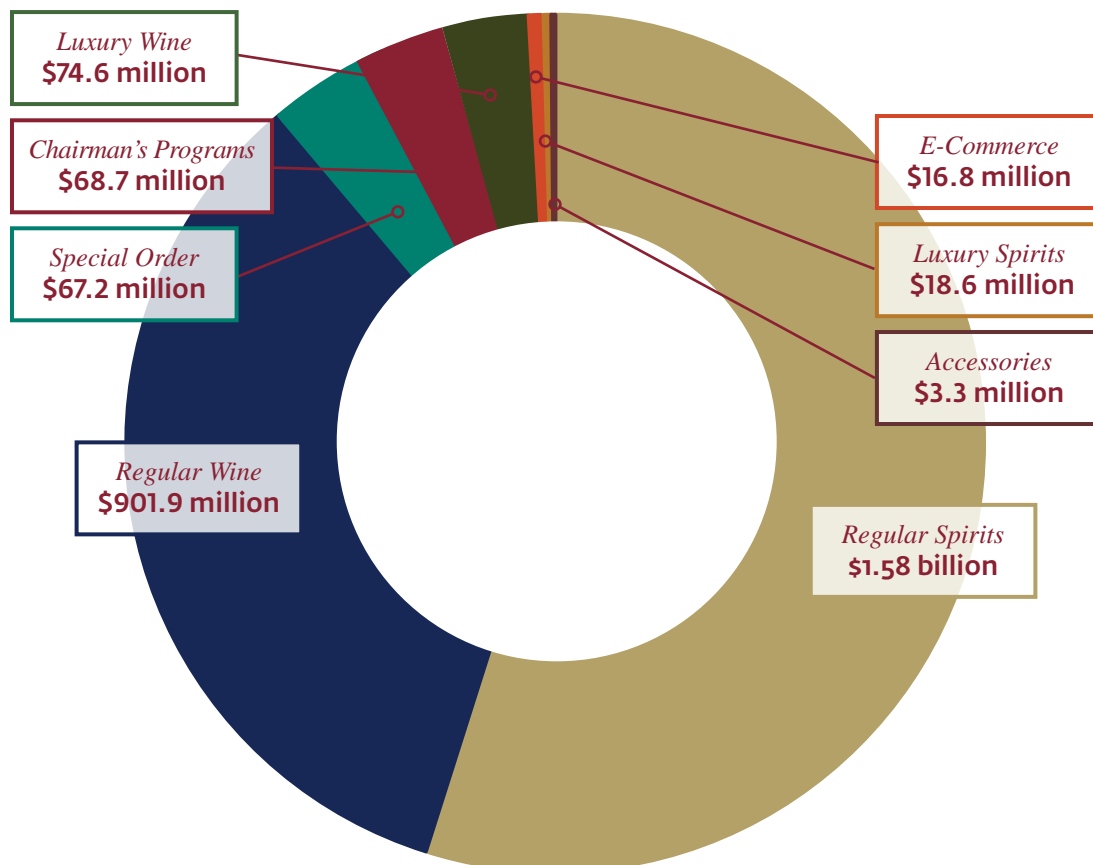
^As provided by statute, a portion of license fees are returned to municipalities. Rates have not changed since 1991, but some license renewal fees were waived in calendar year 2021.

^^Contributions are transfers, taxes, license fees for return and grants.

FINE WINE & GOOD SPIRITS SALES HIGHLIGHTS

FISCAL YEAR DOLLAR SALES BY DEPARTMENT

Total sales for fiscal year 2020-21* were \$2.73 billion, an increase of 13.7% compared to the prior year. When compared to pre-pandemic sales for fiscal year 2018-19, sales for 2020-21 were up by 8.9%. The compound annual growth rate (CAGR) between fiscal year 2016-17 and 2020-21 is 3.6%.



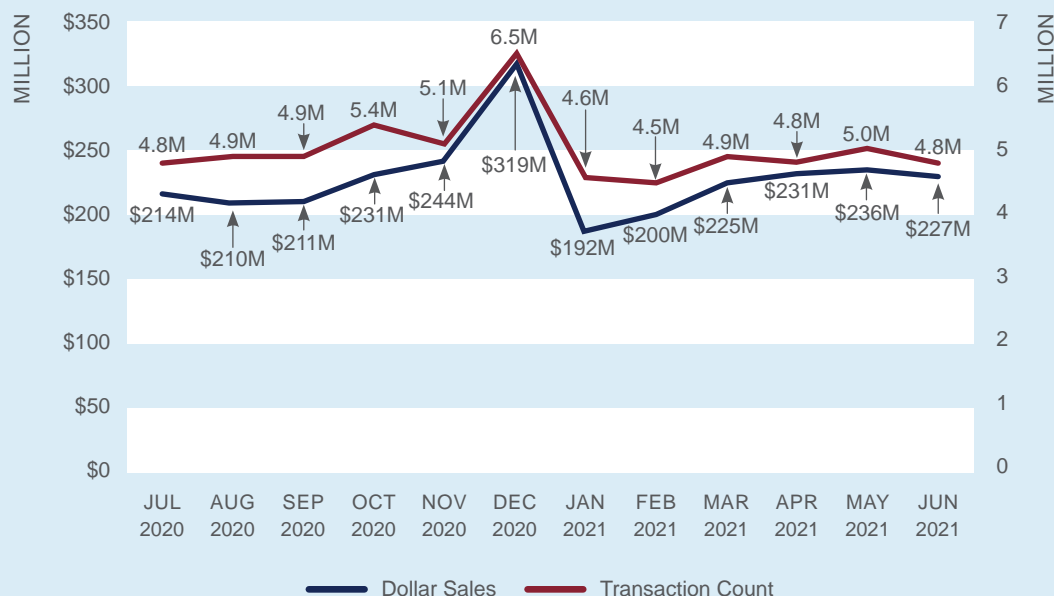
*E-commerce sales were removed from Chairman's programs and Luxury Spirits. Placeholders and fees were removed from all sales. Sales data includes the 18% liquor tax, but excludes state and local sales tax.

FINE WINE &
GOOD SPIRITS
SALES HIGHLIGHTS

DEPARTMENT	FY 2020-21	FY 2019-20	FY 2018-19	FY 2017-18	FY 2016-17
Regular Spirits	\$1.58 billion	\$1.27 billion	\$1.38 billion	\$1.33 billion	\$1.29 billion
Regular Wine	\$901.9 million	\$871.6 million	\$851.6 million	\$847.3 million	\$823.1 million
Luxury Wine	\$74.6 million	\$62.9 million	\$70.7 million	\$59.3 million	\$56.7 million
Chairman's Programs	\$68.7 million	\$61.3 million	\$71 million	\$81.7 million	\$86.3 million
Special Order	\$67.2 million	\$91 million	\$112.8 million	\$104.5 million	\$103.7 million
Luxury Spirits	\$18.6 million	\$11.6 million	\$13.8 million	\$6.3 million	\$4.6 million
E-Commerce	\$16.8 million	\$26.8 million	\$5 million	\$3 million	\$2.5 million
Accessories	\$3.3 million	\$2.6 million	\$2.9 million	\$1.5 million	\$1.5 million
TOTAL	\$2.73 billion	\$2.4 billion	\$2.5 billion	\$2.43 billion	\$2.37 billion

CALENDAR MONTH DOLLAR SALES AND TRANSACTION COUNT

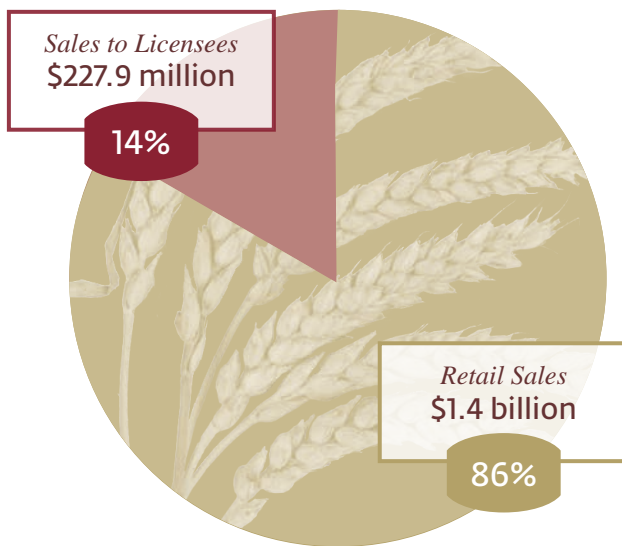
December had 11.7% of yearly dollar sales, followed by November with 8.9%.



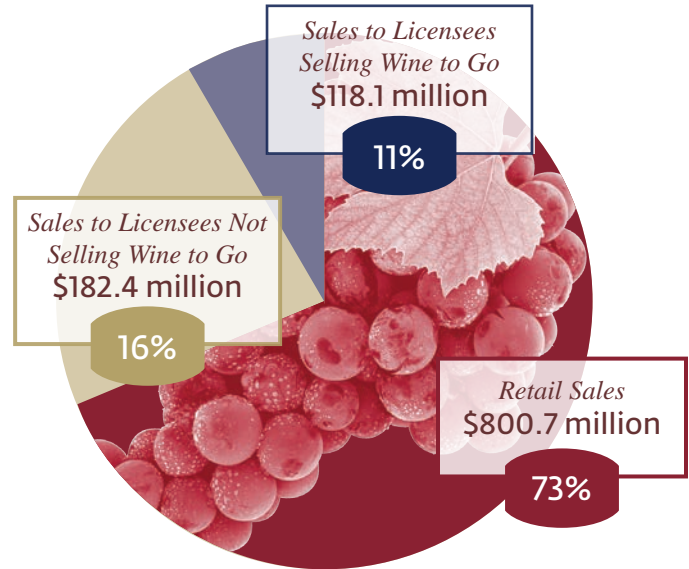
SALES AT RETAIL VERSUS SALES TO LICENSEES

Eighty-six percent of spirits sales occurred at retail, while 14% of spirits sales were made to licensees. For wine, 73% of sales were retail sales to individual consumers, while 27% of sales were to licensees, including holders of wine expanded permits selling wine to go.

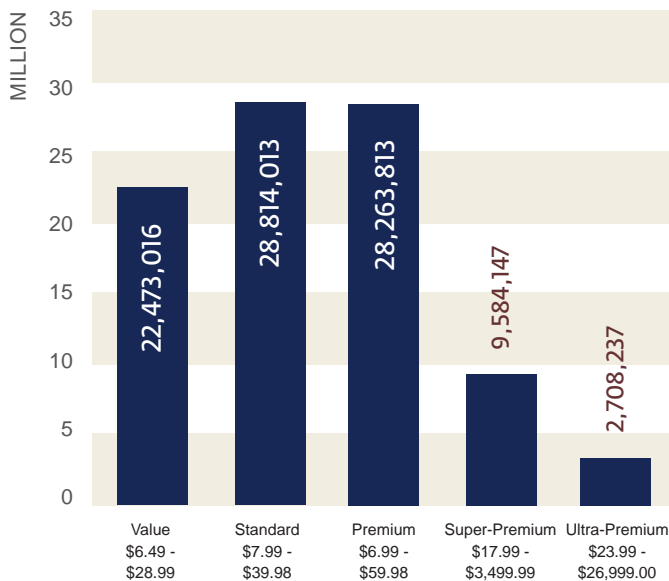
**SPIRITS LICENSEE AND RETAIL
DOLLAR SALES FY 2020-21**



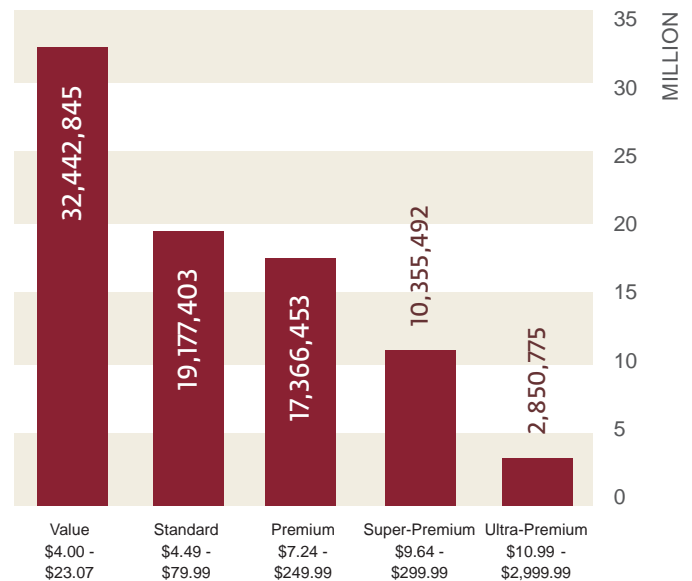
**WINE LICENSEE AND RETAIL
DOLLAR SALES FY 2020-21**



**SPIRITS UNITS SOLD BY PRICE
SEGMENT FY 2020-21**



**WINE UNITS SOLD BY PRICE
SEGMENT FY 2020-21**



COUNTY SHARES AND PERCENTAGE CHANGE BASED ON DOLLAR SALES*

The top three counties – Allegheny, Philadelphia and Montgomery – accounted for 34.6% of statewide sales. Monroe (33%), Delaware (31.8%) and Lehigh (28.1%) counties had the largest percentage increases over the prior year. No counties showed negative percent change from the previous year.

RANK	COUNTY	FY 2020-21 Dollar Sales	FY 2019-20 Dollar Sales	FY 2020-21 County Share	% Change	RANK	COUNTY	FY 2020-21 Dollar Sales	FY 2019-20 Dollar Sales	FY 2020-21 County Share	% Change
1	Allegheny	\$347,631,879	\$288,159,746	14.44%	20.6%	35	Clearfield	\$9,246,613	\$7,916,225	0.38%	16.8%
2	Philadelphia	\$245,055,272	\$210,375,186	10.18%	16.5%	36	Pike	\$9,224,952	\$7,511,604	0.38%	22.8%
3	Montgomery	\$239,208,414	\$188,426,734	9.94%	27.0%	37	Indiana	\$9,222,493	\$7,917,428	0.38%	16.5%
4	Bucks	\$166,670,993	\$131,276,449	6.92%	27.0%	38	Union	\$7,095,140	\$5,850,830	0.29%	21.3%
5	Chester	\$120,892,407	\$97,095,680	5.02%	24.5%	39	Northumberland	\$6,962,421	\$6,027,406	0.29%	15.5%
6	Delaware	\$98,347,422	\$74,601,803	4.09%	31.8%	40	Carbon	\$6,646,733	\$5,276,167	0.28%	26.0%
7	Lehigh	\$89,853,320	\$70,120,345	3.73%	28.1%	41	Adams	\$6,609,543	\$5,593,167	0.27%	18.2%
8	Lancaster	\$79,580,135	\$62,365,379	3.31%	27.6%	42	Bradford	\$6,005,562	\$5,151,875	0.25%	16.6%
9	Westmoreland	\$71,932,026	\$61,412,353	2.99%	17.1%	43	Somerset	\$5,745,193	\$4,875,761	0.24%	17.8%
10	York	\$69,448,685	\$57,068,413	2.88%	21.7%	44	Venango	\$5,319,213	\$4,564,188	0.22%	16.5%
11	Berks	\$66,136,679	\$52,882,666	2.75%	25.1%	45	McKean	\$4,758,628	\$4,141,138	0.20%	14.9%
12	Luzerne	\$59,120,701	\$47,506,427	2.46%	24.4%	46	Armstrong	\$4,643,754	\$4,020,676	0.19%	15.5%
13	Erie	\$55,336,829	\$46,122,884	2.30%	20.0%	47	Snyder	\$4,520,095	\$3,903,084	0.19%	15.8%
14	Dauphin	\$54,974,136	\$44,245,033	2.28%	24.2%	48	Tioga	\$4,238,086	\$3,777,276	0.18%	12.2%
15	Cumberland	\$54,136,751	\$44,633,620	2.25%	21.3%	49	Warren	\$4,229,876	\$3,750,064	0.18%	12.8%
16	Northampton	\$50,441,337	\$40,926,699	2.10%	23.2%	50	Bedford	\$4,163,521	\$3,702,660	0.17%	12.4%
17	Lackawanna	\$48,170,611	\$39,309,876	2.00%	22.5%	51	Clarion	\$4,146,962	\$3,706,729	0.17%	11.9%
18	Monroe	\$44,754,266	\$33,642,414	1.86%	33.0%	52	Mifflin	\$3,800,417	\$3,195,301	0.16%	18.9%
19	Butler	\$43,051,754	\$37,117,979	1.79%	16.0%	53	Montour	\$3,652,410	\$3,331,522	0.15%	9.6%
20	Washington	\$30,276,474	\$27,189,493	1.26%	11.4%	54	Wyoming	\$3,616,421	\$3,085,184	0.15%	17.2%
21	Centre	\$28,340,244	\$25,682,981	1.18%	10.3%	55	Huntingdon	\$3,495,816	\$3,070,605	0.15%	13.8%
22	Beaver	\$24,802,910	\$21,356,184	1.03%	16.1%	56	Clinton	\$3,419,220	\$2,976,175	0.14%	14.9%
23	Lycoming	\$19,412,726	\$16,678,527	0.81%	16.4%	57	Jefferson	\$3,020,314	\$2,806,735	0.13%	7.6%
24	Blair	\$17,512,713	\$14,618,006	0.73%	19.8%	58	Elk	\$2,997,631	\$2,634,531	0.12%	13.8%
25	Mercer	\$17,342,185	\$14,486,710	0.72%	19.7%	59	Susquehanna	\$2,990,685	\$2,537,327	0.12%	17.9%
26	Cambria	\$17,332,182	\$14,757,686	0.72%	17.4%	60	Greene	\$2,927,964	\$2,550,653	0.12%	14.8%
27	Lebanon	\$15,797,286	\$12,733,477	0.66%	24.1%	61	Perry	\$2,439,939	\$2,103,343	0.10%	16.0%
28	Wayne	\$15,778,179	\$12,496,215	0.66%	26.3%	62	Potter	\$1,498,898	\$1,320,713	0.06%	13.5%
29	Schuylkill	\$14,885,656	\$12,363,693	0.62%	20.4%	63	Juniata	\$1,226,964	\$1,146,784	0.05%	7.0%
30	Franklin	\$14,856,594	\$12,286,042	0.62%	20.9%	64	Forest	\$1,071,850	\$912,942	0.04%	17.4%
31	Fayette	\$14,076,685	\$11,980,614	0.58%	17.5%	65	Fulton	\$820,483	\$718,053	0.03%	14.3%
32	Lawrence	\$11,450,155	\$9,754,270	0.48%	17.4%	66	Sullivan	\$655,689	\$566,890	0.03%	15.7%
33	Crawford	\$10,582,000	\$9,107,677	0.44%	16.2%	67	Cameron	\$486,064	\$417,796	0.02%	16.3%
34	Columbia	\$9,421,441	\$7,827,496	0.39%	20.4%						

*Sales data includes the 18% liquor tax, but excludes state and local sales tax.

FINE WINE &
GOOD SPIRITS
SALES HIGHLIGHTS

SALES BY COUNTY AND CATEGORY IN DOLLARS FY 2020-21

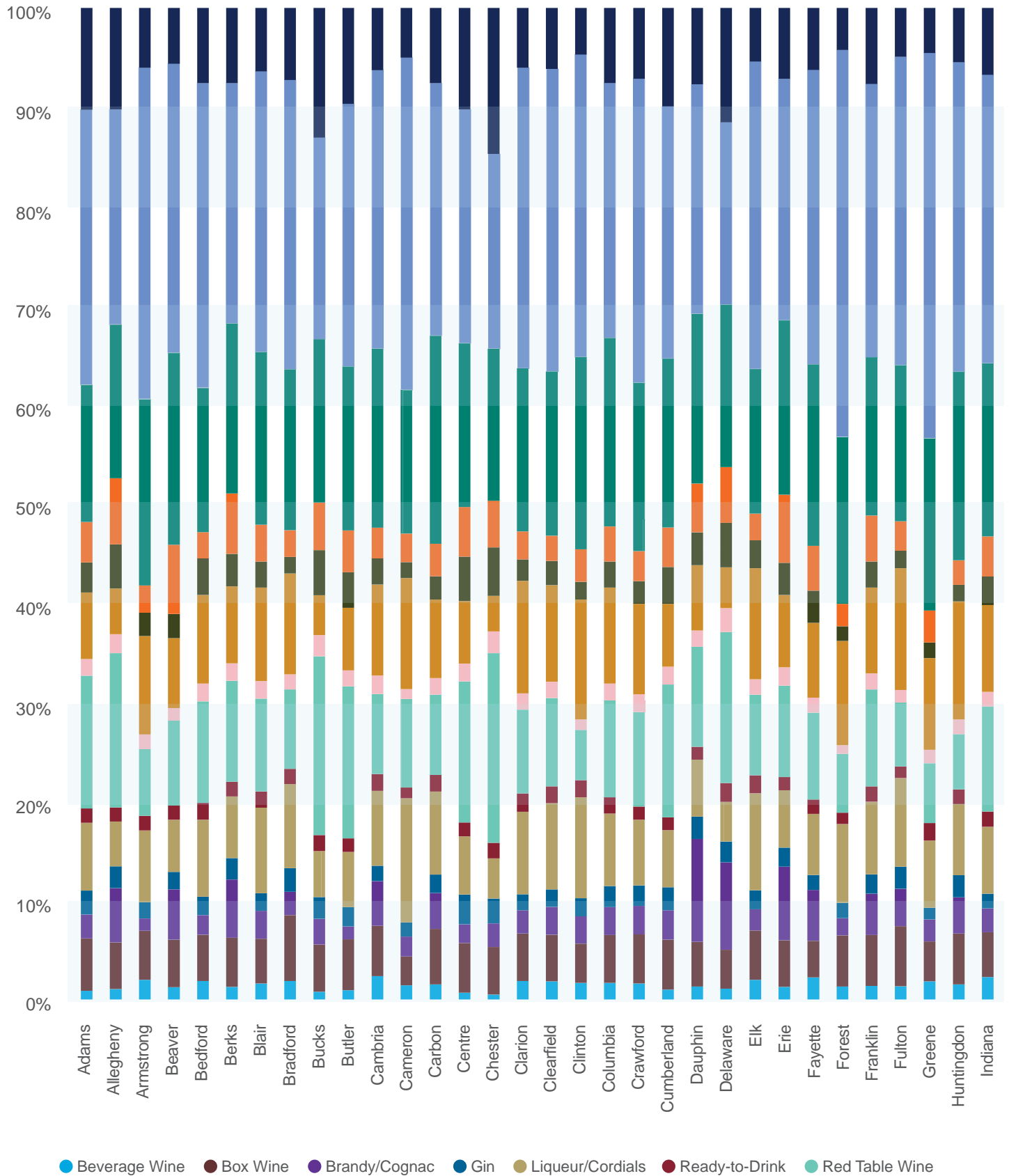
Of the following product categories, whiskey had the highest share of sales in all 67 counties. Vodka had the second highest share of sales in 61 counties, while red table wine ranked as the second highest share of sales in five counties – Chester, Bucks, Pike, Montgomery and Allegheny – and brandy/cognac ranked as the second highest share of sales in one – Philadelphia.

	BEVERAGE WINE	BOX WINE	BRANDY/ COGNAC	GIN	LIQUEUR/ CORDIALS	READY-TO-DRINK	RED TABLE WINE
Adams	\$56,515	\$342,649	\$155,121	\$156,176	\$442,776	\$93,482	\$865,365
Allegheny	\$3,579,648	\$16,006,841	\$18,656,656	\$7,518,276	\$15,437,565	\$4,758,785	\$53,049,772
Armstrong	\$91,175	\$224,827	\$56,385	\$75,526	\$329,416	\$67,780	\$306,305
Beaver	\$301,873	\$1,173,418	\$1,240,199	\$433,307	\$1,285,714	\$345,479	\$2,094,193
Bedford	\$76,487	\$189,340	\$80,664	\$75,130	\$316,550	\$69,125	\$416,712
Berks	\$828,572	\$3,199,126	\$3,821,507	\$1,403,520	\$4,030,479	\$968,303	\$6,587,220
Blair	\$275,804	\$776,186	\$482,916	\$306,285	\$1,479,890	\$285,639	\$1,609,560
Bradford	\$111,048	\$392,857	\$138,888	\$139,783	\$501,167	\$91,402	\$473,978
Bucks	\$1,287,181	\$7,776,239	\$4,249,695	\$3,584,187	\$7,616,143	\$2,644,067	\$29,455,527
Butler	\$400,254	\$2,172,332	\$552,580	\$824,557	\$2,350,053	\$577,278	\$6,485,107
Cambria	\$398,164	\$861,715	\$766,100	\$262,270	\$1,278,770	\$291,561	\$1,367,189
Cameron	\$6,899	\$13,900	\$9,534	\$6,798	\$59,891	\$5,192	\$42,673
Carbon	\$99,395	\$364,776	\$235,265	\$120,712	\$547,060	\$108,009	\$528,781
Centre	\$193,207	\$1,386,274	\$522,646	\$836,028	\$1,632,564	\$380,273	\$3,949,444
Chester	\$609,346	\$5,686,331	\$2,819,015	\$2,974,165	\$4,792,564	\$1,873,740	\$22,697,625
Clarion	\$75,353	\$194,535	\$95,131	\$65,005	\$338,061	\$75,112	\$341,875
Clearfield	\$164,824	\$427,144	\$254,340	\$158,517	\$786,939	\$153,183	\$805,181
Clinton	\$56,929	\$132,817	\$92,406	\$61,506	\$342,630	\$58,688	\$170,954
Columbia	\$154,644	\$445,111	\$260,297	\$195,325	\$673,126	\$152,210	\$902,552
Crawford	\$167,888	\$514,927	\$296,542	\$214,207	\$686,894	\$140,232	\$988,022
Cumberland	\$528,370	\$2,674,130	\$1,583,126	\$1,232,454	\$3,066,265	\$689,922	\$7,108,360
Dauphin	\$708,769	\$2,422,206	\$5,582,152	\$1,210,993	\$3,098,613	\$698,875	\$5,427,411
Delaware	\$1,051,915	\$3,778,922	\$8,451,018	\$2,038,373	\$3,825,427	\$1,847,736	\$14,621,790
Elk	\$57,906	\$146,102	\$63,335	\$56,155	\$286,565	\$52,751	\$239,030
Erie	\$692,856	\$2,554,997	\$4,040,779	\$1,053,404	\$3,141,722	\$722,576	\$5,019,950
Fayette	\$309,226	\$509,239	\$713,718	\$208,971	\$854,410	\$201,725	\$1,213,743
Forest	\$13,973	\$54,401	\$18,196	\$16,392	\$84,005	\$11,835	\$63,002
Franklin	\$198,146	\$746,331	\$609,611	\$281,761	\$1,068,760	\$225,669	\$1,419,784
Fulton	\$10,765	\$49,070	\$30,432	\$18,173	\$72,331	\$9,376	\$51,921
Greene	\$53,348	\$115,234	\$64,195	\$34,397	\$194,985	\$51,088	\$174,004
Huntingdon	\$52,634	\$175,410	\$125,630	\$75,936	\$246,276	\$51,828	\$190,423
Indiana	\$205,508	\$406,213	\$218,326	\$136,077	\$607,215	\$141,916	\$955,363
Jefferson	\$54,757	\$141,213	\$69,837	\$49,962	\$255,310	\$53,106	\$229,947
Juniata	\$17,517	\$61,396	\$43,870	\$20,438	\$118,983	\$16,700	\$77,227
Lackawanna	\$730,582	\$2,515,001	\$2,465,236	\$949,049	\$2,977,566	\$836,397	\$6,213,224
Lancaster	\$900,131	\$4,575,342	\$3,672,688	\$1,937,945	\$4,837,415	\$1,143,592	\$9,046,578
Lawrence	\$206,794	\$418,744	\$682,392	\$155,267	\$635,656	\$179,519	\$1,039,472
Lebanon	\$223,898	\$882,007	\$769,823	\$339,801	\$1,120,582	\$233,591	\$1,334,211
Lehigh	\$907,064	\$4,095,636	\$6,445,075	\$1,891,259	\$4,763,518	\$1,212,649	\$11,811,564
Luzerne	\$1,039,871	\$2,828,854	\$4,143,854	\$995,139	\$3,750,925	\$944,099	\$5,805,353
Lycoming	\$266,962	\$895,912	\$881,677	\$448,969	\$1,396,585	\$249,881	\$1,575,705
McKean	\$93,187	\$241,093	\$98,848	\$66,164	\$390,117	\$70,385	\$387,896
Mercer	\$275,705	\$701,168	\$970,762	\$323,492	\$1,111,277	\$229,963	\$1,445,550
Mifflin	\$45,661	\$200,193	\$102,820	\$74,066	\$429,454	\$59,560	\$198,502
Monroe	\$537,576	\$2,046,922	\$3,283,943	\$770,051	\$2,547,554	\$768,724	\$5,177,531
Montgomery	\$2,026,534	\$9,898,055	\$12,687,994	\$5,547,048	\$9,752,252	\$3,972,861	\$38,397,346
Montour	\$44,364	\$187,345	\$64,858	\$98,770	\$230,807	\$51,522	\$408,862
Northampton	\$580,743	\$2,797,549	\$2,247,072	\$1,100,916	\$2,942,290	\$777,258	\$6,328,457
Northumberland	\$178,388	\$342,507	\$315,461	\$125,142	\$585,537	\$109,501	\$395,057
Perry	\$29,908	\$137,669	\$56,970	\$49,938	\$210,051	\$36,363	\$140,077
Philadelphia	\$3,873,547	\$7,248,955	\$40,160,245	\$5,564,449	\$9,404,983	\$4,945,917	\$24,723,328
Pike	\$93,158	\$544,701	\$199,679	\$180,310	\$476,077	\$121,047	\$1,532,647
Potter	\$25,721	\$87,710	\$29,377	\$33,262	\$114,141	\$23,057	\$131,097
Schuylkill	\$312,827	\$874,459	\$529,775	\$289,175	\$1,160,826	\$278,372	\$1,250,025
Snyder	\$73,017	\$180,170	\$113,924	\$113,949	\$369,121	\$85,629	\$419,514
Somerset	\$119,411	\$279,373	\$102,266	\$94,508	\$448,326	\$91,583	\$502,071
Sullivan	\$15,497	\$41,107	\$19,767	\$14,095	\$41,235	\$11,119	\$71,364
Susquehanna	\$59,481	\$233,104	\$72,239	\$53,871	\$225,480	\$37,430	\$298,763
Tioga	\$86,719	\$263,858	\$68,205	\$100,929	\$335,616	\$78,522	\$357,891
Union	\$77,238	\$340,820	\$144,359	\$177,063	\$435,450	\$105,675	\$841,604
Venango	\$96,120	\$300,418	\$121,920	\$98,189	\$408,452	\$98,823	\$412,187
Warren	\$66,059	\$252,710	\$73,577	\$102,931	\$308,666	\$59,437	\$303,577
Washington	\$358,374	\$1,404,519	\$826,665	\$515,963	\$1,618,128	\$428,154	\$3,582,791
Wayne	\$169,766	\$947,758	\$286,035	\$359,827	\$952,351	\$218,068	\$2,505,222
Westmoreland	\$1,178,968	\$3,656,188	\$1,618,828	\$1,263,410	\$4,061,674	\$1,043,191	\$9,074,079
Wyoming	\$58,494	\$244,690	\$78,492	\$89,220	\$271,111	\$64,193	\$369,007
York	\$795,765	\$3,296,219	\$3,821,641	\$1,372,417	\$4,677,684	\$947,424	\$6,462,660

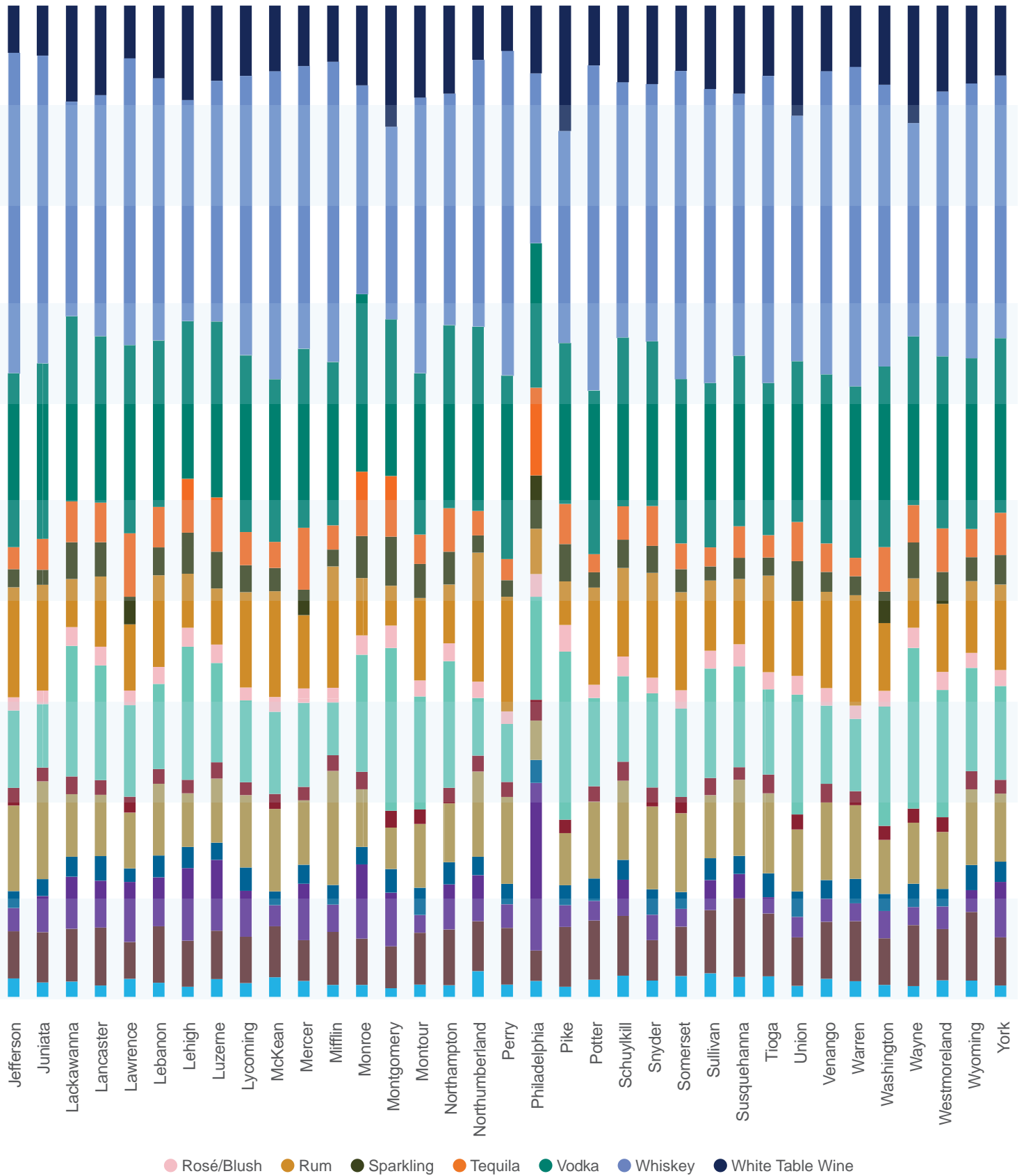
FINE WINE &
GOOD SPIRITS
SALES HIGHLIGHTS

ROSÉ/BLUSH	RUM	SPARKLING	TEQUILA	VODKA	WHISKEY	WHITE TABLE WINE
\$108,513	\$432,275	\$196,748	\$264,489	\$895,677	\$1,791,275	\$663,163
\$6,546,961	\$15,694,261	\$15,199,438	\$22,708,844	\$52,773,482	\$73,891,609	\$34,864,928
\$68,076	\$451,928	\$107,978	\$124,978	\$857,663	\$1,523,867	\$274,870
\$315,376	\$1,724,976	\$595,858	\$1,708,447	\$4,736,188	\$7,123,410	\$1,371,161
\$73,047	\$363,979	\$149,760	\$108,651	\$592,191	\$1,251,376	\$307,623
\$1,147,542	\$5,034,702	\$2,123,316	\$3,959,925	\$11,111,120	\$15,701,203	\$4,918,871
\$302,081	\$1,617,873	\$452,480	\$638,914	\$2,993,129	\$4,857,968	\$1,100,026
\$90,239	\$600,710	\$98,161	\$159,249	\$960,464	\$1,723,846	\$428,999
\$3,493,694	\$6,585,292	\$7,470,638	\$7,809,965	\$26,983,311	\$33,234,074	\$21,388,245
\$689,604	\$2,666,986	\$1,511,560	\$1,779,475	\$7,012,891	\$11,194,379	\$4,097,888
\$312,987	\$1,559,798	\$442,326	\$524,179	\$3,065,590	\$4,761,525	\$1,061,689
\$4,724	\$53,527	\$7,655	\$13,749	\$69,453	\$159,966	\$23,982
\$109,343	\$515,032	\$154,662	\$212,272	\$1,369,093	\$1,658,687	\$493,221
\$497,688	\$1,750,176	\$1,245,637	\$1,393,974	\$4,579,169	\$6,542,024	\$2,837,630
\$2,592,385	\$4,281,802	\$5,803,338	\$5,550,118	\$18,204,304	\$23,340,829	\$17,446,802
\$67,392	\$459,951	\$87,780	\$113,783	\$667,459	\$1,228,522	\$244,298
\$148,838	\$880,641	\$221,180	\$228,820	\$1,501,114	\$2,757,600	\$555,212
\$35,299	\$407,005	\$60,453	\$110,147	\$653,325	\$1,026,043	\$158,335
\$155,439	\$893,667	\$242,788	\$325,686	\$1,752,367	\$2,371,995	\$697,355
\$185,168	\$948,123	\$236,301	\$316,359	\$1,759,988	\$3,181,216	\$740,483
\$953,156	\$3,367,426	\$1,969,236	\$2,117,517	\$9,059,166	\$13,502,050	\$5,277,366
\$889,763	\$3,547,642	\$1,784,292	\$2,642,540	\$9,221,939	\$12,456,331	\$4,142,108
\$2,306,872	\$3,953,164	\$4,309,654	\$5,420,022	\$15,754,182	\$17,641,543	\$11,093,425
\$45,192	\$328,400	\$82,254	\$79,251	\$427,669	\$908,062	\$158,902
\$999,446	\$3,976,929	\$1,763,527	\$3,744,266	\$9,578,487	\$13,237,834	\$3,889,657
\$206,860	\$1,047,540	\$447,428	\$629,736	\$2,533,269	\$4,115,109	\$866,281
\$8,991	\$111,162	\$15,397	\$23,818	\$177,803	\$411,969	\$44,712
\$236,597	\$1,258,979	\$383,671	\$674,911	\$2,321,882	\$4,007,112	\$1,114,857
\$10,413	\$99,266	\$14,137	\$24,020	\$127,470	\$251,442	\$39,789
\$39,475	\$266,553	\$45,237	\$93,123	\$501,148	\$1,121,413	\$130,732
\$51,145	\$408,741	\$56,887	\$84,576	\$653,002	\$1,070,715	\$187,615
\$134,720	\$793,406	\$255,514	\$367,904	\$1,575,267	\$2,630,152	\$608,309
\$40,127	\$328,013	\$54,036	\$66,105	\$518,439	\$955,930	\$140,294
\$16,590	\$128,268	\$18,540	\$37,553	\$213,269	\$374,215	\$60,689
\$887,713	\$2,283,903	\$1,752,434	\$1,937,008	\$8,787,509	\$10,203,903	\$4,555,647
\$1,460,856	\$5,523,457	\$2,714,193	\$3,120,997	\$13,108,671	\$18,973,598	\$7,043,313
\$166,757	\$753,660	\$312,596	\$723,471	\$2,140,209	\$3,262,396	\$598,229
\$265,010	\$1,435,939	\$435,694	\$631,888	\$2,605,380	\$4,105,451	\$1,137,890
\$1,694,471	\$4,802,108	\$3,641,225	\$4,812,577	\$14,005,096	\$19,657,117	\$8,387,022
\$1,067,276	\$3,274,453	\$2,142,706	\$3,183,512	\$10,272,128	\$14,041,638	\$4,388,849
\$249,403	\$1,837,353	\$518,180	\$643,386	\$3,404,037	\$5,384,198	\$1,354,537
\$69,979	\$499,208	\$110,338	\$123,529	\$769,276	\$1,455,202	\$309,525
\$245,942	\$1,262,475	\$436,811	\$1,065,527	\$3,074,888	\$4,861,399	\$1,037,008
\$55,879	\$456,951	\$64,002	\$90,946	\$616,191	\$1,131,647	\$211,625
\$854,491	\$2,543,297	\$1,849,598	\$2,851,468	\$7,856,927	\$9,227,268	\$3,528,193
\$5,294,420	\$9,406,732	\$11,549,271	\$14,289,970	\$36,954,927	\$45,376,838	\$28,567,954
\$58,215	\$298,044	\$123,082	\$106,324	\$582,887	\$996,876	\$332,714
\$892,806	\$2,931,266	\$1,650,972	\$2,172,403	\$9,138,009	\$11,572,615	\$4,384,800
\$111,344	\$883,928	\$118,120	\$169,475	\$1,262,505	\$1,831,327	\$370,849
\$30,461	\$277,461	\$40,401	\$51,276	\$444,375	\$785,722	\$109,337
\$5,435,135	\$10,865,956	\$12,743,726	\$21,003,482	\$34,664,371	\$40,710,728	\$16,185,131
\$243,781	\$395,071	\$343,396	\$364,661	\$1,468,487	\$1,930,490	\$1,142,093
\$19,701	\$144,570	\$22,795	\$26,661	\$243,422	\$482,765	\$88,831
\$289,731	\$1,295,468	\$411,696	\$490,409	\$2,470,610	\$3,738,250	\$1,119,730
\$70,098	\$467,883	\$120,669	\$177,801	\$735,173	\$1,148,748	\$350,604
\$104,607	\$556,640	\$131,479	\$145,722	\$934,485	\$1,750,052	\$370,159
\$11,680	\$45,745	\$9,340	\$12,392	\$107,193	\$191,759	\$54,347
\$65,514	\$193,683	\$62,801	\$93,387	\$505,563	\$777,866	\$260,871
\$72,546	\$404,863	\$75,856	\$94,132	\$638,306	\$1,289,824	\$295,076
\$130,628	\$523,918	\$279,207	\$276,546	\$1,127,274	\$1,722,486	\$770,832
\$93,141	\$507,833	\$104,609	\$150,990	\$889,911	\$1,599,944	\$345,872
\$55,477	\$463,199	\$79,596	\$77,815	\$718,793	\$1,340,798	\$256,390
\$470,014	\$2,035,787	\$951,070	\$1,336,856	\$5,432,715	\$8,472,432	\$2,378,205
\$313,564	\$772,140	\$559,959	\$580,279	\$2,627,998	\$3,326,746	\$1,829,122
\$1,293,197	\$4,874,275	\$2,265,876	\$3,098,256	\$12,285,532	\$18,892,389	\$6,125,416
\$54,029	\$256,295	\$85,550	\$100,324	\$609,901	\$980,728	\$278,174
\$1,084,005	\$5,875,080	\$2,029,828	\$2,903,934	\$11,989,022	\$18,041,173	\$4,796,686

PERCENT OF DOLLAR SALES BY COUNTY FY 2020–21



FINE WINE &
GOOD SPIRITS
SALES HIGHLIGHTS



LEGISLATIVE SYNOPSIS

In fiscal year 2020-21, one new law was enacted that impacted the Liquor Code.

Act 125 of 2020. Signed by Governor Wolf on Nov. 25, 2020, Act 125 made several changes to the Liquor Code regarding the conversion of certain hotel licenses to restaurant licenses; marketing and packaging of certain alcoholic beverages; and interlocking business interests.

For hotel licensees that applied for room exemptions prior to Jan. 1, 2019 – excluding licenses located in the City of Philadelphia – Act 125 granted the option to convert from a hotel license to a restaurant license through

Jan. 24, 2023, upon application and payment of a \$30,000 fee to the PLCB with the provision that if the converted license is transferred within five years, the seller must pay a fee of either 25% of the cost of the restaurant license or \$30,000, whichever is greater, to the PLCB.

Act 125 also granted permission for alcoholic cider, fermented fruit beverage and mead products to be labeled, packaged and marketed as “wine based,” a “wine product” or a similar name despite designation as a malt or brewed beverage in Pennsylvania. Additionally, the definition for malt or brewed beverages was changed to specifically include fermented fruit beverages.

In terms of interlocking business interests, Act 125 allowed individuals to have an ownership interest in a licensed brewery, regardless of whether they are employed by an entity that holds a restaurant, hotel, eating place or club license, as long as the person has no job duties or responsibilities on, or connected with, the retail licensed establishment.

Complete summaries of the legislative changes enacted in fiscal year 2020-21 and prior fiscal years can be accessed at lcb.pa.gov by selecting “Legislative Updates” under the “Legal” menu.

The following regulations were promulgated during fiscal year 2020-21:

Proof of Recycling

Effective May 22, 2021
40 Pa. Code § 5.43

The PLCB added a new section (5.43) to its regulations pertaining to proof of recycling.

By way of background, section 491(5) of the Liquor Code, 47 P.S. § 4-491(5),

requires restaurant, hotel and club liquor licensees to break any package that contained liquor within 24 hours after the liquor package has been emptied, with two exceptions: 1) the PLCB has determined the package to be decorative; or 2) the licensee participates in either a municipal or voluntary recycling program. If a licensee claims to participate in a recycling program, the Pennsylvania State Police Bureau of Liquor Control Enforcement,

which enforces the Liquor Code, may demand that the licensee provide proof in writing.

Section 5.43 of the PLCB’s regulations establishes what constitutes sufficient proof in writing for purposes of the second exception noted above.

RETAIL OPERATIONS

Retail Operations staffs and manages the day-to-day operations at about 600 Fine Wine & Good Spirits facilities throughout the commonwealth.

For PLCB Retail Operations, fiscal year 2020-21 was a year of recovery and adaptability. Reopening Fine Wine & Good Spirits stores, resuming operations under a new normal and evolving along with FW&GS customers as shopping practices and patterns changed defined the year.

The beginning of the fiscal year marked a return to in-store shopping with the majority of FW&GS stores reopened as of July 1, 2020. To facilitate consumer confidence in a safe return to in-store shopping and to protect employees and the public, health and safety practices instituted at the outset of the pandemic remained in place through 2020-21. Store signage complemented by employee guidance provided clear direction to customers for masking

and social distancing requirements, revised traffic patterns and product interaction. Additionally, Plexiglas barriers at checkouts and dedicated time and effort daily for sanitization and cleaning ensured a continued measure of comfort and safety.

Despite the setbacks and challenges of the fiscal year – including not only the pandemic but also civil unrest in Philadelphia in October 2020 that resulted in damage to and closure of nearly 30 stores – FW&GS retail sales from July 1, 2020, through June 30, 2021, grew 26.4% over the prior year, with monthly gains ranging between 8.4% growth in November 2020 – as compared to pre-pandemic sales for November 2019 – to 559.1% in April 2021, when FW&GS stores were open and selling at full capacity verses April

2020, when stores were temporarily closed due to COVID- related government mandates.

The PLCB also continued renovating FW&GS stores during the pandemic. As of the June 30, 2021, close of the fiscal year, more than 80% of stores statewide had been redesigned or refreshed.

Sensitive to not inspiring large one-day crowds at store grand openings, FW&GS extended its traditional one-day 10% off grand opening sales to three full days of 10% off all in-store wine, spirits and accessories. During fiscal year 2020-21, FW&GS conducted 17 grand openings and associated three-day 10% off sales.

AS OF JUNE 30, 2021, THE AGENCY OPERATED 594 SALES FACILITIES

468 <i>Standard Stores</i>	112 <i>Premium Collection Stores</i>
13 <i>Licensee Service Centers</i>	1 <i>E-Commerce Fulfillment Center</i>

PLCB RETAIL OPERATIONS FIVE-YEAR SUMMARY

	FY 2020-21	FY 2019-20	FY 2018-19	FY 2017-18	FY 2016-17
Total Units Sold*	161.5 million	143.8 million	164.6 million	159.9 million	161.1 million
Average Retail Price per Item**	\$15.67	\$14.90	\$14.51	\$14.64	\$14.43
Wage % of Net Sales***	7.3%	8.2%	7.2%	7.1%	7.0%

* Total Units Sold includes wine and spirits products sold by Fine Wine & Good Spirits, Licensee Service Centers and E-Commerce. (Excludes Accessories.).

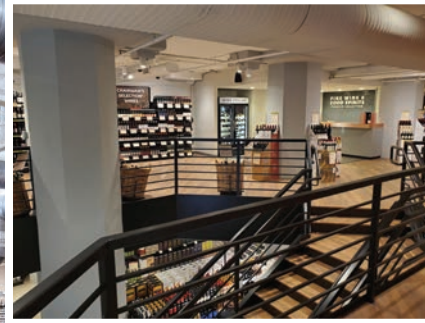
** Average retail selling price for wine and spirits products (including the 18% liquor tax).

*** Wage % of Net Sales includes salary, wages and overtime paid to regional, district and store staff.

For a list of stores ranked by dollar sales for fiscal year 2020-21, see pages 90-104.



Below: The Granary



Left and Above: Produce Terminal

The opening of two new Premium Collection stores within historic landmarks marked an exciting new milestone for the PLCB in 2020-21. These carefully designed stores, located at The Granary in Philadelphia and the Produce Terminal Building in Pittsburgh, provide customers with the unique opportunity to experience a piece of history while shopping in FW&GS stores.

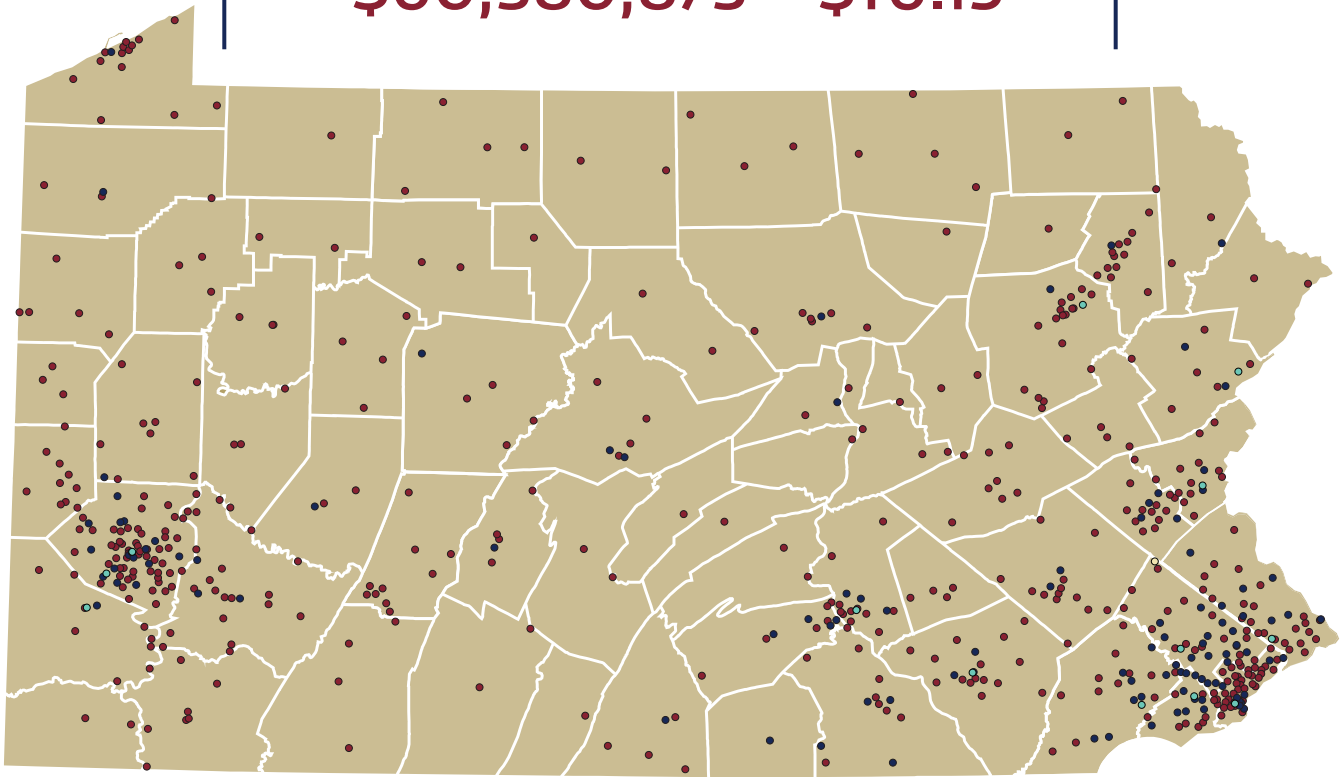
The close of the fiscal year brought elimination of store occupancy limits as of June 1, 2021, followed by the lifting of the state's mask mandate on June 28, 2021. With these changes, the end of the fiscal year also inspired development of new policies and procedures to allow for the safe resumption of in-store tastings and events to begin the next fiscal year.



In fiscal year 2020-21, Retail Operations completed 93 projects: 76 store refreshes, and 17 remodeling/relocation projects. Additionally, Taste & Learn Centers were added at five FW&GS Premium Collection locations.

FINE WINE & GOOD SPIRITS STORE AND LICENSEE SERVICE CENTER LOCATIONS

<i>Statewide Stores</i>	<i>Square Feet</i>	<i>Avg. Store Size (sq. ft.)</i>
594	3,222,768	5,426
<i>Annual Rent</i>	<i>Avg. Price Per Sq. Ft.</i>	
\$60,380,873	\$16.15	



● Standard Stores — 468 ● Premium Collection Stores — 112 ● Licensee Service Centers — 13 ● E-Commerce Fulfillment Center — 1

REGION III

*Western Region
220 stores*

Total Square Feet	975,178
Average Store Size	4,433
Annual Rent Paid	\$15,283,895
Average Price per Sq. Ft.	\$12.86

REGION II

*Central Region
213 stores*

Total Square Feet	1,075,489
Average Store Size	5,049
Annual Rent Paid	\$16,792,520
Average Price per Sq. Ft.	\$14.05

REGION I

*Eastern Region
161 stores*

Total Square Feet	1,172,101
Average Store Size	7,280
Annual Rent Paid	\$28,304,458
Average Price per Sq. Ft.	\$23.43

MARKETING & MERCHANDISING

Marketing and Merchandising, under the direction of the PLCB's Office of Policy & Communications and the Chief Merchandising Officer, aim to select and present the best wines and spirits at competitive prices, while striving to build relationships with consumers through in-store communications, advertising and social media.

Social Media July 1, 2020 – June 30, 2021



FACEBOOK

Total Page Likes
307,387

New followers	1,907
Impressions	4,675,245
Avg. daily impressions	12,808
Avg. daily engagements (likes, comments, shares)	76
Total engagements	27,606



TWITTER

Total Followers
31,094

New followers	2,993
Tweets sent	387
Retweets	127
Impressions (est.)	673,950
Total mentions	963



YOUTUBE

Total Subscribers
2,400

New subscribers	228
Views	503,564
New videos	22



PINTEREST

Total Followers
5,537

New followers	437
Pin reach (unique users viewing board pins)	928,950
Avg. monthly impressions	216,443



INSTAGRAM

Total Followers
11,192

New followers	919
Total post likes	6,079
Avg. likes per post	52
Total engagement (likes, comments, shares, saves)	7,329

Web & Accounts July 1, 2020 – June 30, 2021

FWGS.COM

FWGS.COM NEW ACCOUNTS

Visits
11,851,473

Avg. Monthly Clicks
34,098

Total New Accounts
101,316

Engaging Customers in Stores and Online


With the majority of Fine Wine & Good Spirits stores reopened as of July 1, 2020, fiscal year 2020-21 marked a return to in-store shopping and the opportunity to connect with customers within a traditional retail setting, as well as online through FWGS.com. Targeted safety messaging combined with the launch of new brand and promotional product campaigns inspired customers to shop from within their setting of choice to purchase exciting new products and take advantage of special promotions and incentives to save.

Targeted Campaigns. In fiscal year 2020-21, FW&GS ran three campaigns:

- The **Recovery/Togetherness** campaign ran in early fall 2020 and focused on both safety and togetherness at a time when getting together in person wasn't possible. The goal of the campaign, which used media inclusive of TV, radio and digital, was to inform consumers about changes made to keep FW&GS store environments safe, as well as to convey that while gatherings in early fall looked different, FW&GS could still be a source of information for entertaining, even when entertaining at distances.

- The annual **Happier Holidays** campaign in November and December 2020 focused on brand messaging versus the promotion of specific products due to inventory challenges and an intention to limit in-store traffic. Following Happier Holidays – which included TV, radio, print and digital media – FW&GS started product promotion for the first time since the start of the COVID-19 pandemic.
- In April 2021 FW&GS launched the **Amperсанд** campaign, which marked a return to marketing that incorporated both brand and product promotion for the first time since March 2020.

The ampersand – at the heart of FW&GS – is the little symbol responsible for bringing together both sides of our business, wine and spirits, connecting two unique halves into a whole retail experience. The goal of the campaign is to create connections for consumers in new and exciting ways and provide fresh ideas for pairings that inspire them to explore new products in conjunction with a variety of memorable and creative themes.



MASK GUIDANCE

In the interest of public safety, Fine Wine & Good Spirits encourages customers to wear masks in store.



MORE HOLIDAY MAGIC AWAITS

Shop 24/7 at **FWGS.com**

Happier Holidays
FINE WINE & GOOD SPIRITS

Please enjoy responsibly.



Blooms & Bouquet

The fragrance of flowers is blooming everywhere ... even in your rosé!
Experience a bouquet of floral aromas and think spring as you enjoy select Josh Cellars wines, **on sale now**>

Limited-Release Lotteries.

In fiscal year 2020-21, FW&GS conducted three limited-release lotteries comprised of nine separate product drawings. The lotteries, open exclusively to Pennsylvania residents and licensees, offer the opportunity to enter for a chance to purchase limited-availability, high-demand products. Conducted in November 2020 and January and May of 2021, combined dollar sales for the three lotteries totaled \$332,765 for 2,870 bottles of product and garnered more than one million eligible entries.



Monthly Releases. At least once a month, a handful of high-demand, limited inventory whiskeys are released on FWGS.com, which results in a significant increase in traffic and sales. While temporarily paused in tandem with e-commerce marketing the first half of fiscal year 2020-21, monthly releases resumed for FW&GS customers in January 2021. Limited to Pennsylvania residents, each release generally features a few hundred to a couple thousand bottles of select products with special appeal. With monthly whiskey release sales ranging from \$7,029 to \$197,167, these events are announced via email to subscribers of FWGS.com and often sell out within minutes.

TOP 10 MONTHLY RELEASE PRODUCTS

RANK	PRODUCT	SIZE	UNIT SALES	DOLLAR SALES
1	Stagg Jr. Straight Bourbon Barrel Proof*	750 mL	3,314	\$182,160
2	Henry McKenna Single Barrel Bourbon Bottled in Bond 10 Year Old**	750 mL	1,661	\$82,963
3	1792 Full Proof Straight Bourbon	750 mL	1,092	\$49,048
4	Kentucky Owl The Wiseman's Straight Rye 10 Year Old Batch 4	750 mL	130	\$38,819
5	Canadian Club Chronicles Canadian Whisky 41 and 42 Year Old Library Set (2x750 mL)*	1.5 L	72	\$33,915
6	Russell's Reserve Straight Bourbon 2003 16 Year Old*	750 mL	119	\$29,699
7	Blanton's Gold Bourbon	750 mL	247	\$29,638
8	Nikka Taketsuru Pure Malt Whisky 21 Year Old	750 mL	51	\$27,884
9	Blanton Straight From The Barrel Bourbon	750 mL	179	\$26,848
10	John E. Fitzgerald Larceny Straight Bourbon Barrel Proof	750 mL	497	\$24,815

*Products released in multiple monthly releases.

**Henry McKenna Single Barrel Bourbon Bottled in Bond 10 Year Old was part of the Monthly Release program for 11 months in fiscal year 2020-21. Sales totals displayed are from July 1, 2020 through May 31, 2021.

Merchandising to Meet Demand: The Growth of Ready-to-Drink Beverages

With convenience and attractive price points as primary drivers for customers, ready-to-drink (RTD) wine- and spirits-based products represent a significant area of growth for FW&GS.

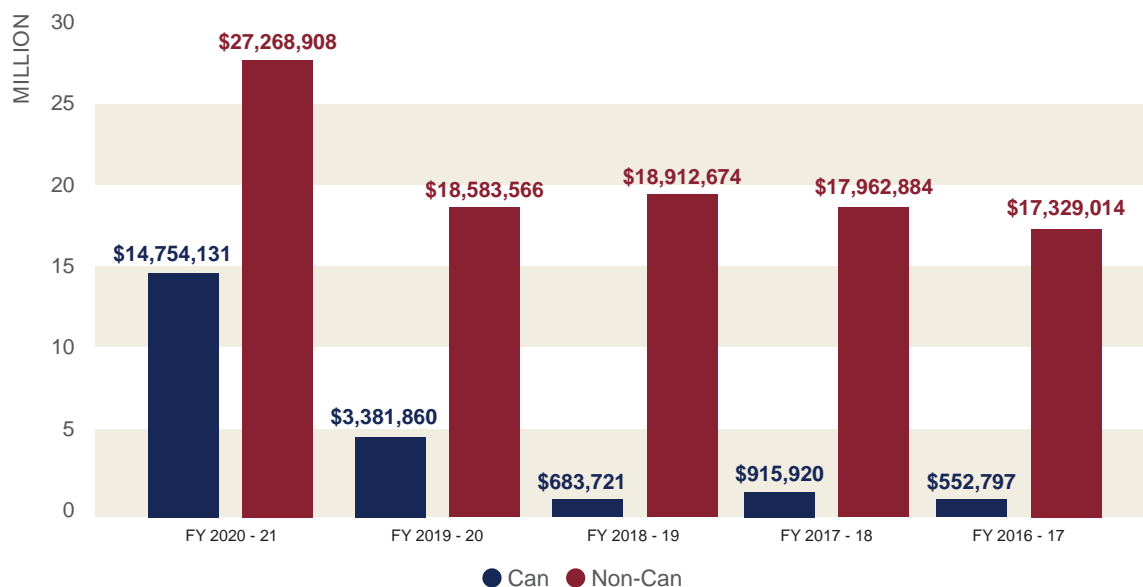
Within the RTD category, sales of canned wine and spirits have shown the most growth. Across canned wine and spirits categories, 55 items were added within the last fiscal year, bringing the total product assortment available to 94. In fiscal year 2020-21, dollar sales of canned RTD wine and spirits increased by 336.3% over the prior fiscal year, more than small (91.5%), standard (24.7%) and large (44.8%) size non-canned RTD dollar sales combined. While items in the \$5 to \$10 price range added the most dollars over last year (+\$6,514,108) in terms of cans, non-canned items in the \$15 to \$20 price range gained the most dollars (+\$2,363,535).



In fiscal year 2020-21, to accommodate demand and give customers more choices within the canned RTD category, FW&GS expanded its inventory of RTD canned spirits items by 156%, from 27 to 69, and RTD canned wine items by 108%, from 12 to 25. From a merchandising standpoint, the addition of coolers featuring canned RTD 4-packs near check-out areas in premium stores further increased access to canned products for customers and buoyed sales.

Unaffected by the impacts of the pandemic, in fiscal year 2020-21 combined dollar sales for canned and non-canned RTD wine and spirits increased 91.3% over the prior year. While RTD wine sold \$8 million, an increase of 144% over the prior year, RTD spirits sold \$34 million, an increase of 82%.

FISCAL YEAR SALES, RTD, BY CANS AND NON-CANS



FW&GS E-COMMERCE SALES INSIGHTS AT A GLANCE*

In fiscal year 2020-21, e-commerce sales began to normalize after record pandemic levels the prior year. FWGS.com experienced a 37.3% decrease in dollar sales and a 47.8% decrease in the number of transactions as compared to the prior year due to the reopening of most FW&GS stores as of July 1, 2020 and an increase to in-store shopping. When compared to pre-pandemic dollar sales and transactions for 2018-19, sales for 2020-21 were up by 236.6% and the number of transactions increased by 285.1%.

The average transaction value for 2020-21 increased 20.2% over the prior year, while the average unit price per transaction increased by 20.8%, from \$20.70 to \$25.

FISCAL YEAR	TOTAL SALES	TOTAL TRANSACTIONS	YEAR OVER YEAR REVENUE GROWTH	AVERAGE TRANSACTION VALUE
FY 2020-21	\$16,773,996	150,359	-37.3%	\$111.56
FY 2019-20	\$26,758,981	288,234	436.9%	\$92.84
FY 2018-19	\$4,983,948	39,042	64.1%	\$127.66

*Sales data includes Accessories.

TOP 10 E-COMMERCE WINES

Below are the top 10 wines sold on FWGS.com in fiscal year 2020-21.

RANK	PRODUCT	SIZE	UNIT SALES	DOLLAR SALES
1	Veuve Clicquot Yellow Label Champagne Brut	750 mL	791	\$40,833
2	Dom Pérignon Champagne Brut	750 mL	240	\$40,195
3	Precept Wine Advent Calendar (24x375 mL)	9 L	340	\$33,997
4	La Marca Prosecco	750 mL	1,985	\$30,946
5	Kim Crawford Sauvignon Blanc Marlborough	750 mL	1,534	\$25,560
6	Woodbridge by Robert Mondavi Chardonnay	1.5 L	1,865	\$25,450
7	Cavit Pinot Grigio	1.5 L	1,811	\$24,085
8	Kendall-Jackson Vintner's Reserve Chardonnay	750 mL	1,350	\$19,276
9	Moët & Chandon Imperial Champagne Brut	750 mL	427	\$18,416
10	Bodegas Ego Infinito Jumilla 2016	750 mL	975	\$16,519

TOP 10 E-COMMERCE SPIRITS

Below are the top 10 spirits sold on FWGS.com in fiscal year 2020-21.

RANK	PRODUCT	SIZE	UNIT SALES	DOLLAR SALES
1	Crown Royal Peach Canadian Whisky	750 mL	6,763	\$197,436
2	Stagg Jr. Straight Bourbon Barrel Proof	750 mL	3,314	\$182,160
3	Tito's Handmade Vodka	1.75 L	4,527	\$160,115
4	Van Winkle Special Reserve Straight Bourbon 12 Year Old 2020 Release	750 mL	987	\$98,630
5	Tito's Handmade Vodka	1 L	3,553	\$91,824
6	Jack Daniel's Old No. 7 Black Label Tennessee Whiskey	1.75 L	1,750	\$78,173
7	Old Fitzgerald Straight Bourbon Bottled in Bond 15 Year Old Fall 2019 Edition	750 mL	489	\$73,270
8	The Yamazaki Single Malt Whiskey 12 Year Old	750 mL	472	\$58,483
9	1792 Full Proof Straight Bourbon	750 mL	1,272	\$57,146
10	Captain Morgan Original Spiced Rum	1.75 L	1,977	\$52,389

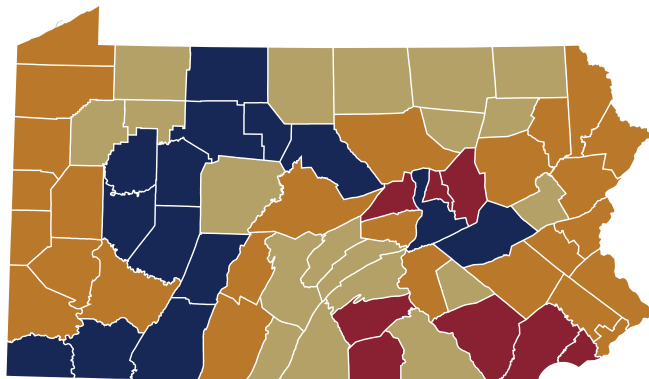
TOP 10 PRODUCT CATEGORIES

Cognac (67.6%), silver or blanco tequila (55.7%) and flavored whiskey (32.7%) saw the largest growth over the prior fiscal year.

CATEGORY	FY 2020-21 DOLLAR SALES	FY 2019-20 DOLLAR SALES	FY 2018-19 DOLLAR SALES	FY 2017-18 DOLLAR SALES
Unflavored Vodka	\$307,602,839	\$276,645,135	\$302,419,921	\$291,565,342
American Whiskey (bourbon)	\$250,799,563	\$203,641,720	\$213,169,537	\$198,364,866
Cognac	\$100,607,802	\$60,023,269	\$50,480,417	\$32,150,421
Flavored Vodka	\$95,229,974	\$77,550,919	\$85,623,465	\$87,744,994
California Cabernet Sauvignon	\$94,408,596	\$91,500,056	\$87,039,373	\$87,617,438
Flavored Whiskey	\$82,702,388	\$62,322,958	\$45,422,935	\$40,354,464
Scotch	\$81,997,318	\$67,383,264	\$72,514,440	\$69,825,540
Tequila, Silver or Blanco	\$78,622,461	\$50,486,812	\$48,053,220	\$42,059,847
California Chardonnay	\$77,473,548	\$79,244,935	\$78,598,501	\$80,747,542
Canadian Whisky	\$70,778,414	\$64,813,850	\$75,116,018	\$75,282,208

TOP-SELLING WINE IN EACH COUNTY

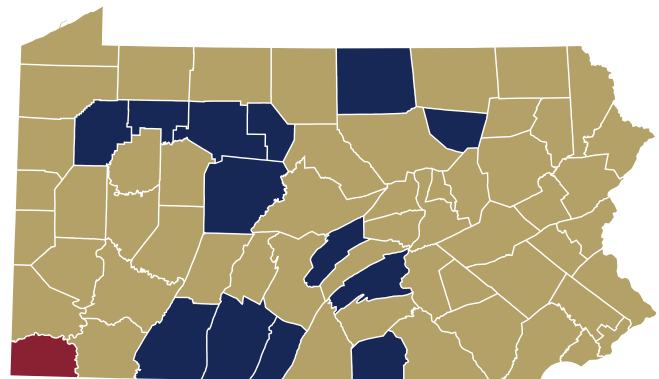
Twenty-six counties had California cabernet sauvignon as their top-selling wine category, while another 19 had box red wine. Beverage wine (14) and California chardonnay (8) were the highest in the remaining counties.



- Beverage Wine — 14
- Box Red — 19
- California Cabernet Sauvignon — 26
- California Chardonnay — 8

TOP-SELLING SPIRIT IN EACH COUNTY

Fifty-three counties had unflavored vodka as their top spirits category, while American whiskey led in 13 counties and Canadian whiskey in one.



- American Whiskey — 13
- Canadian Whisky — 1
- Unflavored Vodka — 53

TOP 25 WINE ITEMS BY UNITS

The items that exhibited the most growth in unit sales during fiscal year 2020-21 included Korbel Brut California Champagne (750 mL) (31.6%)*, Martini & Rossi Asti (750 mL) (30.7%)** and Roscato Rosso Dolce (750 mL) (21.7%***).

RANK	PRODUCT	SIZE	DOLLAR SALES	UNIT SALES	UNIT SALES — LY	% CHANGE
1	La Marca Prosecco	750 mL	\$10,177,625	677,355	557,856	21.42%
2	Cavit Pinot Grigio	1.5 L	\$7,271,533	571,637	484,128	18.08%
3	Kendall-Jackson Vintner's Reserve Chardonnay	750 mL	\$6,782,665	496,081	561,263	-11.61%
4	Apothic Red Winemaker's Blend	750 mL	\$5,342,138	492,388	627,101	-21.48%
5	Roscato Rosso Dolce	750 mL	\$4,602,441	480,794	395,066	21.70%
6	Woodbridge by Robert Mondavi Chardonnay	1.5 L	\$5,625,679	431,642	474,522	-9.04%
7	Barefoot Pink Moscato	750 mL	\$2,966,307	418,154	458,738	-8.85%
8	Barefoot Pinot Grigio	1.5 L	\$4,686,622	407,452	511,713	-20.37%
9	Barefoot Moscato	1.5 L	\$4,456,938	384,594	480,097	-19.89%
10	Barefoot Pink Moscato	1.5 L	\$4,285,572	370,675	441,080	-15.96%
11	Barefoot Moscato	750 mL	\$2,545,439	359,318	420,706	-14.59%
12	Cavit Pinot Grigio	750 mL	\$2,524,633	349,085	358,729	-2.69%
13	Josh Cellars Cabernet Sauvignon	750 mL	\$5,013,441	344,223	321,033	7.22%
14	Korbel Brut California Champagne	750 mL	\$4,589,994	319,732	242,884	31.64%
15	Sutter Home White Zinfandel	1.5 L	\$3,435,763	309,049	320,586	-3.60%
16	Woodbridge by Robert Mondavi Cabernet Sauvignon	1.5 L	\$3,793,060	297,149	348,754	-14.80%
17	Kim Crawford Sauvignon Blanc Marlborough	750 mL	\$4,741,849	288,655	268,702	7.43%
18	Josh Cellars Chardonnay	750 mL	\$3,701,112	280,520	284,514	-1.40%
19	Nobilo Sauvignon Blanc Marlborough	750 mL	\$3,292,615	278,989	295,674	-5.64%
20	Martini & Rossi Asti	750 mL	\$3,719,174	271,590	207,732	30.74%
21	Barefoot Chardonnay	1.5 L	\$2,997,085	259,964	349,546	-25.63%
22	Sutter Home Chardonnay (4x187 mL)	748 mL	\$1,873,809	259,146	271,419	-4.52%
23	Starborough Sauvignon Blanc Marlborough	750 mL	\$3,147,385	257,990	266,991	-3.37%
24	Black Box Cabernet Sauvignon	3 L	\$5,294,406	240,171	217,558	10.39%
25	Taylor Port	1.5 L	\$2,500,224	238,907	254,640	-6.18%

*Korbel Brut California Champagne (750 mL) increased by 76,848 units over the prior year and increased in retail sales by 6.4% over the prior year.

**Martini & Rossi Asti (750 mL) increased by 63,858 units over the prior year and increased in retail sales by 1.7% over the prior year.

***Roscato Rosso Dolce (750 mL) increased by 85,728 units over the prior year and increased in retail sales by 5.7% over the prior year.

TOP 25 SPIRITS ITEMS BY UNITS

The items that exhibited the most growth in unit sales during fiscal year 2020-21 included New Amsterdam Pink Whitney Pink Lemonade Vodka (750 mL) (190.1%)*, Yukon Jack Liqueur (50 mL) (177.3%)** and Hennessy Cognac VS (750 mL) (56.4%)*.*.

RANK	PRODUCT	SIZE	DOLLAR SALES	UNIT SALES	UNIT SALES — LY	% CHANGE
1	Fireball Cinnamon Whisky	50 mL	\$4,378,254	4,426,383	4,679,193	-5.40%
2	Tito's Handmade Vodka	1.75 L	\$49,892,251	1,422,394	1,059,156	34.30%
3	Tito's Handmade Vodka	750 mL	\$19,290,606	1,055,116	932,568	13.14%
4	Hennessy Cognac VS	750 mL	\$37,725,293	980,775	626,916	56.44%
5	Tito's Handmade Vodka	1 L	\$23,086,342	935,878	965,077	-3.03%
6	New Amsterdam Vodka	50 mL	\$834,700	891,068	620,984	43.49%
7	Crown Russe Vodka	1.75 L	\$7,986,689	833,034	787,171	5.83%
8	Captain Morgan Original Spiced Rum	1.75 L	\$18,819,048	719,586	616,982	16.63%
9	Jack Daniel's Old No. 7 Black Label Tennessee Whiskey	750 mL	\$16,456,069	718,009	732,522	-1.98%
10	New Amsterdam Pink Whitney Pink Lemonade Vodka	50 mL	\$661,500	669,005	-	-
11	Nikolai Vodka	375 mL	\$2,537,454	635,963	730,393	-12.93%
12	Jameson Irish Whiskey	750 mL	\$17,077,541	608,937	527,051	15.54%
13	Bacardi Superior Rum	1.75 L	\$12,191,321	563,314	478,031	17.84%
14	Fireball Cinnamon Whisky	750 mL	\$10,101,886	560,355	568,478	-1.43%
15	99 Peaches Liqueur	50 mL	\$516,810	556,782	476,844	16.76%
16	Tito's Handmade Vodka	50 mL	\$1,073,820	543,472	479,750	13.28%
17	Captain Morgan Spiced Rum	750 mL	\$8,655,457	534,783	618,314	-13.51%
18	New Amsterdam Pink Whitney Pink Lemonade Vodka	750 mL	\$6,581,890	530,712	182,930	190.12%
19	99 Bananas Liqueur	50 mL	\$491,325	522,230	465,605	12.16%
20	Hennessy Cognac VS	50 mL	\$1,603,584	496,869	360,200	37.94%
21	Crown Royal Regal Apple Canadian Whisky	750 mL	\$13,475,278	496,597	427,556	16.15%
22	Platinum 7X Vodka	1.75 L	\$8,438,332	493,339	387,007	27.48%
23	99 Apples Liqueur	50 mL	\$439,173	472,173	409,516	15.30%
24	New Amsterdam Peach Vodka	50 mL	\$431,148	459,723	401,270	14.57%
25	Yukon Jack Liqueur	50 mL	\$399,335	425,225	153,328	177.33%

*New Amsterdam Pink Whitney Pink Lemonade Vodka (750 mL) was introduced in September of 2019. This is the product's first full year of sales.

**Yukon Jack Liqueur (50 mL) increased in both retail (173.8%) and licensee (10,257.4%) unit sales over the prior year.

***Hennessy Cognac VS (750 mL) increased 69.8% in retail unit sales over the prior year.

TOP PENNSYLVANIA WINES*

Below are the top 10 Pennsylvania wines sold by Fine Wine & Good Spirits in fiscal year 2020-21.

RANK	PRODUCT	SIZE	UNIT SALES	DOLLAR SALES
1	Clover Hill Vineyards & Winery Concord	750 mL	54,166	\$589,731
2	The Winery at Wilcox Clarion River Red	1.5 L	34,427	\$518,492
3	Daily's Jamaican Smile Frozen Cocktail Pouch	296 mL	120,727	\$351,457
4	Franklin Hill Vineyards Sir Walter's Red	750 mL	24,953	\$310,872
5	Daily's Blue Hawaiian Frozen Cocktail Pouch	296 mL	99,147	\$292,151
6	Franklin Hill Vineyards Carnival	750 mL	21,240	\$264,422
7	Mazza Vineyards Concord	1.5 L	26,441	\$258,897
8	Daily's Margarita Frozen Cocktail Pouch	296 mL	79,103	\$233,802
9	Daily's Fireworks Frozen Cocktail Pouch	296 mL	73,510	\$214,555
10	Clover Hill Vineyards & Winery Pink Catawba	750 mL	18,655	\$204,733

TOP PENNSYLVANIA SPIRITS*

Below are the top 10 Pennsylvania spirits sold by Fine Wine & Good Spirits in fiscal year 2020-21.

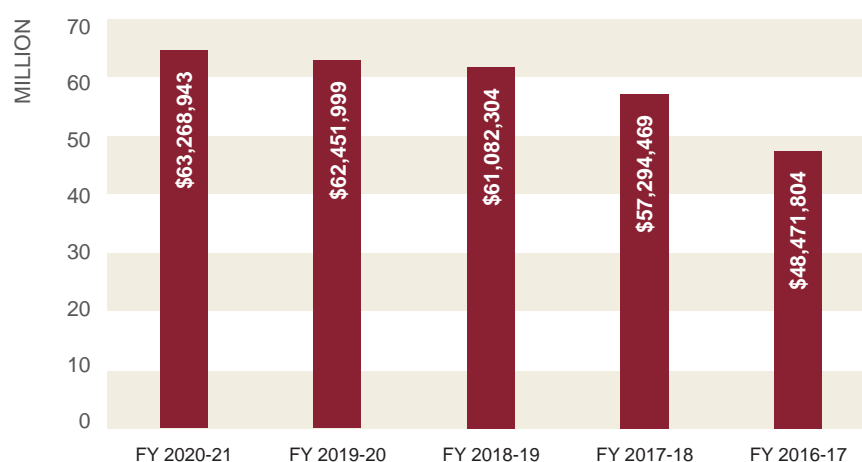
RANK	PRODUCT	SIZE	UNIT SALES	DOLLAR SALES
1	Pennsylvania Dutch Egg Nog	1.75 L	89,532	\$1,502,132
2	Bluecoat Dry Gin	750 mL	52,673	\$1,416,642
3	Pennsylvania Dutch Egg Nog	750 mL	142,362	\$1,256,808
4	Stateside Urbancraft Vodka	750 mL	45,481	\$1,188,910
5	Leroux Jezynowka Blackberry Brandy	1.75 L	51,663	\$999,468
6	Stateside Urbancraft Vodka	1.75 L	17,437	\$746,847
7	Dad's Hat Rye Whiskey	750 mL	16,543	\$609,391
8	Faber Vodka	750 mL	31,700	\$478,544
9	Bartenders Trading Company I'm Bananas Over You Cocktail	1.75 L	31,726	\$460,903
10	Resurgent Bourbon	750 mL	11,406	\$429,864

*PA product sales totals reflect only sales made by Fine Wine & Good Spirits and do not include sales from wineries and distilleries directly to consumers or licensees.

Trends

The Continued Rise of Rosé

Rosé sales have continued to increase over the past five years with dollar sales for fiscal year 2020-21 increasing by 1.3% or +\$816,944 over the prior fiscal year. In 2020-21, sales of rosés in the \$20 to \$30 price range increased by 49.5%, accounting for the increase in overall category growth, while sales of products in the \$10 to \$20 price range increased by less than 1% and sales of rosés over \$30 decreased by 18.6% as compared to the prior fiscal year. The performance of items by price illustrates the standard and premium segments are driving rosé wine category growth. Top dollar gains in rosé can be attributed to newer products such as Château d'Esclans Whispering Angel Rosé Cotes de Provence 2019 (+\$1,203,238) and 19 Crimes Cali Rosé (+\$313,501).



Tequila Boom

For fiscal year 2020-21, total dollar sales for tequila increased by 52.3% over the prior fiscal year. Benefitting largely from the trend toward premiumization, sales of products in the \$40 to \$60 price range increased by 81.2% (+\$22,215,805), while sales of products in the \$20 to \$40 price range increased by 48.9% (+\$18,313,875). Categories that exhibited the most growth in dollar sales included Silver or Blanco (+\$29,297,897), followed by Reposado (+\$9,371,138).

CATEGORY	FY 2020-21 DOLLAR SALES	FY 2019-20 DOLLAR SALES	FY 2018-19 DOLLAR SALES	FY 2017-18 DOLLAR SALES	FY 2016-17 DOLLAR SALES
Silver or Blanco	\$84,255,914	\$54,958,017	\$53,356,400	\$46,717,376	\$41,141,249
Mixto	\$23,517,629	\$19,421,289	\$21,030,235	\$21,082,290	\$20,692,703
Reposado	\$21,150,277	\$11,779,139	\$11,294,354	\$9,733,123	\$8,757,162
Añejo or Super Añejo	\$10,554,696	\$4,950,142	\$4,706,118	\$3,775,072	\$3,121,483
Gold	\$426,027	\$264,023	\$162,103	\$197,301	\$82,246
Others	\$327,835	\$451,742	\$459,365	\$347,686	\$337,125

Premiumization

Sales of premium products have increased with customers spending more dollars on higher-priced products.

Spirits experienced the largest growth in the premium segment (\$110,929,863) with combined sales of brandy/cognac, whiskey and vodka accounting for \$79,339,201 or 71.5% of the premium dollar gain. The ultra-premium segment had the highest percentage change (59.1%) over the prior year and the highest compound annual growth rate (CAGR) (24.6%) with whiskey and tequila comprising the largest share (89.6%) of the ultra-premium increase and accounting for \$48,579,854 more dollars for the segment in fiscal year 2020-21.

SPIRITS PRICE SEGMENT	% CHANGE	CAGR	DOLLAR DIFFERENCE
Premium (\$6.99-\$59.98)	22.41%	7.75%	\$110,929,863
Super-Premium (\$17.99-\$3,499.99)	27.16%	8.46%	\$63,156,691
Ultra-Premium (\$23.99-\$26,999.00)	59.13%	24.55%	\$54,234,462
Standard (\$7.99-\$39.98)	16.48%	2.47%	\$52,817,565
Value (\$6.49-\$28.99)	10.45%	-2.32%	\$17,654,137

Wines experienced the largest growth in the super-premium segment (\$21,990,018) with sparkling (\$6,443,466), white table wine (\$5,216,415) and box wine (\$4,676,478) accounting for 79.3% of the super-premium segment gain.

The ultra-premium segment had the highest percentage change (27%) and CAGR (12%). Red table wine (\$11,070,416) and sparkling wine (\$4,775,309) categories had the highest dollar increases for the ultra-premium segment, accounting for 80.9% of the sales increase. Based on percentage change (-3.1%), CAGR (-2.5%) and dollar difference (-\$9,495,398), the value segment decreased.

WINE PRICE SEGMENT	% CHANGE	CAGR	DOLLAR DIFFERENCE
Ultra-Premium (\$10.99-\$2,999.99)	26.98%	11.99%	\$19,595,672
Super-Premium (\$9.64-\$299.99)	13.98%	9.01%	\$21,990,018
Standard (\$4.49-\$79.99)	6.73%	0.28%	\$14,888,446
Premium (\$7.24-\$249.99)	1.60%	2.98%	\$3,756,086
Value (\$4.00-\$23.07)	-3.05%	-2.53%	-\$9,495,398

Box Wine

Box wine continued to grow in fiscal year 2020-21, with dollar sales increasing by 3.7% over the prior year. Across box wine categories, dollar sales for 3 L and 5 L box wine – the two most common package sizes – increased with sales for the 5 L package size (7.6%) outpacing sales for the 3 L package size (0.8%). For box wine under 3 L (500 mL to 1.5 L), dollar sales for 2020-21 increased by 7.7% over the prior year, while box wine over 5 L decreased by 78.3%.

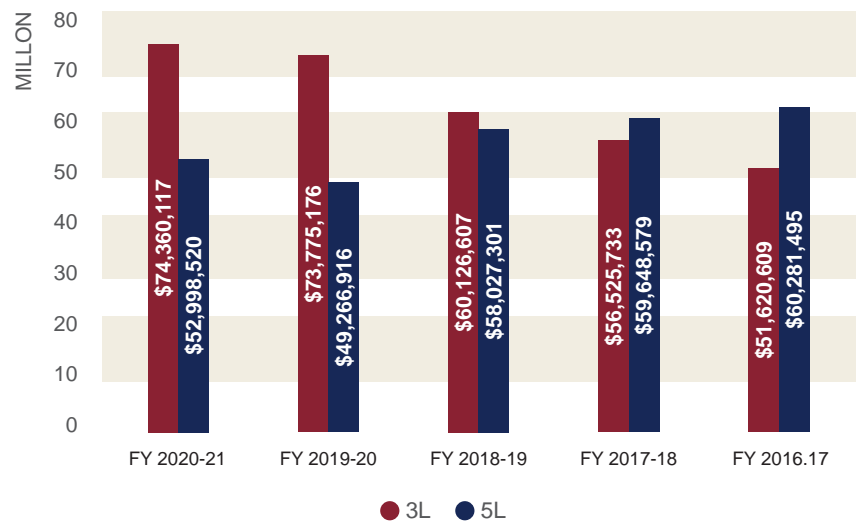
For 2020-21, the 3 L package size experienced the largest growth with dollar sales of \$74.4 million and sales of 3 L box wine products in the \$20 to \$30 price range increasing by 22.5% (\$11,059,563).

Sales of box wine in the 5 L package size also increased, but by a smaller margin with sales of \$53 million. In the 5 L package size, an increase in the number of box wine products available in the \$20 to \$30 price range – from two products in 2019-20 to 10 products in 2020-21 – generated a 553,317.7% increase in dollar sales, despite the 5 L package size in the \$20 to \$30 range having a low volume of sales.

For box wine under 3 L, dollar sales of products priced less than \$10 experienced the highest growth with an increase of 13.7% (\$607,389) in dollar sales in 2020-21 as compared to the prior year.

In fiscal year 2020-21, the box wine category added \$4.7 million in sales, \$3 million (63.7%) of which came from the addition of 36 new products.

BOX WINE, 3L AND 5L



DISTRIBUTION

Supply Chain manages the receipt, storage and distribution of products through third-party distribution centers to ensure the right product gets to the right store or licensee at the right time.

In fiscal year 2020-21, the PLCB shipped more than 52,000 orders and 18.2 million cases of wine and spirits to nearly 600 Fine Wine & Good Spirits stores and Licensee Service Centers (LSCs) and 629 licensees in the Licensee Delivery Program (LDP).

Run by third-party logistics contractors, three distribution centers located in the Southwest, Northeast and Southeast regions of Pennsylvania receive products from more than 320 suppliers on six continents.

The PLCB's Supply Chain focused its efforts in 2020-21 on ongoing and open communication with suppliers, the modernization and expansion of distribution capabilities and

increased efficiencies related to e-commerce fulfillment.

Stemming from the pandemic, supply chain constraints related to staffing, transportation and packaging – due primarily to a shortage of qualified drivers and suppliers' struggles to procure raw materials domestically and abroad – continued throughout the fiscal year. Consistent communication with suppliers, as well as with FW&GS stores and licensees, enabled the PLCB's Office of Supply Chain to adapt strategically within the scope of these constraints to best meet customers' needs and demand for product, particularly during peak purchasing times.

In October 2020, the PLCB opened a new distribution facility in Philadelphia. The new facility, which serves 164 FW&GS locations and 75 licensees participating in the LDP, replaces the former Philadelphia distribution center and serves southeastern Pennsylvania through a larger facility that is more optimally located for receiving and delivering goods and that features structural and operational enhancements. This state-of-the-art facility is managed by a leader in third-party logistics and not only allows the PLCB to more timely, accurately and efficiently manage and deliver product to FW&GS stores and licensees, but it will also grow with the PLCB as its business evolves.

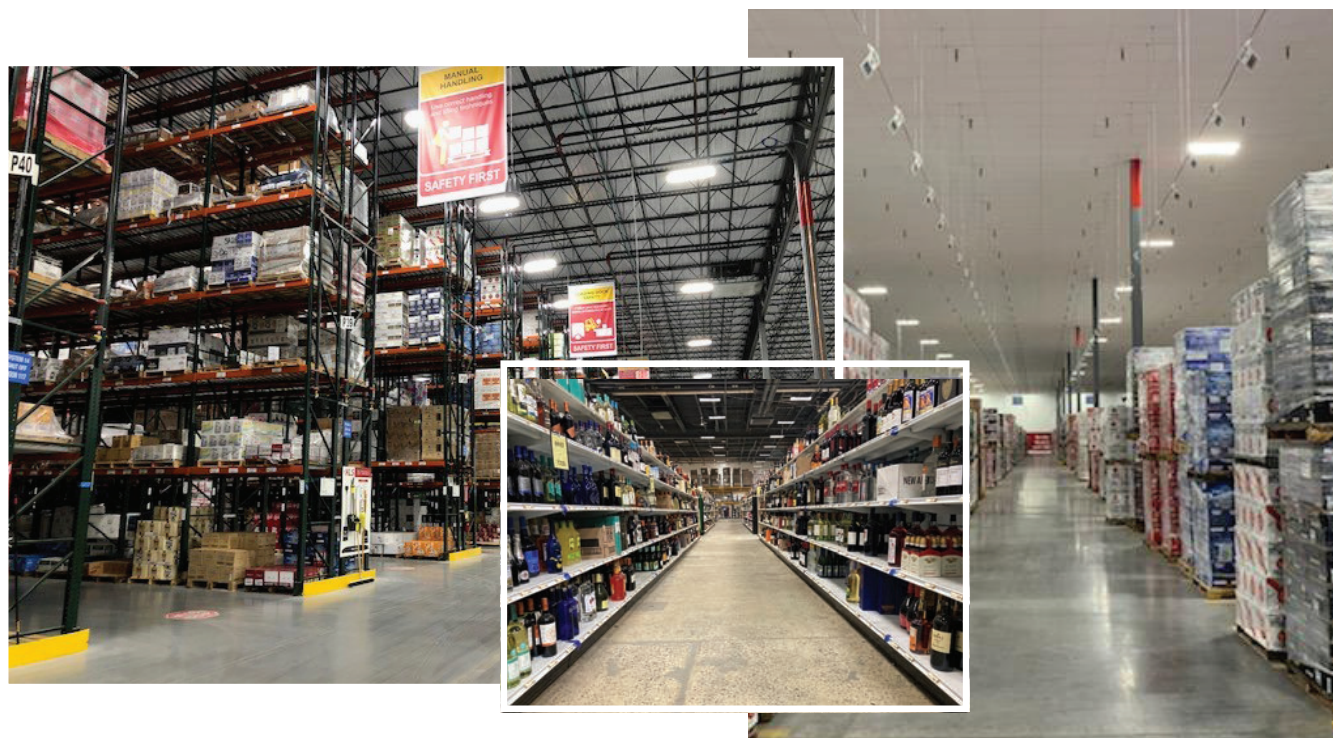


With 465,000 square-foot of space – an increase of 28% over the former distribution center – the new facility holds double the amount of product, with capacity up to 1.5 million cases. It has enabled the PLCB's Supply Chain to receive more products due to a significant increase in the number of functional dock doors available for intake, increase order accuracy and speed on outbound shipments and deliver products to locations that couldn't be served by the former non-modernized fleet of trucks. From Oct. 1, 2020, through June 30, 2021, the PLCB

fulfilled more than 13,147 orders and shipped 4.6 million cases of product to FW&GS stores and licensees in the southeastern Philadelphia region from the new distribution center.

Through competitive procurement, in fiscal year 2020-21 the PLCB also awarded a new contract for warehousing and transportation services in western Pennsylvania to commence in early 2022. This will position the PLCB to support western region growth throughout the next decade.

Pressured by record, pandemic-inspired e-commerce growth and committed to increasing order fulfillment efficiency and capacity, in fall 2020 the PLCB commissioned an independent audit and analysis of its e-commerce fulfillment center. Subsequent implementation of new strategies for product organization and placement, simplified packaging and streamlined order processing yielded significant gains in operational efficiencies, process improvements and cost savings.



Reorganizing products according to product code, as opposed to size and type, resulted in a 75% reduction to the number of daily steps taken by an employee to pick orders – from 12 miles to three miles – and reduced average order-picking time from 35.1 minutes to 2.08 minutes, a 1,645% improvement. By reducing the number of box sizes used for packaging products from 11 to seven and the number of box inserts used from four to two, a 265% reduction in packing time for an average order consisting of between four and 12 bottles – from 13.1 minutes to 4.94 minutes – was achieved, in addition to reduced product damage and lower packaging costs. Additionally, adapting computer programming from two operating systems into a single process saved 5-6 minutes per order in processing time. The PLCB also took steps toward improving its environmental impact through the elimination of Styrofoam packing peanuts in favor of recycled packaging paper.

WHOLESALE OPERATIONS

Wholesale Operations, under the direction of the Chief Merchandising Officer, continues to evolve to anticipate and meet the needs of licensees selling alcohol for on-premises and off-premises consumption.

As a result of the COVID-19 pandemic's impact on licensee operations, sales to licensees in fiscal year 2020-21 were \$528.4 million, or 19.9% lower than the prior year. Conversely, the PLCB's Licensee Delivery Program (LDP) continued to experience growth in the number of participating licensees.

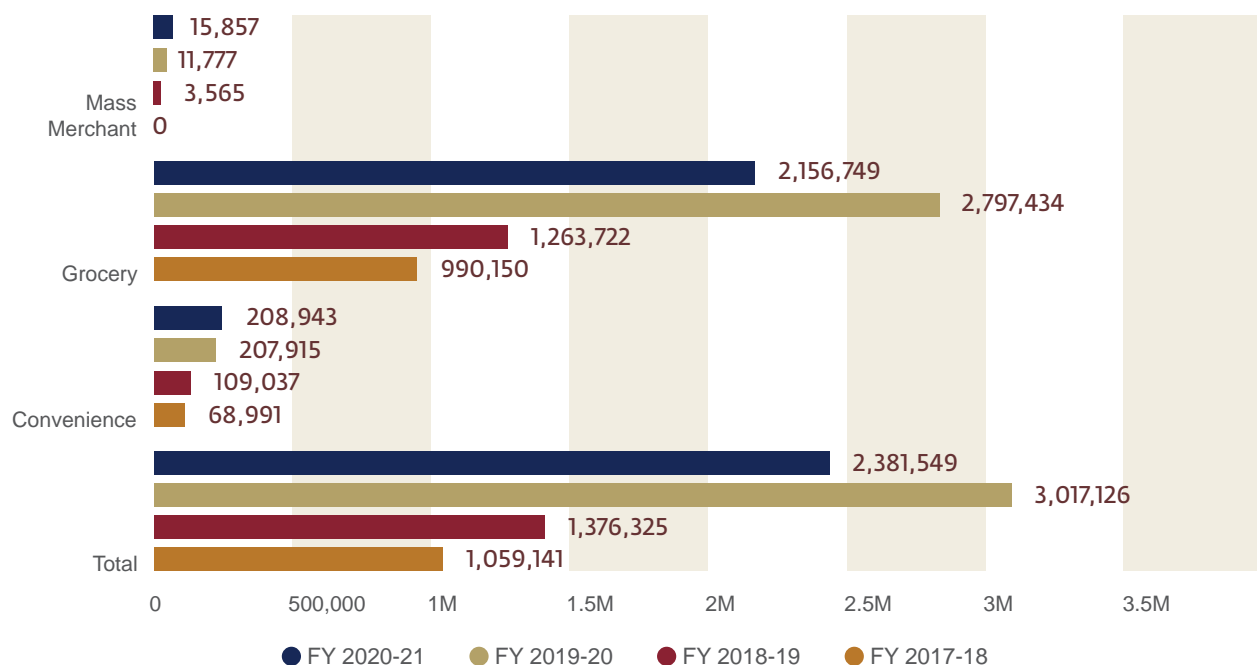
Due to a combination of factors, including the reopening of Fine Wine & Good Spirits stores early in the fiscal year, statewide PLCB dollar sales to wine-to-go retailers dropped

20% from the record high of \$271.6 million in fiscal year 2019-20 to \$217.4 million in fiscal year 2020-21. When compared to pre-pandemic volumes of fiscal year 2018-19, sales in fiscal year 2020-21 were up \$92.7 million or 74.3%, marking the sale of wine to mass merchants, grocery and convenience stores as an important and continued area of business growth for the PLCB.

Totaling \$311 million in fiscal year 2020-21, a reduction of 19.9% compared to the prior fiscal year,

dollar sales to traditional on-premises retailers – such as bars, restaurants and hotels – were heavily impacted due to operating restrictions that remained in place for most of 2020. As of early 2021, however, the loosening of these restrictions led to increased sales, approaching near pre-pandemic levels toward the end of the fiscal year.

GROWTH OF PURCHASES BY HOLDERS OF WINE EXPANDED PERMITS, BY LICENSE CATEGORY (IN 9L CASES)



TOP 10 WINES SOLD TO HIGH-VOLUME WINE-TO-GO RETAILERS*

RANK	PRODUCT	SIZE	TOTAL DOLLARS	TOTAL 9L CASES
1	La Marca Prosecco	750 mL	\$3,012,847	18,288
2	Apothic Red Winemaker's Blend	750 mL	\$2,154,655	17,605
3	Cavit Pinot Grigio	1.5 L	\$1,998,425	29,093
4	Barefoot Pink Moscato	750 mL	\$1,700,402	20,822
5	Kendall-Jackson Vintner's Reserve Chardonnay	750 mL	\$1,674,385	11,236
6	Barefoot Pink Moscato	1.5 L	\$1,665,446	25,920
7	Barefoot Pinot Grigio	1.5 L	\$1,641,020	25,656
8	Roscatto Rosso Dolce	750 mL	\$1,637,561	15,463
9	Black Box Cabernet Sauvignon	3 L	\$1,630,266	26,838
10	Josh Cellars Cabernet Sauvignon	750 mL	\$1,594,802	10,047

*Mass merchants, grocery and convenience stores

TOP 10 WINES SOLD TO TRADITIONAL ON-PREMISES RETAILERS*

RANK	PRODUCT	SIZE	TOTAL DOLLARS	TOTAL 9L CASES
1	Kendall-Jackson Vintner's Reserve Chardonnay	750 mL	\$730,095	4,541
2	Woodbridge by Robert Mondavi Chardonnay	1.5 L	\$546,322	7,265
3	Woodbridge by Robert Mondavi Cabernet Sauvignon	1.5 L	\$522,016	6,955
4	Wycliff Brut	750 mL	\$491,730	9,780
5	Woodbridge by Robert Mondavi Pinot Grigio	1.5 L	\$473,121	6,297
6	Ecco Domani Pinot Grigio	750 mL	\$436,408	3,130
7	Moët & Chandon Ice Imperial Champagne	750 mL	\$433,935	680
8	Franzia Chablis	5 L	\$391,038	12,316
9	La Marca Prosecco	750 mL	\$376,231	2,149
10	Kim Crawford Sauvignon Blanc Marlborough	750 mL	\$371,436	1,955

*Bars and restaurants

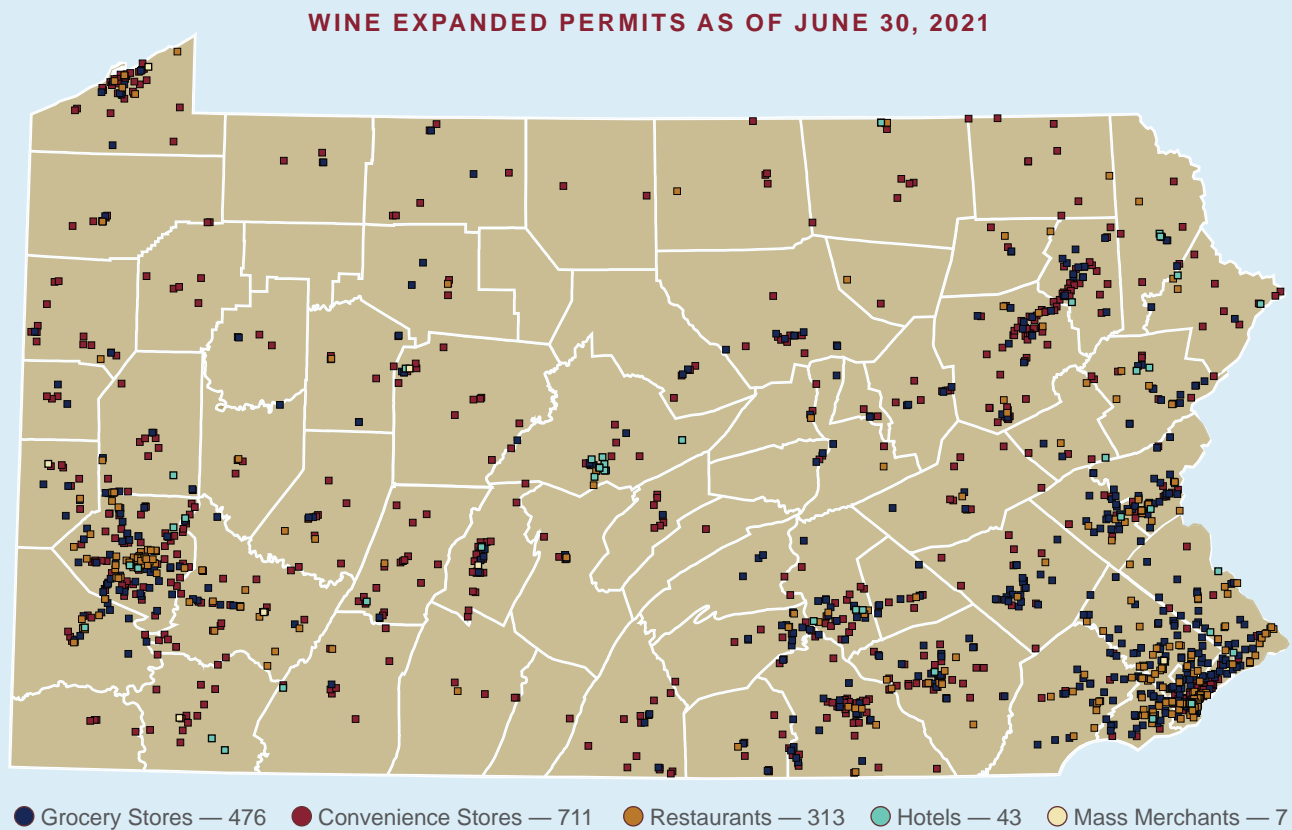
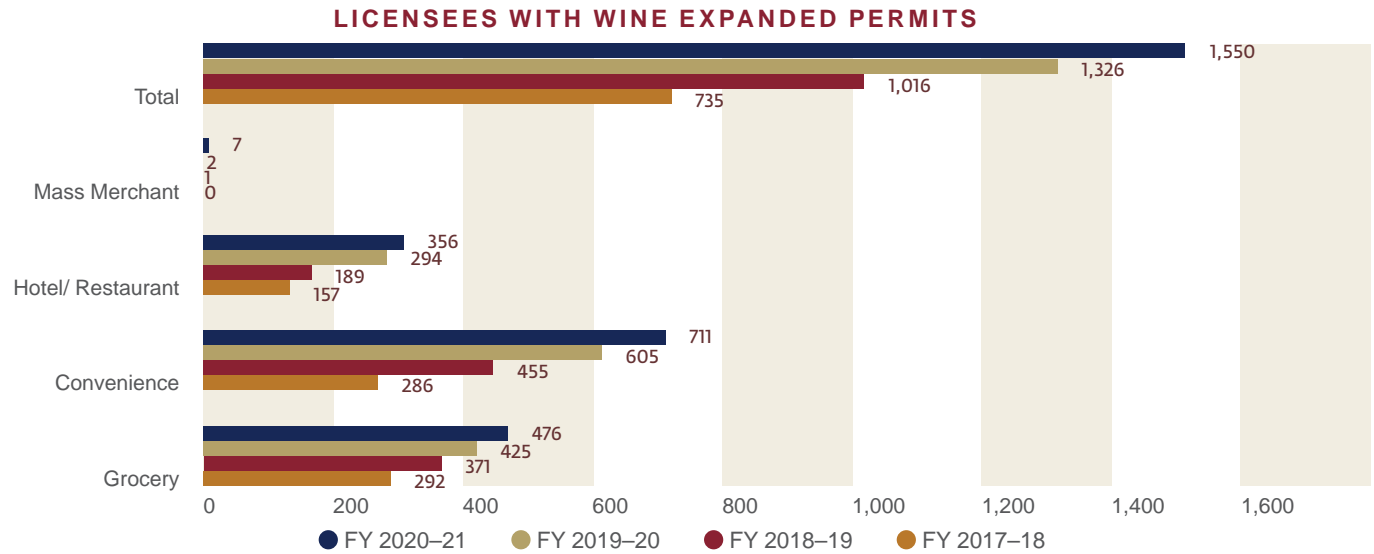
TOP 10 SPIRITS SOLD TO TRADITIONAL ON-PREMISES RETAILERS*

RANK	PRODUCT	SIZE	TOTAL DOLLARS	TOTAL 9L CASES
1	Tito's Handmade Vodka	1 L	\$10,745,076	51,076
2	Patron Tequila Silver	750 mL	\$7,363,388	13,093
3	Jameson Irish Whiskey	750 mL	\$4,727,392	14,957
4	Tito's Handmade Vodka	750 mL	\$4,476,466	21,841
5	Jack Daniel's Old No. 7 Black Label Tennessee Whiskey	750 mL	\$4,438,348	17,386
6	Captain Morgan Spiced Rum	750 mL	\$3,810,760	20,531
7	Hennessy Cognac VS	750 mL	\$3,690,938	8,728
8	Tito's Handmade Vodka	1.75 L	\$3,642,811	22,309
9	Crown Royal Regal Apple Canadian Whisky	750 mL	\$3,384,080	11,082
10	Jameson Irish Whiskey	1 L	\$3,229,381	11,131

*Bars and restaurants

The LDP, which provides direct delivery of wine and spirits to high-volume licensees, continued to experience double-digit growth, with the number of program enrollees increasing 14.8% over the prior fiscal year. In fiscal year 2020-21, more than 2.1 million cases were shipped to licensees via the LDP program, with a weekly average of just over 41,000 cases.

The number of licensees holding wine expanded permits at the close of fiscal year 2020-21 was 1,550, an increase of 16.9% over the 1,326 permits in place at the end of the prior fiscal year. Of these – with the addition of 157 new locations approved for fiscal year 2020-21 – grocery and convenience stores accounted for 70% of total year-over-year growth.



INFORMATION TECHNOLOGY SERVICES

Information Technology Services (ITS) supports and enhances multiple complex computer systems the PLCB relies on, including a large-scale Oracle Enterprise Resource Planning (ERP) system with a point-of-sale system in nearly 600 stores. ITS also warehouses and analyzes data related to financials, inventory, forecasting, replenishment, pricing and product management. Additionally, ITS supports and enhances IT systems including the Fine Wine & Good Spirits e-commerce site, mobile apps, human resources platforms, warehouse management systems and a variety of other general-use applications.

In fiscal year 2020-21, ITS focused on adapting systems to meet current demands and implementing new systems to support future growth.

To support the growth of online purchases through FWGS.com, ITS implemented a series of enhancements to optimize site performance. An upgrade to the current e-commerce engine enhanced usability and functionality from both a consumer and administrative standpoint. The upgrade improved compatibility and the display of information across device platforms, including smart phones and tablets, as well as provided increased flexibility and customization from business administration and customer service perspectives. From a support services standpoint, the upgrade's cloud-based infrastructure has enabled ITS to increase its level of technical support – particularly during peak online purchasing times.

In 2020-21, with an eye toward positioning the agency to effectively meet future growth, the PLCB embarked on planning for an entirely new enterprise resource planning (ERP) platform to modernize its technology and organizational infrastructure. The three-year endeavor, dubbed Project New Horizon, will transform the way the PLCB conducts day-to-day business and operates. The goal of Project New Horizon is to streamline and better support the PLCB's wholesale, retail

and distribution functions through the use of new integrated cloud-based systems. The new ERP, which will impact nearly every business area within the agency, will:

- Transform the PLCB's business from a traditional retail model to one that is wholesale-, distribution- and retail-focused;
- Optimize business processes for wholesale, retail and financial reporting, decreasing the amount of time and effort required to process and reconcile data;
- Through out-of-the-box business solutions, eliminate the need for costly and resource-intensive customizations;
- More efficiently manage inventory acquisition, allocation and sell-through;
- Improve master data management;
- Standardize reporting; and
- Achieve greater wholesale and retail efficiencies.

As part of the new ERP, the PLCB will replace its current e-commerce retail platform, FWGS.com, as well as its Licensee Online Order Portal (LOOP) with new cloud-based solutions for order management. The new sites will feature responsive design and incorporate additional functionality.



PROJECT NEW HORIZON

REGULATORY AFFAIRS

The Office of Regulatory Affairs is responsible for the licensure of the beverage alcohol community, educating the public on the responsible use of alcohol and issuing grants to reduce underage and dangerous drinking.

Throughout fiscal year 2020-21, the Office of Regulatory Affairs Bureaus of Licensing and Alcohol Education worked diligently to guide stakeholders through the ongoing impacts to business created by the COVID-19 pandemic.

Regular communication to the PLCB's 14,000 licensees explained mandated policies and directives, relayed guidance on the incorporation of new business requirements and apprised license holders of special allowances for continuing to do business within the context of operational constraints.

Working collaboratively across internal business units, the PLCB issued guidance for licensees to supplement policies released by the Governor's Office and the Department of Health, as well as guidance on new policies and laws passed to ease the burden of limited operations in relation to:

- The temporary cessation of the sale of food and alcohol for on-premises consumption;
- Interim measures regarding fees, renewals, validations and safekeeping;
- The allowance of certain restaurant and hotel licenses to sell prepared beverages and mixed drinks to go;

- New policies and restrictions regarding health and safety; and
- The waiving of license fees for retail and manufacturing licensees most impacted by the pandemic.

To support the business needs of licensees in line with the gradual reopening of bars and restaurants to limited service and adapted operational protocol, the PLCB:

- Permitted the continued sales of beer and wine to go while on-premises sales and consumption were prohibited;
- Suspended fees and deadlines for license renewals and validations;
- Eased requirements associated with the safekeeping of licenses;
- Expedited certification for licensees through the Responsible Alcohol Management Program (RAMP) – a requirement for licensees selling wine to go;
- Dispensed refunds for event permits not used as a result of the COVID-19 pandemic;
- Allowed distilleries to produce and sell hand sanitizer and authorized retail licensees and distributors to sell facemasks and hand sanitizer;
- Relaxed certain beer line cleaning requirements for establishments

not using their dispensing systems; and

- Accelerated the approval process for licensees wishing to temporarily extend their licensed premises to include additional outdoor areas.

Additionally, the PLCB's Bureau of Alcohol Education issued guidance to other program areas and groups impacted operationally by the pandemic. Information on the extension of grant deadlines and changes to approved prevention programs based on the transition of schools to remote learning were sent to Reducing Underage and Dangerous Drinking (RUDD) grantees, while communication on deadline extensions for the completion of required RAMP certification and training were issued to affected licensees.

From the beginning of the pandemic on March 16, 2020, through June 30, 2021, the Bureau of Licensing refunded more than \$2.4 million in renewal and validation fees to licensees; processed 2,201 new license applications; and approved 25,491 renewals and validations and 10,113 amendments, 1,872 of which were emergency temporary extensions.

TOTAL LICENSE APPLICATIONS AND PERMITS RECEIVED AND PROCESSED JULY 1, 2020, THROUGH JUNE 30, 2021

Renewals/Validations 21,412
Catering Permits 392
Transfers 990
Criminal Record Checks 7,791
Tavern Gaming Licenses 42
New Licenses 1,458
Other Applications 8,038
Brand Registration 18,041
Special Occasion Permits 1,067
AP-SS-EHF Permits* 22,255
Wine Expanded Permits 1,538
TOTAL APPLICATIONS — 83,024

* Amusement Permit-Sunday Sales-Extended Hours Food

2020 LICENSE COMPLIANCE PROGRAM INSPECTIONS

Licensee Compliance	14
---------------------	-----------

INVESTIGATIONS PROCESSED

TYPE OF INVESTIGATION	2020	2019	2018	2017
New License	234	324	356	409
Renewal	26	22	39	36
Transfer – Place	82	84	84	75
Transfer – Person	478	572	587	571
Double Transfer Person-Place	322	447	484	535
Correction	33	20	30	20
Extension	833	933	978	975
Manager Change	1,331	1,775	1,582	1,377
Reinvestigation	1,647	2,082	2,034	2,444
Officer Change	453	573	517	512
Reissue Safekeeping	477	706	678	571
Special Occasion Permit	0	1	2	9
Limited Winery	40	17	24	118
Non-Compliance	2	12	22	9
Miscellaneous	281	273	244	232
Nuisance Bars	101	186	151	212
Management Company	92	127	84	82
License Conversions (E to R, D to ID, C to CC, etc.)	23	23	23	27
Additional Location (BAL)	167	180	147	---
TOTAL	6,622	8,357	8,066	8,214

NUISANCE BARS

Under the provisions of the Liquor Code, the PLCB maintains a Nuisance Bar Program to review the operational history of any licensed establishment that, by its actions, may have abused license privileges. The Bureau of Licensing seeks information from the community, law enforcement agencies and government entities on any adverse activity associated with the licensed establishment. If substantial evidence is received to support non-renewal, a notice of objection is issued.

Number of Objections

2020 141	2018 133
2019 91	2017 64

RETAIL LICENSES IN EFFECT AS OF DECEMBER 31, 2020

County	2010 Population	Area in Square Miles	RETAIL LIQUOR													RETAIL MALT BEVERAGE						NUMBER OF LICENSES	
			Restaurant	Hotel	Club	OWR	Airport Restaurant	GOLF COURSE			Continuing Care Retirement	Economic Dev. R	Performance Arts	Public Venue	RETAIL MALT BEVERAGE						Total Retail Licenses	Per 3,000 Pop.	Per Square Mile
								Municipal	R	C					Eating Place	Economic Dev. E	Hotel	Club	Municipal	Private Eat.			
STATE TOTAL	12,702,379	44,740	9,719	1,164	2,656	6	43	35	226	39	44	27	63	98	351	2	2	21	3	4	14,503	3.43	0.32
ADAMS	101,407	519	56	17	16	0	0	0	6	0	0	0	0	1	4	0	0	1	0	0	101	2.99	0.19
ALLEGHENY	1,223,348	730	1,416	99	262	0	10	3	8	1	5	0	10	19	11	0	0	2	0	0	1,846	4.53	2.53
ARMSTRONG	68,941	653	56	7	27	0	0	0	5	0	0	0	0	0	1	0	0	0	0	1	97	4.22	0.15
BEAVER	170,539	435	136	11	60	0	0	0	5	1	0	0	1	0	0	0	0	0	0	0	214	3.76	0.49
BEDFORD	49,762	1,012	24	7	13	0	0	0	2	0	0	0	0	0	1	0	0	0	0	0	47	2.83	0.05
BERKS	411,442	857	273	43	110	0	1	1	5	1	3	0	3	2	5	0	0	2	0	0	449	3.27	0.52
BLAIR	127,089	526	99	17	30	0	1	0	3	1	0	0	1	3	7	0	0	0	0	0	162	3.82	0.31
BRADFORD	62,622	1,147	34	17	20	0	0	0	0	0	0	0	0	0	2	0	0	0	0	0	73	3.50	0.06
BUCKS	625,249	604	329	58	45	0	0	4	6	1	3	2	3	0	5	0	0	0	0	0	456	2.19	0.75
BUTLER	183,862	789	105	19	26	0	1	1	7	0	1	1	1	1	2	0	0	0	0	0	165	2.69	0.21
CAMBRIA	143,679	688	142	20	100	0	0	0	2	0	0	0	0	3	2	0	0	0	0	0	269	5.62	0.39
CAMERON	5,085	396	8	0	5	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	14	8.26	0.04
CARBON	65,249	381	68	13	29	0	0	0	4	0	0	0	1	0	1	0	0	0	0	0	116	5.33	0.30
CENTRE	153,990	1,110	73	24	26	0	1	0	2	0	1	0	1	4	1	0	0	2	0	0	135	2.63	0.12
CHESTER	498,886	751	203	42	43	0	0	1	12	9	1	8	3	0	4	0	0	0	1	0	327	1.97	0.44
CLARION	39,988	601	38	6	11	0	0	0	2	0	0	0	0	0	0	0	0	0	0	0	57	4.28	0.09
CLEARFIELD	81,642	1,145	79	8	37	0	0	0	2	0	0	0	0	0	1	0	1	1	0	0	129	4.74	0.11
CLINTON	39,238	888	30	6	14	0	0	1	1	0	0	0	1	1	6	0	0	0	0	0	60	4.59	0.07
COLUMBIA	67,295	483	48	10	22	0	0	0	3	0	0	0	1	0	0	0	0	0	0	0	84	3.74	0.17
CRAWFORD	88,765	1,012	72	5	29	0	0	0	4	0	0	1	0	0	0	0	0	0	0	0	111	3.75	0.11
CUMBERLAND	235,406	545	86	20	30	0	0	1	5	0	2	2	1	0	1	1	1	0	0	0	150	1.91	0.28
DAUPHIN	268,100	525	219	34	60	0	1	2	5	0	0	0	3	8	7	0	0	0	0	1	340	3.80	0.65
DELAWARE	558,979	184	324	25	50	0	3	2	0	2	5	0	2	3	17	0	0	0	0	0	433	2.32	2.35
ELK	31,946	827	29	11	23	0	1	1	1	0	0	0	0	0	4	0	0	1	0	0	71	6.67	0.09
ERIE	280,566	799	253	16	69	0	1	2	8	0	1	0	2	5	6	0	0	1	1	0	365	3.90	0.46
FAYETTE	136,606	790	147	11	65	0	0	0	2	0	0	0	0	0	3	0	0	0	0	0	228	5.01	0.29
FOREST	7,716	427	9	1	1	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	12	4.67	0.03
FRANKLIN	149,618	772	50	11	23	0	0	0	2	1	0	0	1	0	1	0	0	0	0	0	89	1.78	0.12
FULTON	14,845	438	3	3	3	0	0	0	0	0	0	0	0	0	2	0	0	0	0	1	12	2.43	0.03

WHOLESALE LICENSES IN EFFECT AS OF DECEMBER 31, 2020

County	2010 Population	Area in Square Miles	WHOLESALE LICENSES		Total Wholesale Licenses	NUMBER OF LICENSES	
			Distributor	Importing Distributor		Per 30,000 Population	Per Square Mile
STATE TOTAL	12,702,379	44,740	1,070	143	1,213	2.86	0.03
ADAMS	101,407	519	6	0	6	1.78	0.01
ALLEGHENY	1,223,348	730	128	13	141	3.46	0.19
ARMSTRONG	68,941	653	7	1	8	3.48	0.01
BEAVER	170,539	435	17	1	18	3.17	0.04
BEDFORD	49,762	1,012	5	0	5	3.01	0.00
BERKS	411,442	857	35	5	40	2.92	0.05
BLAIR	127,089	526	12	3	15	3.54	0.03
BRADFORD	62,622	1,147	5	1	6	2.87	0.01
BUCKS	625,249	604	29	1	30	1.44	0.05
BUTLER	183,862	789	22	1	23	3.75	0.03
CAMBRIA	143,679	688	21	4	25	5.22	0.04
CAMERON	5,085	396	1	0	1	5.90	0.00
CARBON	65,249	381	8	2	10	4.60	0.03
CENTRE	153,990	1,110	2	5	7	1.36	0.01
CHESTER	498,886	751	21	1	22	1.32	0.03
CLARION	39,988	601	3	1	4	3.00	0.01
CLEARFIELD	81,642	1,145	10	3	13	4.78	0.01
CLINTON	39,238	888	4	1	5	3.82	0.01
COLUMBIA	67,295	483	7	2	9	4.01	0.02
CRAWFORD	88,765	1,012	12	2	14	4.73	0.01
CUMBERLAND	235,406	545	10	3	13	1.66	0.02
DAUPHIN	268,100	525	16	6	22	2.46	0.04
DELAWARE	558,979	184	51	1	52	2.79	0.28
ELK	31,946	827	4	2	6	5.63	0.01
ERIE	280,566	799	37	4	41	4.38	0.05
FAYETTE	136,606	790	18	2	20	4.39	0.03
FOREST	7,716	427	3	1	4	15.55	0.01
FRANKLIN	149,618	772	8	0	8	1.60	0.01
FULTON	14,845	438	1	1	2	4.04	0.00
GREENE	38,686	576	5	0	5	3.88	0.01

HUNTINGDON	45,913	875	4	3	7	4.57	0.01
INDIANA	88,880	827	5	2	7	2.36	0.01
JEFFERSON	45,200	652	6	1	7	4.65	0.01
JUNIATA	24,636	391	5	0	5	6.09	0.01
LACKAWANNA	214,437	459	19	7	26	3.64	0.06
LANCASTER	519,445	944	29	5	34	1.96	0.04
LAWRENCE	91,108	358	7	1	8	2.63	0.02
LEBANON	133,568	362	11	0	11	2.47	0.03
LEHIGH	349,497	345	30	6	36	3.09	0.10
LUZERNE	320,918	890	33	5	38	3.55	0.04
LYCOMING	116,111	1,229	12	1	13	3.36	0.01
MCKEAN	43,450	979	6	2	8	5.52	0.01
MERCER	116,638	673	13	1	14	3.60	0.02
MIFFLIN	46,682	411	3	2	5	3.21	0.01
MONROE	169,842	608	7	2	9	1.59	0.01
MONTGOMERY	799,874	483	54	2	56	2.10	0.12
MONTOUR	18,267	130	3	0	3	4.93	0.02
NORTHAMPTON	297,735	370	25	2	27	2.72	0.07
NORTHUMBERLAND	94,528	458	11	2	13	4.13	0.03
PERRY	45,969	551	5	0	5	3.26	0.01
PHILADELPHIA	1,526,006	134	105	12	117	2.30	0.87
PIKE	57,369	545	5	0	5	2.61	0.01
POTTER	17,457	1,081	5	0	5	8.59	0.00
SCHUYLKILL	148,289	779	28	2	30	6.07	0.04
SNYDER	39,702	329	4	0	4	3.02	0.01
SOMERSET	77,742	1,074	7	1	8	3.09	0.01
SULLIVAN	6,428	450	3	0	3	14.00	0.01
SUSQUEHANNA	43,356	823	5	0	5	3.46	0.01
TIOGA	41,981	1,134	3	2	5	3.57	0.00
UNION	44,947	316	4	0	4	2.67	0.01
VENANGO	54,984	674	3	2	5	2.73	0.01
WARREN	41,815	884	5	0	5	3.59	0.01
WASHINGTON	207,820	857	20	2	22	3.18	0.03
WAYNE	52,822	726	5	1	6	3.41	0.01
WESTMORELAND	365,169	1,028	41	6	47	3.86	0.05
WYOMING	28,276	397	5	0	5	5.30	0.01
YORK	434,972	904	26	4	30	2.07	0.03

Education & Grants Management Division

In fiscal year 2020-21, the Education & Grants Management Division reached citizens in nearly every Pennsylvania county. The Bureau of Alcohol Education:

- **Attended 32 virtually-led trainings, conferences and webinars.**
- Distributed nearly **60,000 educational materials.**
- **Conducted two virtually-led “Alcohol Awareness for Student Leaders and Influencers” trainings** to prepare college and university student leaders with the resources and knowledge to educate and influence their peers to abstain from underage drinking and inform responsible consumption for those over 21.
- **Conducted 27 “Understanding the Liquor Laws and Alcohol Related Offenses” trainings - 24**

for law enforcement grant recipients – resulting in full training for 303 officers – and three for university grantees.

The Bureau of Alcohol Education’s Facebook page also shares statistics and prevention information regarding underage and dangerous drinking, features community events the bureau participates in and highlights grantee activities.

2021 Report on Underage and High-Risk Drinking

In May 2021, the PLCB released its biennial Report on Underage and High-Risk Drinking. The report details current trends and rates of consumption for underage and college students and outlines statewide education and prevention programming by various organizations to address alcohol-related issues.

The report, required by Act 85 of 2006, is produced by the PLCB in cooperation with multiple state agencies and partners in alcohol education and is presented to the General Assembly to increase awareness of alcohol issues of public health concern.

According to data from the 2021 report:

- Rates of alcohol consumption among college students increased as a result of campus closures and the transition to remote learning caused by COVID-19.
- One-third of young people age 20 and under reported binge drinking at least once in the past month.

- Youth that begin drinking by age 13 are four times more likely to become alcohol-dependent later in life.

The report also references results from the most recent Pennsylvania Youth Survey, which focuses on students in grades six, eight, 10 and 12 and outlines their knowledge, attitudes and behaviors toward alcohol, tobacco and other drugs, highlights the impact of the COVID-19 pandemic on alcohol consumption among college students, details alcohol-related crash statistics and fatalities for Pennsylvania and provides information on *Know When. Know How.*SM, the PLCB’s statewide underage drinking education and awareness campaign.

The 2021 Report on Underage and High-Risk Drinking and more information about the PLCB’s alcohol education efforts can be accessed under the “Education” menu at lcb.pa.gov.

KNOW WHEN. KNOW HOW.SM

In its fourth year, *Know When. Know How.SM*, the Bureau of Alcohol Education's statewide education and prevention campaign, continued to target Pennsylvania parents of children ages 8 through 12 to encourage them to engage in early conversations about the dangers of alcohol with their kids before trial or use of alcohol begins.

The campaign's website, KnowWhenKnowHow.org, informs parents of elementary- to middle-school-aged kids on the facts surrounding underage drinking and supplies them with the tools, resources and confidence needed to initiate meaningful discussions about alcohol with their kids from a young age.

KnowWhenKnowHow.org stresses the effectiveness of brief, age-appropriate conversations that spring from everyday experiences and mature with children over time, as opposed to one big, intimidating "talk." As a guide for parents, the website features conversation starters and video tips, in addition to an informational campaign video for use by parents and educators and a dedicated resource section for community partners in prevention to help promote the campaign.

As an update to the baseline research that informed development of the *Know When. Know How.* campaign in 2017, the PLCB conducted a follow up survey of 513 Pennsylvania parents with children less than 20 years of age in the summer of 2020. Of the follow-up participants surveyed, one in four or 27% of parents indicated

exposure to *Know When. Know How.* messaging; of this group, 64% were more likely to seek out information on underage alcohol use to regularly communicate and share with their children. For parents with no indication of exposure to the campaign, only two in five or 39% said they had seen, read or heard any information that explained how to talk to their children about alcohol. While survey results illustrated a positive correlation between Pennsylvania parents exposed to *Know When. Know How.* advertising and conversations about alcohol with their children, survey responses also confirmed the continued need for an informational campaign on underage drinking directed to this group.

With the goal of expanded reach, a series of new ads stressing the pivotal role of parents as primary influencers in determining their kids attitudes and behaviors toward alcohol were introduced in fiscal year 2020-21, as

well as the addition of :06 and :10 second videos to further expand on the campaign's digital reach.

From its launch in January 2018 through June 30, 2021, the advertising campaign totaled 89.9 million digital impressions, resulting in more than 201,969 link clicks and 122,026 Pennsylvania-based visitors to the *Know When. Know How.* website. The advertising campaign has also won 40 national and international awards.



GRANTS

Alcohol Education grants for reducing underage and dangerous drinking are awarded on a two-year cycle. The amount awarded for the first year of funding in the 2020-22 grant cycle was \$1,399,809, which went to 82 grantees.

Of the grants that were awarded:

- Twenty-four were used to fund community law-enforcement efforts for targeted underage patrols, community outreach and equipment and educational programming, including training on Pennsylvania's liquor laws and effective enforcement.
- Twenty-one grants were awarded to support community and nonprofit organizations through funding of initiatives including MADD's Power of Parents® and Parents Who Host Lose the Most®, Project Northland, public service announcements and related enforcement efforts.
- Two went to primary and secondary schools to fund programs aimed at educating students on the dangers of underage drinking and encouraging positive decision-making skills through the employment of guest speakers and impaired driving simulation activities, and through targeted social norms media campaigns.
- Thirty-four college and university grants were used to help schools develop strategies to reduce underage and dangerous alcohol use through survey and assessments, enforcement efforts, attendance at alcohol education conferences, training for resident assistants, peer education programs and evidence-informed

programs like EVERFI Alcohol Edu® and SafeColleges.

- One went to a for-profit organization aimed at peer-to-peer outreach and public service announcements.

At the completion of the first year of funding, grantees made a total of 13,387,553 contacts with the public.

Responsible Alcohol Management Program

RESPONSIBLE ALCOHOL MANAGEMENT PROGRAM

The PLCB's Responsible Alcohol Management Program (RAMP) gives licensees the tools they need to serve alcohol responsibly. In 2001, RAMP was established as a voluntary program. In 2006, Act 26 mandated RAMP certification for licensees found guilty of sales to minors or visibly intoxicated persons (VIPs). RAMP may also be required as part of a conditional licensing agreement. Additionally, wine expanded permit holders must comply with all aspects of RAMP.

The following five steps must be completed for certification of the premises to be granted:

Owner/Manager Training – This training is offered free to license owners and PLCB-approved managers and covers topics such as liability, how to develop and implement house policies, responsibilities of licensees and

SOME OF THE WAYS PEOPLE WERE REACHED

623

Police & Campus Patrols

345,688

Public Service Announcements Aired

4,830,611

Non-Digital Ad Placements

417

Peer Educators

7,544,704

Social Media Impressions

information covered in server/seller training. This training is required for newly approved managers of certain license types.

Server/Seller Training – At least 50% of the licensee's alcohol service staff must be trained as part of certification. This includes anyone who serves alcohol and/or checks IDs. Training includes tips on carding and spotting fake IDs, how to spot and deal with VIPs and how to slow down or stop service. This training is required within six months of hire for anyone hired on or after Aug. 8, 2016, who serves or sells alcoholic beverages and/or checks IDs, unless the person

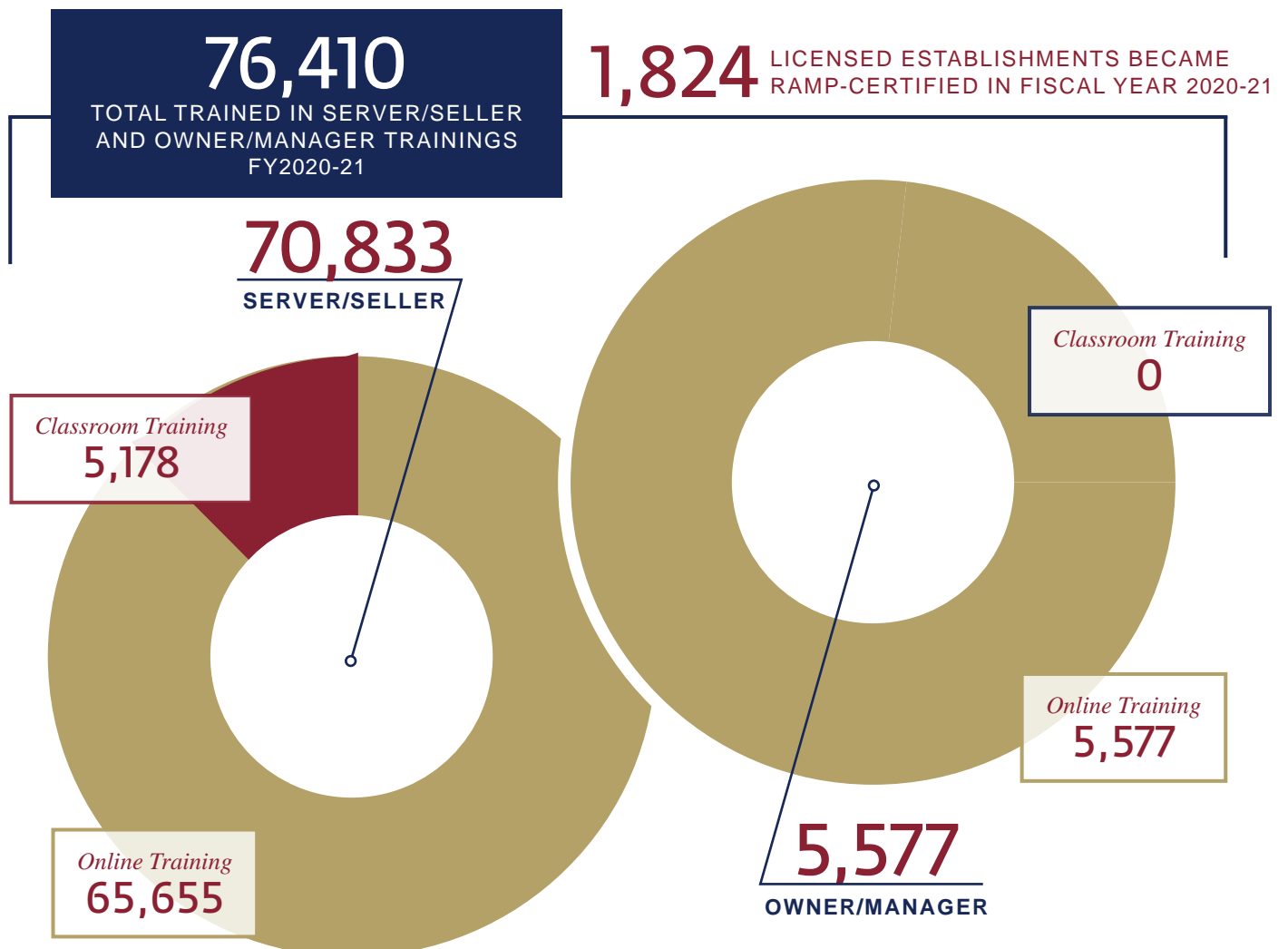
successfully completed the training within the previous two years.

New Employee Orientation – An owner or manager is responsible for reviewing the new employee orientation checklist, supplied by the PLCB, with every new employee. The list includes legal information about the penalties for serving minors and VIPs, acceptable forms of ID, carding practices and preventing criminal activity on the premises.

Signage – Posters or signs about acceptable forms of ID and the refusal of alcohol service to minors and VIPs must be displayed at the licensed establishment.

Request for RAMP

Certification – Upon completion of the previous requirements, the licensee must submit an application request for certification in PLCB+. If all requirements are met, the licensee will receive certification valid for two years.



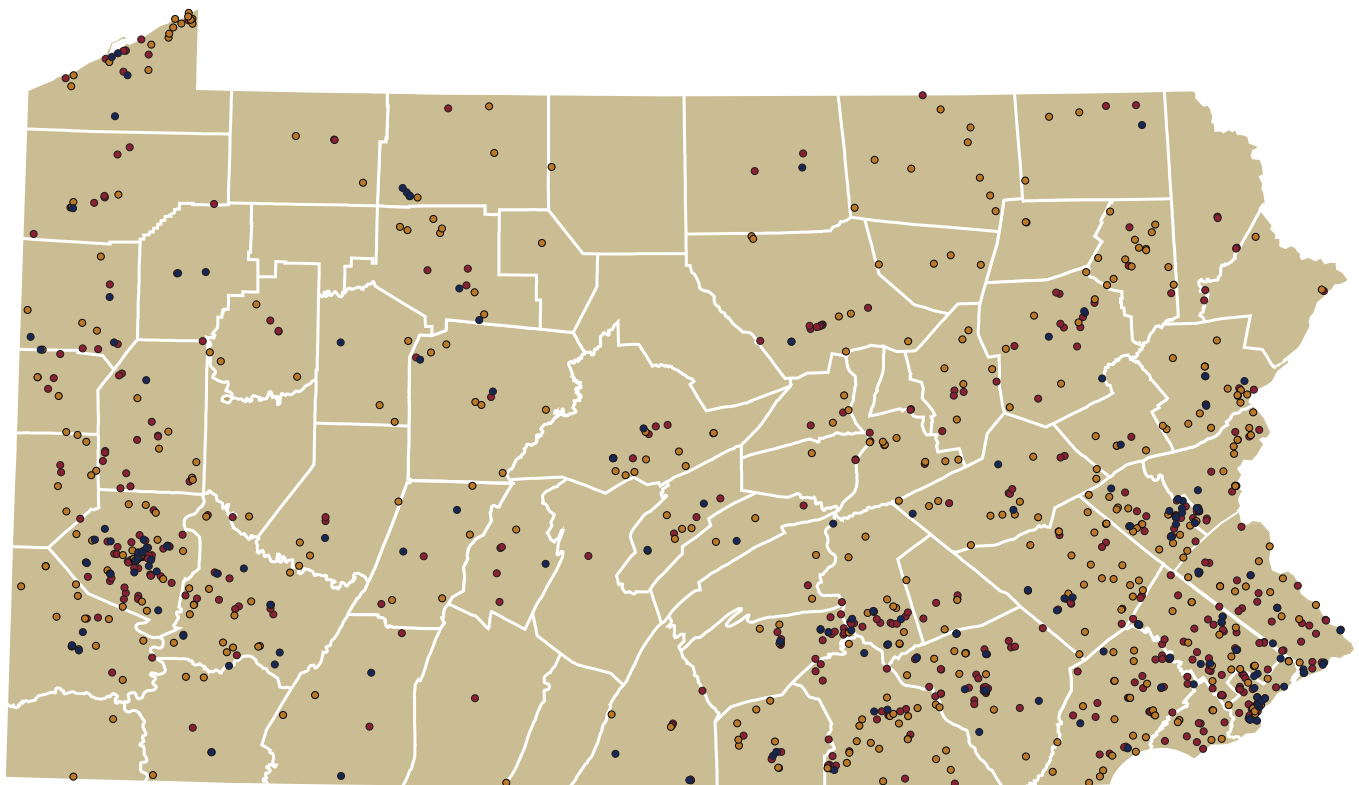
PENNSYLVANIA PRODUCERS

As a proud tradition, Pennsylvania has a long-standing history of producing beverage alcohol with more than 1,100 locations statewide – wineries and limited wineries, breweries and brew pubs, distilleries and limited distilleries – with producer licenses.

Act 39 of 2016 expanded the Pennsylvania Wine Marketing and Research Board and authorized the PLCB to approve up to \$1 million annually for wine promotion in support of Pennsylvania producers. It also created the Pennsylvania Malt and Brewed Beverages Industry Promotion Board and authorized the PLCB to approve up to \$1 million annually for development and marketing of the Pennsylvania beer industry.

Presented to the PLCB by the Pennsylvania Wine Marketing and Research Board and the Pennsylvania Malt and Brewed Beverages Industry Promotion Board each year, grant proposals focus on research, marketing and education initiatives. Through fiscal year 2020-21, the PLCB has awarded nearly \$5 million in wine grants and more than \$3.8 million in beer grants.

PENNSYLVANIA PRODUCERS HAVING VALID LICENSES AS OF JUNE 30, 2021



● Wineries/Limited Wineries — 420 ● Breweries/Brew Pubs — 579 ● Distilleries/Limited Distilleries — 162

Wine and Beer Grants

In fiscal year 2020-21, \$894,179 was awarded to six projects to support the Pennsylvania wine industry, and \$1.1 million – an increased amount due to the use of unallocated grant funds left over from prior rounds – was authorized for 12 projects supporting Pennsylvania-made malt and brewed beverages.

2020-21 Wine Grant Recipients — \$894,179

Pennsylvania Wines Statewide Recovery Marketing, \$550,000

Pennsylvania Winery Association

The Pennsylvania Winery Association will use the recently introduced “Pennsylvania Wines Pair Well” campaign and related initiatives to safely attract new visitors to wineries, raise the regional and national visibility of Pennsylvania’s diverse and high-quality wines and provide useful marketing and public engagement tools for wineries and industry stakeholders. As the Pennsylvania wine industry faces challenging and uncertain times due to the COVID-19 pandemic, this integrated and proactive marketing campaign will lead industry recovery by engaging the public and helping Pennsylvania wineries to compete for visitation and sales and get back to business.

Understanding the Impacts of COVID-19 on Consumer Ethnocentrism and At-Home Consumption of Pennsylvania Wines, \$109,042

Penn State College of Agricultural Sciences

Research to inform marketing of local wines for at-home consumption to residents in the mid-Atlantic region through administration of a mixed-methods approach combining an online survey and an at-home tasting experiment to gain insights into consumer perception of Pennsylvania wines during and after the pandemic and to understand what flavor profiles best align with at-home consumption.

Improving Pennsylvania Wine Quality through Enhanced Diagnostic Capabilities for Wine and Grape Quality Parameters, \$99,188

Penn State Department of Food Science

Build capacity for improvement of diagnostic abilities to enhance wine and grape quality – essential to the recovery of the Pennsylvania wine industry from COVID-19 – through industry surveys, investment in new diagnostic lab equipment, measurements of quality parameters, hands-on extension education on grape and wine analysis and discussion of issues and challenges through extension visits and industry communications.

Life History Traits of Spotted Lanternfly Feeding on Different Grapevine Cultivars, \$67,559

Penn State College of Agricultural Sciences

Measure biological parameters of the invasive species spotted lanternfly to determine its survival, development and reproductive success when feeding on different grapevine cultivars as a basis to inform future management plans for growers and wineries faced with increased crop production costs and lower income due to COVID-19.

Development of a Website and Digital Media to Educate and Support Grape and Wine Industry Stakeholders in Pennsylvania, \$47,040

The Pennsylvania State University

Develop a new website to compile relevant information on viticulture, enology, marketing and economics and create new educational media resources, including extension videos and an interactive cultivar module to offer accessible online resources to grape and wine stakeholders in Pennsylvania.

Adapting to the COVID-19 Pandemic Impacts – Research to Support Tasting Room Owners in Pennsylvania, \$21,350

The Pennsylvania State University

Research in the form of internet surveys of wine consumers in the mid-Atlantic region that have visited Pennsylvania winery tasting rooms in the last three years will measure changes in attitudes and behaviors seasonally and over time to inform suggestions for wineries regarding operational and marketing strategies promoting safe tasting room experiences.

2020-21 Beer Grant Recipients — \$1,122,520.35*

Poured in PA: The Series 2021, \$160,000

GK Visual, LLC

Continued production of 16 to 20 more episodes of Poured in PA: The Series for 2021. Originally introduced in June 2020, the series is a tool breweries and others connected to the industry use to show how Pennsylvania breweries produce some of the best beer in the world, even during very challenging times.

Beer Tourism Recovery Grant to Promote Craft Breweries of Greater Philadelphia, \$150,000

Visit Philadelphia

Marketing efforts to support the economic recovery of Pennsylvania breweries by driving more people to visit breweries, increasing the number of breweries people visit and boosting sales at breweries in the Philadelphia region, while also continuing to brand greater Philadelphia and Pennsylvania as a premier destination for craft beer and brewery experiences.

Pennsylvania Brews, \$150,000

PA Media Group

Production, distribution and marketing for 13 episodes of an online show to highlight attractions along Pennsylvania's 13 beer trails and educate and excite beer enthusiasts in Pennsylvania, New York, New Jersey and Ohio about the quality and quantity of options being brewed in Pennsylvania.

Stabilize the Local Craft Beer Supply Chain through Grain and Hops Storage Expansion, \$138,900

CNC Malt

Construction of a grain storage bin and assembly of hops cooler/freezer storage as a centralized storage location for malting barley and processed hops in western Pennsylvania to address and manage fluctuations in the craft beer supply chain, sustain small farms from harvest to harvest and support production of Pennsylvania malting barley and hops without impacting the premiums paid to Pennsylvania farmers and hop growers.

Malting Equipment: Increasing Quality, Consistency and Availability of Pennsylvania-grown Malt, While Reducing Costs to Pennsylvania Breweries, \$100,000

Double Eagle Malt, LLC

Design, fabrication and commission of a new five-ton germination/kiln drum malting system to improve the quality, consistency and availability of local Pennsylvania-grown malt to benefit Pennsylvania craft breweries, family farmers, craft beer consumers

and the local malt supply chain. This manufacturing project will aim to reduce the cost of craft malt, passing those savings on to breweries, while maintaining a high premium value for farmers.

Optimizing Hopping Protocols in Beer for Predictable Chemistry and Quality, \$96,906

The Pennsylvania State University

This research project will compare the extraction of key hop phytochemicals in a panel of laboratory-brewed beers with differing final alcohol by volume (ABV) and hop addition regimens using chromatographic approaches and determine the impact of final ABV and hop addition regimens on sensory properties of beer using sensory mapping with beer consumers.

Fresh Fest 2021: Growing the Black Craft Beer Community in the U.S., \$75,000

Drinking Partners, LLC

Support for Fresh Fest 2021, a Black beer festival in Pittsburgh attracting 3,000 participants and showcasing the country's most talented Black-owned breweries in collaboration with Black artists, influencers, entrepreneurs and politicians in support of diversity and inclusion in craft beer ownership, consumption and representation. The project will also measure the impact of the event – targeted for August 2021 – on participants' lives, businesses and craft beer spending.

Lake Erie Ale Trail Marketing Expansion, \$73,000

Lake Erie Ale Trail

Expand Lake Erie Ale Trail marketing efforts and staffing to increase beer tourism at 13 locally owned breweries through greater awareness of the abundance and diversity of locally manufactured craft beer.

Professional Development and Education Programs for Professional Brewers, \$71,138.35

District Pittsburgh of the Master Brewers Association of the Americas

Increase attendance of District Pittsburgh of the Master Brewers Association of the Americas meetings, webinars and digital tastings through high-quality speakers and relevant educational content and develop a quality control testing program for local breweries to measure microbiological contaminants.

Optimizing Processing of Gluten-Free Grains for Improved Wort Fermentability, \$65,381

Penn State College of Agricultural Sciences

Investigate the impact of processing conditions, including milling size and liquor-to-grist ratios, on gelatinization temperatures and fermentability of gluten-free grains to optimize physical processing parameters to improve starch gelatinization and nutrient extraction for the benefit of brewers seeking to develop gluten-free beers.

Summer Brewing Academy, \$28,695

Point Park University

Introduce a Summer Brewing Academy for small-batch brewers looking to grow and impact the production of beer in Pennsylvania. The two-course continuing education series, to be launched in Summer 2021, will provide hands-on education into the science of brewing beer and a series of guest lecturers from District Pittsburgh of the Master Brewers Association of the Americas to discuss the local craft brewing industry and craft brewery operations.

Cumberland Valley Beer Trail Digital Passport, \$13,500

Cumberland Area Economic Development Corporation

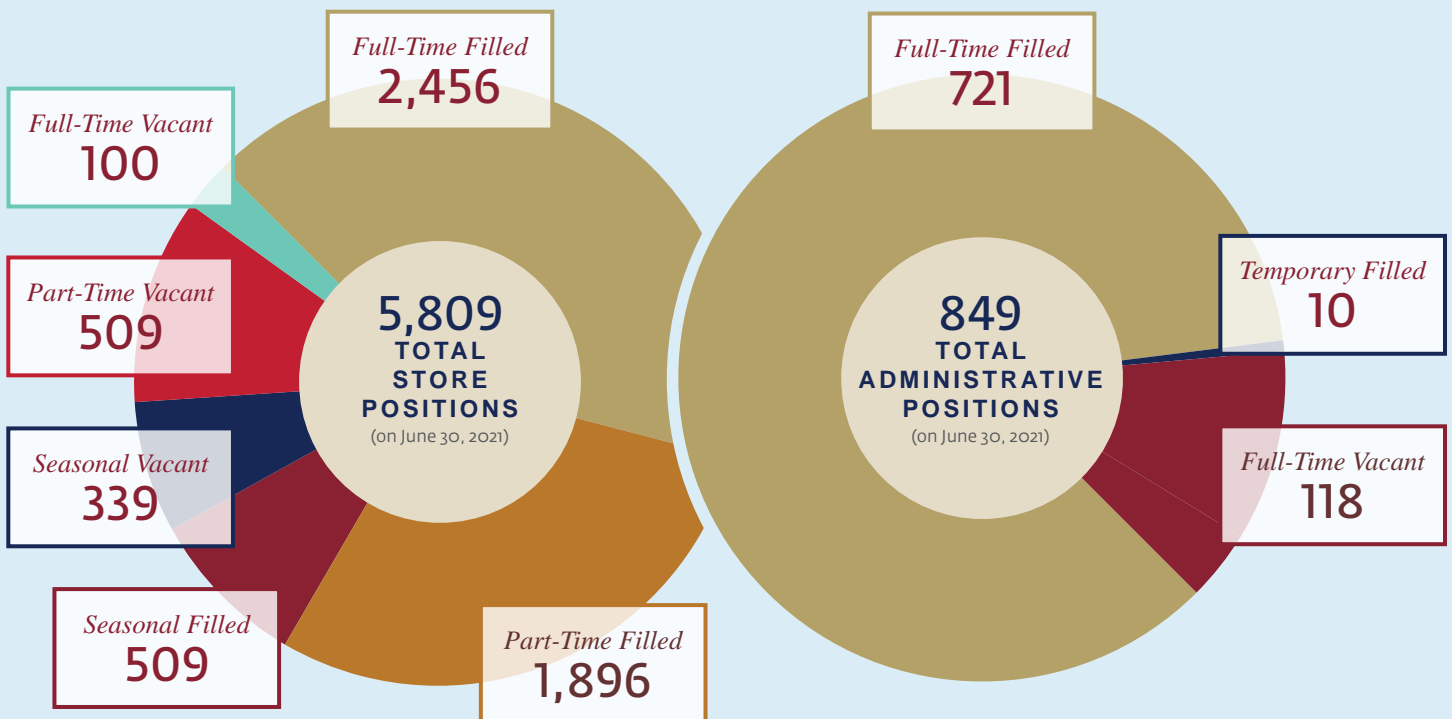
Enhance the beer trail experience by implementing a digital passport to facilitate passport management through a smartphone, tablet or computer and provide real-time updates on special offers, coupons and events provided through participating locations.

*The Pennsylvania Fiscal Code allows for unallocated grant funds to be made available in subsequent years, and since the first two rounds of beer grants (\$704,985 in 2017 and \$816,412 in 2018) awarded less than \$1 million each, the Pennsylvania Malt and Brewed Beverages Industry Promotion Board recommended using some of the unallocated grant funds from prior rounds for this round of projects.

ADMINISTRATION

The Office of Administration provides a broad range of services in support of the PLCB's mission. Responsibilities include the implementation of Board policies, procedures and regulations pertaining to labor relations, performance management, employee benefits and safety, staff training, telecommunications, fleet vehicle management and maintenance services.

EMPLOYMENT DEMOGRAPHICS



Fiscal year 2020-21 was marked by a series of transitions in terms of organizational structure and delivery of training for the PLCB's Office of Administration.

Under leadership of the Board and newly appointed executive director, changes to the agency's organizational structure were implemented to better align business units with organizational needs and wholesale and retail best practices, as well as to support Project New Horizon transformational goals. Leadership changes, new approaches to the management of various business functions and the recruitment of new talent have allowed the PLCB to improve the way the agency

works and serves its customers and stakeholders.

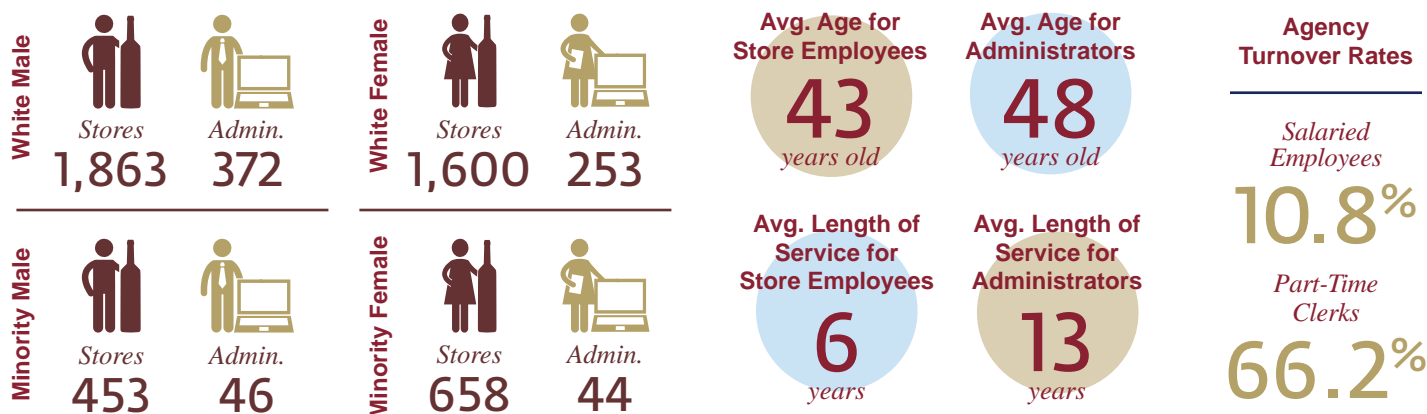
The Office of Talent Management and Organizational Development (TMOD), responsible for agency-wide training and professional development, shifted its training focus in 2020-21 from live sessions to e-learning options. E-learning supported administrative and retail field staff throughout the COVID-19 public health crisis, during which time the PLCB's administrative offices and training facilities were closed to most personnel. Numerous courses and programs – such as the Leadership Education and Development program, product education seminars and trainings including Retail New

Hire, Shift Runner and the Retail Wine Specialist curriculums – were redesigned and delivered via instructor-led, live virtual sessions. Additional e-learning courses were developed to address specific challenges employees faced during the crisis, such as Coping with COVID Burnout, Keeping Safe with Masks, Communicating Virtually, Juggling Work at Home and Working Ergonomically. As the administrative landscape continues to shift toward permanent options for telecommuting for eligible employees, TMOD will continue to evolve in terms of its training strategy to meet the needs of the changing workforce dynamic.

EMPLOYMENT ACTIONS FY 2020-21



EMPLOYMENT STATISTICS FY 2020-21



PLCB MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Responsibility for the Financial Statements

PLCB management is primarily responsible for the preparation, integrity and fair presentation of the agency's financial statements. The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States and, as such, include amounts based on estimates and judgments by management. The PLCB maintains a system of internal controls designed to provide reasonable assurance that its financial statements are free from material misstatement due to fraud or error.

Discussion of Basic Financial Statements

The accounts of the State Stores Fund and the Liquor License Fund are reported using the accrual basis of accounting and the modified accrual basis of accounting, respectively, and both are on a fiscal year basis, comprised of 12 calendar months.

The basic financial statements included in this audit report are the State Stores Fund Comparative Statements of Net Position as of June 30, 2021; State Stores Fund Comparative Statements of Revenues, Expenses, and Changes in Net Position for the fiscal year ended June 30, 2021; State Stores Fund Comparative Statements of Cash Flows for the fiscal year ended June 30, 2021; the Liquor License Fund Balance Sheet as of June 30, 2021; and the Liquor License Fund Statement of Revenues, Expenditures, and Changes in Fund Balance for the fiscal year ended June 30, 2021.

The State Stores Fund Comparative Statement of Net Position provides information about assets and liabilities and reflects the net financial position of the State Stores Fund at the end of each fiscal year. The Comparative Statement of Revenues, Expenses, and Changes in Net Position reports the operating revenue activity, expenses related to such activity and operating transfers out for each fiscal year.

The Comparative Statement of Cash Flows outlines the cash inflows and outflows relating to the operations for each fiscal year. The Liquor License Fund Balance Sheet provides information about assets and liabilities that reflect the position of the Liquor License Fund at the end of each fiscal year. The Statement of Revenues, Expenditures, and Changes in Fund Balance illustrates the revenue and expenditure activity for each fiscal year. The basic financial statements also include Notes to Financial Statements that provide additional information essential to a full understanding of the data provided in the statements. These statements provide current and long-term information about the PLCB's financial position.

Although the liquor tax is incorporated into the retail price of alcohol products sold by the PLCB and is discussed herein as part of the sales analysis and transfers out, neither this tax nor state and local sales taxes are reflected as revenue in the basic financial statements.

STATE STORES FUND

Condensed, comparative, financial information (amounts in millions)

DESCRIPTION	2021	2020
Cash and investments	\$346.5	\$228.8
Inventory	216.0	226.5
Right to use leases	266.0	-
Other assets	31.0	38.6
Total assets	859.5	493.9
Total deferred outflows of resources	210.4	117.5
Accounts payable	344.6	268.8
Pension and OPEB liabilities	975.0	888.2
Right to use liabilities	269.7	-
Other liabilities	135.7	117.0
Total liabilities	1,725.0	1,274.0
Total deferred inflows of resources	356.2	423.0
Total net position	\$(1,011.3)	\$(1,085.8)
Total operating revenues: Gross sales	\$2,907.2	\$2,557.7
Taxes	(589)	(518)
Sales, net of taxes	2,317.8	2,039.3
Cost of goods sold	(1,574.4)	(1,386.6)
Operating expenses	(466.7)	(454.3)
Operating profit	276.7	198.5
Other revenues, (expenses)	17.4	41.0
Income before transfers	294.1	239.5
Transfers out	(219.6)	(220.1)
Increase (decrease) in net position	\$74.5	\$19.4

Executive Summary & Highlights

With the COVID-19 public health crisis and subsequent restrictions that hampered sales from March through June of fiscal year 2019-20, the PLCB saw its first year-over-year sales decline in 26 years. However, with Fine Wine & Good Spirits (FW&GS) stores resuming normal operations for most of fiscal year 2020-21 and most bar and restaurant restrictions lifted late in the fiscal year, the PLCB experienced the largest annual sales growth in its history, \$278.5 million or 13.7% more than fiscal year 2019-20. Additionally, fiscal year 2020-21 sales were \$190.9 million or 9% higher than its previous record sales in fiscal year

2018-19. These sales resulted in net income for the fiscal year totaling a record \$264.9 million, which was \$56.1 million or 26.9% more than the previous fiscal year.

In addition to record sales growth, the following two changes significantly impacted PLCB's financial statements and operating results for fiscal year 2020-21:

1) State Stores Fund - Effective July 1, 2020, the PLCB implemented the Governmental Accounting Standards Board (GASB) Statement No. 87, Leases. Under GASB 87, certain operating leases previously expensed based on payment schedules are reported as assets

with associated liabilities for future lease payments.

2) Liquor License Fund - On October 28, 2020, the Board authorized to waive most fees associated with renewing or validating retail licenses during 2021. The waiver applied for the licensing term that went into effect in 2021, even though those applications may have been filed in 2020.

Other financial highlights include:

- Gross profit from sales of \$743.5 million increased \$90.7 million or 13.9%. The gross profit percentage was 32.1%, up 0.1% from June 2020.
- Operating income increased \$65.5 million, or 27.9%, to \$300 million.

- Net cash flow from operating activities of \$396.2 million, (an increase of \$225.9 million from the prior year), was used to fund the \$185.1 million cash transfer to the General Fund, \$29.2 million to fund the Pennsylvania State Police's Liquor Code enforcement efforts, \$3.2 million in transfers to the Department of Drug & Alcohol Programs and \$61.4 million for capital and related financing expenditures.
- The \$61.4 million for capital and related financing expenditures includes \$57.9 million cash outflows for right to use (RTU) lease liabilities reduction and interest as required under GASB 87.
- Year-end cash and investments increased by \$117.8 million (51.5%) to \$346.6 million.
- Net position improved by \$74.5 million, primarily due to the increased gross profit from sales.

Revenues and Costs

SALES

Sales and tax revenue in fiscal year 2020-21 totaled \$2.91 billion, an increase of \$349.4 million or 13.7% over fiscal year 2019-20. Excluding liquor and sales taxes, net sales of \$2.32 billion were up \$278.5 million or 13.7% over the prior year. By product category, spirit sales increased 22.1% and wine sales increased 2.9%. Overall unit sales increased 7.5% over fiscal year 2019-20.

The PLCB's wholesale business (sales to licensees) continued to be significantly impacted by the COVID-19 public health crisis in fiscal year 2020-21, with sales to licensees down 19.9% for the year. With operational restrictions and limitations impacting bars and

restaurants lifting late in the fiscal year, the PLCB's sales to licensees returned to pre-pandemic levels in June 2021. Fiscal year sales to licensees were down more than 50% through February but ended the year down only 19%. Conversely, the PLCB's sales to holders of wine expanded permits (including grocery stores, convenience stores and mass merchant retailers) were down more than 20% for fiscal year 2020-21, after growth of nearly 118% the previous year.

The PLCB's retail sales had tremendous growth (26.4%) in fiscal year 2020-21, with spirits sales up 32% and wine sales up 17.6%. However, with FW&GS stores open the entire year, the PLCB's e-commerce sales dropped by 33.3%, after seeing a 436.9% increase for fiscal year 2019-20.

OPERATING INCOME & EXPENSE

Operating income for the fiscal year ended June 30, 2021, was \$300 million, up \$65.5 million or 27.9% from the \$234.6 million reported the prior year. The increase was mostly attributable to a \$90.7 million increase in gross profit from sales, which offset a \$12.5 million increase in operating expenses and a \$23.6 million decrease in other operating revenues.

The increase in operating expenses was primarily from service-related expenses, with consulting and information-technology-related services increasing by \$5.5 million, security guard services by \$3.5 million and banking services by \$2.1 million. Other expenses increased due to resumption of pre-COVID levels of activity, such as the \$4.2 million increase in advertising costs

and the \$3.1 million increase in debit/credit card fees. These were partially offset by a \$1.4 million decrease in Commonwealth-provided services, a \$1.5 million decrease in IT equipment purchases and an \$0.8 million decrease in supplies costs.

Personnel expenses saw a net \$1 million decrease in expenses, with offsetting decreases and increases in several line items. Total pension costs decreased by \$16.2 million and total OPEB costs decreased by \$6 million. Paid compensation for salaries, wages, overtime and awards increased by \$8 million or 4.2%. Total worker compensation costs increased by \$13.3 million, primarily due to a \$12.1 million increase in other component costs.

The \$23.6 million decrease in other operating revenues was due to several changes in fiscal year 2020-21, including:

- The PLCB's waiver of most license renewal fees for calendar 2021 resulted in a \$7.2 million or 62.1% decrease in surcharge fees and a \$5 million or 56.7% decrease in permit fees.
- The aforementioned GASB 87 implementation added RTU lease interest (\$4.8 million expense) to other operating revenues.
- Interest income from PA Treasury Department Pool 99 investments decreased by \$4.4 million or 89.6% for fiscal year 2020-21 due to lower yields.
- A \$1.7 million loss was recognized for remaining undepreciated cost of equipment determined to have no useful life following closure of a Philadelphia area warehouse.
- These were partially offset by a \$2.7 million increase in wine expanded permit (WEP) renewal fees.

TRANSFERS OUT

The Bureau of Liquor Control Enforcement within the Pennsylvania State Police received \$29.2 million in funding in fiscal year 2020-21, a decrease of \$1.5 million (5%) from the previous year. The Department of Drug & Alcohol Programs received \$5.3 million in fiscal year 2021-22, [2 percent of net income as mandated by 47 P.S. §8-802(c)], and \$185.1 million was

transferred to the General Fund pursuant to 47 P.S. §8-802(f) and as determined annually by the Governor's Office.

Other contributions to the General Fund during fiscal year 2020-21 generated by the PLCB's operations – but not reflected as revenues, expenses or cash flows in the State Stores Fund's financial statements – included \$415.8 million in liquor tax and \$163.9 million in state

sales tax, an overall 13.7% increase. Additionally, the PLCB remitted \$9.6 million in local sales taxes to Philadelphia and Allegheny Counties.

Licensing fees returnable to local municipalities from the Liquor License Fund totaled \$1.8 million for fiscal year 2020-21, compared to \$4.3 million in the prior year. The \$2.5 million decrease was due to the aforementioned waiving of many license fees for calendar year 2021.



September 23, 2021

Members of the
Pennsylvania Liquor Control Board
Harrisburg, Pennsylvania

We have prepared, in accordance with generally accepted accounting principles, the accompanying State Stores Fund comparative statements of net position; revenues, expenses, and changes in fund net position; and cash flows; and the accompanying Liquor License Fund balance sheet and statement of revenues, expenditures, and changes in fund balance, for the period ended June 30, 2021.

Information presented in the unaudited financial statements cannot be considered final until receipt of the independent auditors' opinion on the FYE 6-30-21 Pennsylvania Liquor Control Board Financial Statements.

A handwritten signature in black ink, appearing to read "Michael J. Burns". The signature is stylized with large, flowing loops.

Michael J. Burns, CPA
Director, Bureau of Accounting & Financial Management
Office of Comptroller Operations

Commonwealth of Pennsylvania
Pennsylvania Liquor Control Board



FINANCIAL STATEMENTS

FISCAL YEAR 2020-2021

Month Ending June 30, 2021

**COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA LIQUOR CONTROL BOARD
STATE STORES AND LIQUOR LICENSE FUNDS
FINANCIAL STATEMENTS**

For the Period Ending June 30, 2021

TABLE OF CONTENTS

	<u>Page</u>
STATEMENT OF NET POSITION STATE STORES FUND	1
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION- STATE STORES FUND July 1, 2020 – June 30, 2021	2
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION- STATE STORES FUND June 30, 2021	3
STATEMENT OF CASH FLOWS	4
BALANCE SHEET LIQUOR LICENSE FUND	5
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - LIQUOR LICENSE FUND July 1, 2020 – June 30, 2021	6
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - LIQUOR LICENSE FUND June 30, 2021	7
NOTES TO FINANCIAL STATEMENTS	8

FINANCIAL STATEMENTS

Commonwealth of Pennsylvania Pennsylvania Liquor Control Board State Stores Fund Comparative Statement of Net Position (Unaudited)

	<u>June 30, 2021</u>	<u>June 30, 2020*</u>
<u>ASSETS</u>		
Current assets:		
Cash	\$ 28,209,507	\$ 46,641,593
Investments - short term	318,346,788	182,118,221
Accounts and claims receivable, net	6,629,034	7,226,621
Due from other funds - Note 9	2,048	388,773
Merchandise inventories, net	216,042,411	226,514,526
Operating supplies	470,245	757,605
Prepaid expenses	91,991	1,390,248
Total current assets	<u>569,792,024</u>	<u>465,037,587</u>
Non-current assets:		
Non-depreciable capital assets:		
Land	322,973	322,973
Depreciable capital assets:		
Building	10,583,822	20,875,220
Leasehold improvements	209,134	197,771
Machinery and equipment	47,337,828	49,225,788
Intangible - internally generated software	22,330,818	23,373,809
Intangible - right to use leases - Note 10	322,265,989	330,901,015
Less: accumulated depreciation	<u>113,523,578</u>	<u>118,393,581</u>
Net depreciable capital assets	<u>289,204,013</u>	<u>306,180,022</u>
Total non-current capital assets	<u>289,526,986</u>	<u>306,502,995</u>
Total assets	<u>\$ 859,319,010</u>	<u>\$ 771,540,582</u>
Total deferred outflows of resources - Notes 5, 6	\$ 210,418,847	\$ 117,522,469
<u>LIABILITIES</u>		
Current liabilities:		
Trade accounts payable	\$ 328,795,530	\$ 252,136,542
Other accounts payable	29,492,530	28,021,062
Accrued expenses	18,643,728	17,607,083
OPEB - Note 6	-	18,874,000
Self-insurance, workers' compensation - Note 7	6,298,715	5,595,210
Due to other funds - Note 9	8,503,838	6,350,515
Due to fiduciary funds - Note 9	2,776,737	2,625,436
Due to other governments - Note 9	787,416	731,390
Right to use liabilities - Note 10	52,835,345	49,279,874
Total current liabilities	<u>448,133,839</u>	<u>381,221,112</u>
Non-current liabilities:		
OPEB - Note 6	512,371,000	410,695,000
Self-insurance, workers' compensation - Note 7	58,900,983	47,995,269
Net pension liability - Note 5	462,618,628	458,686,120
Compensated absences - Note 1	25,995,401	24,809,043
Right to use liabilities - Note 10	216,838,680	232,341,267
Total non-current liabilities	<u>1,276,724,692</u>	<u>1,174,526,699</u>
Total liabilities	<u>\$ 1,724,858,531</u>	<u>\$ 1,555,747,811</u>
Total deferred inflows of resources - Notes 5, 6	\$ 356,167,664	\$ 423,027,138
<u>NET POSITION</u>		
Net investment in capital assets	\$ 289,526,986	\$ 306,502,995
Deficit	<u>(1,300,815,324)</u>	<u>(1,396,214,893)</u>
Total net position - Note 12	<u>\$ (1,011,288,338)</u>	<u>\$ (1,089,711,898)</u>

*See Note 1 - Summary of Significant Accounting Policies, Comparative Data and Reclassifications

The accompanying notes are an integral part of these statements.

FINANCIAL STATEMENTS

Commonwealth of Pennsylvania Pennsylvania Liquor Control Board State Stores Fund

Comparative Statements of Revenues, Expenses, and Changes in Net Position For the Twelve Months Ending June 30, 2021 and June 30, 2020 (Unaudited)

	2020-21	2019-20*
Sales net of taxes	\$ 2,317,842,844	\$ 2,041,261,164
Cost of goods sold	<u>(1,574,366,426)</u>	<u>(1,388,761,355)</u>
Gross profit from sales	743,476,418	652,499,809
Operating (expenses):		
Retail operations	(361,343,135)	(351,098,343)
Marketing & merchandising	(15,324,884)	(11,540,064)
Supply chain	(7,047,839)	(7,327,063)
Wholesale operations	(1,520,220)	(1,452,891)
Information technology services	(31,422,993)	(27,435,591)
Regulatory affairs	(15,869,386)	(16,004,894)
Administration	(9,359,624)	(11,225,562)
Finance	(2,577,206)	(2,477,214)
Board & secretary	(3,821,345)	(2,669,937)
Legal	(3,524,128)	(3,522,199)
Commonwealth provided services - Note 2	<u>(14,932,983)</u>	<u>(16,353,515)</u>
Total	(466,743,743)	(451,107,273)
Operating profit/(loss)	276,732,675	201,392,536
Other operating revenues (expenses):		
Enforcement fines	987,585	1,409,664
License fees	21,889,007	32,906,072
Miscellaneous income	3,156,831	2,649,659
Administrative law judge	<u>(2,723,139)</u>	<u>(2,751,387)</u>
Total	23,310,284	34,214,008
Total operating income/(loss)	300,042,959	235,606,544
Miscellaneous revenues (expenses):		
Interest income (expense)	(4,277,530)	(82,836)
Other	<u>(1,671,143)</u>	<u>4,910</u>
Total	(5,948,673)	(77,926)
Income/(Loss) before operating transfers	294,094,286	235,528,618
Operating transfers out:		
PSP enforcement - Note 3	(29,236,001)	(30,779,591)
Net Income/(Loss) from operations	264,858,285	204,749,027
Statutory Transfers:		
General fund - Note 4	(185,100,000)	(185,100,000)
Drug and alcohol programs - Note 4	(5,297,166)	(4,174,229)
Total	<u>(190,397,166)</u>	<u>(189,274,229)</u>
Change in net position	74,461,119	15,474,798
Total net position - beginning - Note 12	(1,085,749,457)	(1,105,186,696)
Total net position - ending	<u>\$ (1,011,288,338)</u>	<u>\$ (1,089,711,898)</u>

*See Note 1 - Summary of Significant Accounting Policies, Comparative Data and Reclassifications

The accompanying notes are an integral part of these statements.

FINANCIAL STATEMENTS

Commonwealth of Pennsylvania
Pennsylvania Liquor Control Board
State Stores Fund

Comparative Statements of Revenues, Expenses, and Changes in Net Position
For the Month Ending June 30, 2021 and June 30, 2020
(Unaudited)

	2020-21	2019-20*
Sales net of taxes	\$ 192,233,631	\$ 167,034,469
Cost of goods sold	(132,932,094)	(113,857,536)
Gross profit from sales	59,301,537	53,176,933
Operating (expenses):		
Retail operations	(29,953,430)	(9,686,906)
Marketing & merchandising	(4,642,645)	(510,692)
Supply chain	(346,469)	(158,331)
Wholesale operations	(109,204)	107,768
Information technology services	(6,417,850)	(270,994)
Regulatory affairs	(1,025,290)	825,793
Administration	(676,534)	402,220
Finance	(167,729)	218,776
Board & secretary	(435,387)	766,434
Legal	(306,318)	(252,954)
Commonwealth provided services - Note 2	(1,671,398)	(1,872,441)
Total	(45,752,254)	(10,431,327)
Operating profit/(loss)	13,549,283	42,745,606
Other operating revenues (expenses):		
Enforcement fines	75,073	5,673
License fees	981,510	2,105,713
Miscellaneous income	232,915	59,088
Administrative law judge	(229,390)	(252,852)
Total	1,060,108	1,917,622
Total operating income/(loss)	14,609,391	44,663,228
Miscellaneous revenues (expenses):		
Interest income (expense)	(388,442)	(351,883)
Other	(1,686,559)	-
Total	(2,075,001)	(351,883)
Income/(Loss) before operating transfers	12,534,390	44,311,345
Operating transfers out:		
PSP enforcement - Note 3	(2,225,621)	(2,155,838)
Net Income/(Loss) from operations	10,308,769	42,155,507
Statutory Transfers:		
General fund - Note 4	(42,500,000)	-
Drug and alcohol programs - Note 4	(5,297,166)	(4,174,229)
Total	(47,797,166)	(4,174,229)
Change in net position	(37,488,397)	37,981,278
Total net position - beginning	(973,799,941)	(1,127,693,176)
Total net position - ending	<u>\$ (1,011,288,338)</u>	<u>\$ (1,089,711,898)</u>

*See Note 1 - Summary of Significant Accounting Policies, Comparative Data and Reclassifications

The accompanying notes are an integral part of these statements.

FINANCIAL STATEMENTS

Commonwealth of Pennsylvania Pennsylvania Liquor Control Board State Stores Fund Comparative Statement of Cash Flows For the Twelve Months Ending June 30, 2021 and June 30, 2020 (Unaudited)

	FY20	FY19*
Cash flows from operating activities:		
Receipts from customers	\$ 2,344,817,478	\$ 2,074,233,113
Payments to suppliers	(2,001,193,579)	(1,898,919,975)
Net cash provided by operating activities	343,623,899	175,313,138
Cash flows from noncapital financing activities:		
PSP expenses	(29,236,001)	(30,779,591)
General fund transfer	(185,100,000)	(185,100,000)
DDAP transfer	(3,164,645)	(2,268,674)
Net cash used for noncapital financing activities	(217,500,646)	(218,148,265)
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(4,063,262)	(6,877,430)
Proceeds from capital assets	14,020	4,910
Right to use lease interest	(4,786,523)	(4,989,151)
Net cash used for capital and related financing activities	(8,835,765)	(11,861,671)
Cash flows from investing activities:		
Purchase of investments	(1,816,491,108)	(1,534,150,590)
Proceeds from sale and maturities of investments	1,680,262,542	1,578,311,886
Investment income	508,993	4,906,316
Net cash provided by/(used for) investing activities	(135,719,574)	49,067,612
Net increase/(decrease) in cash	(18,432,086)	(5,629,186)
Cash - July 1	46,641,593	52,270,779
Cash - June 30	<u>\$ 28,209,507</u>	<u>\$ 46,641,593</u>
Reconciliation of operating income/(loss) to net cash provided by/(used for) operating activities:		
Operating income/(loss)	\$ 300,042,959	\$ 235,606,544
Depreciation	63,961,397	60,643,946
Change in assets and liabilities		
Accounts receivable	597,587	(3,608,907)
Inventory	10,759,475	19,224,956
Due from other funds	386,725	(384,539)
Other operating net assets	1,298,257	(867,284)
Intangible - right to use leases	(58,030,160)	(45,004,680)
Deferred outflows - pension and OPEB related	(92,896,378)	42,906,162
Accounts payable and accrued liabilities	79,167,101	(30,308,296)
Due to other funds	20,802	(78,023)
Due to pension trust funds	151,301	630,604
Net pension liability	3,932,508	(71,605,216)
Due to other governments	56,026	182,436
Other post-employment benefit obligations	82,802,000	(174,386,000)
Self-insurance liabilities	11,609,219	(444,583)
Compensated Absences	1,186,358	3,210,911
Deferred inflows - pension and OPEB related	(66,859,474)	143,870,302
Right to use liability	5,438,196	(4,275,195)
Total adjustments	43,580,940	(60,293,406)
Net cash provided by operating activities:	<u>\$ 343,623,899</u>	<u>\$ 175,313,138</u>

Noncash investing, capital and financing activities:

A \$5,291,016 Department of Drug and Alcohol Programs (DDAP) liability was accrued in June 2021 for the FY 20-21 statutory obligation. In addition, \$2,561,730 of the FY 19-20 obligation remains to be withdrawn at June 30, 2021.

*See Note 1 - Summary of Significant Accounting Policies, Comparative Data and Reclassifications

The accompanying notes are an integral part of these statements.

**PENNSYLVANIA LIQUOR CONTROL BOARD
LIQUOR LICENSE FUND
BALANCE SHEET
UNAUDITED**

<u>ASSETS</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>
Current assets:		
Cash in transit	\$ 14,500	\$ 146,200
Investments - short term	402,748	1,929,573
	<hr/>	<hr/>
Total assets	\$ 417,248	\$ 2,075,773
	<hr/>	<hr/>
<u>LIABILITIES AND FUND BALANCE</u>		
Current liabilities:		
License fees due to municipalities	\$ 402,748	\$ 2,075,773
License fees due to licensees - Note 11	14,500	-
Total current liabilities	<hr/> \$ 417,248	<hr/> \$ 2,075,773
Fund balance:		
Restricted	-	-
Total Fund Balance - Note - 12	<hr/> -	<hr/> -
	<hr/>	<hr/>
Total liabilities and fund balance	\$ 417,248	\$ 2,075,773
	<hr/>	<hr/>

The accompanying notes are an integral part of these statements.

PENNSYLVANIA LIQUOR CONTROL BOARD
LIQUOR LICENSE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
UNAUDITED
For the Twelve Months Ending June 30, 2021 and June 30, 2020

	<u>2021</u>	<u>2020</u>
REVENUES		
Liquor license application fees collected, net of refunds - Note 11	\$ 1,812,175	\$ 4,272,875
TOTAL REVENUES	<u>1,812,175</u>	<u>4,272,875</u>
EXPENDITURES		
Liquor license fees for return to municipalities	1,812,175	4,272,875
TOTAL EXPENDITURES	<u>1,812,175</u>	<u>4,272,875</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-
FUND BALANCE, JULY 1, (FY2019-20 BEGINNING BALANCE		
RESTATEMENT - NOTE 12)	-	-
FUND BALANCE, JUNE 30	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

The accompanying notes are an integral part of these statements.

**PENNSYLVANIA LIQUOR CONTROL BOARD
LIQUOR LICENSE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
UNAUDITED
For the Month Ending June 30, 2021 and June 30, 2020**

	<u>2021</u>	<u>2020</u>
REVENUES		
Liquor license application fees collected, net of refunds - Note 11	\$ 11,900	\$ 317,700
TOTAL REVENUES	<u>11,900</u>	<u>317,700</u>
EXPENDITURES		
Liquor license fees for return to municipalities	11,900	317,700
TOTAL EXPENDITURES	<u>11,900</u>	<u>317,700</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-
FUND BALANCE, JUNE 1	-	-
FUND BALANCE, JUNE 30	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these statements.

COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA LIQUOR CONTROL BOARD
STATE STORES AND LIQUOR LICENSE FUNDS
NOTES TO FINANCIAL STATEMENTS

June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Pennsylvania Liquor Control Board (PLCB), established in 1933 upon the repeal of Prohibition, was mandated the responsibility of protecting the peace and morals of Pennsylvania citizens by regulating the sale of alcoholic beverages. The PLCB's mission remained relatively constant until the passage of *Act 14 in 1987*. As a result, liquor law enforcement authority was transferred to the Pennsylvania State Police, and the Office of the Administrative Law Judge was created to preside over all citation cases and other enforcement hearings.

The significant accounting policies employed by the PLCB in the preparation of the accompanying financial statements are as follows:

Basis of Presentation: The PLCB is primarily responsible for the accounting and reporting of the State Stores Fund and the Liquor License Fund, except for funds appropriated from the State Stores Fund to the Pennsylvania State Police (PSP) for Liquor Code enforcement activities and to the Department of Drug and Alcohol Programs for alcohol rehabilitation programs. The State Stores Fund is an enterprise fund primarily used to account for wine and spirits sales and related operating expenses. The Liquor License Fund is a special revenue fund used for the collection and subsequent disbursement of certain annual license fees, which are returned to municipalities.

The preparation of financial statements in conformity with generally accepted accounting principles require the PLCB to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Basis of Accounting: The financial statements of the State Stores Fund are presented on the accrual basis of accounting according to Government Accounting Standards Board (GASB). Accrual basis accounting requires recognition of revenue when earned and recognition of expenses when incurred.

The financial statements of the Liquor License Fund are reported using the current financial resources measurement focus and modified accrual basis of accounting. Under this measurement focus, current assets and current liabilities are presented on the balance sheet. The operating statements present increases (i.e. revenues) and decreases (i.e. expenditures) in net current assets. Under the modified accrual basis of accounting, revenues of governmental funds are recognized in the year that they become susceptible to accrual (both measurable and available to pay current fiscal year liabilities).

Cash: Cash includes PLCB funds held by the State Treasurer, imprest balances held at financial institutions and change funds used at stores.

Investments: The PLCB participates in the Commonwealth Investment Program administered by the Pennsylvania Treasury Department. PLCB's funds in the Commonwealth Investment Program are invested in short-term fixed income investments and cash which provides a high degree of liquidity and security.

Merchandise Inventories: Inventories are stated at weighted average cost. Product warehousing and handling, as well as transportation to store costs, are reported as part of Merchandise Inventories and are charged to Cost of Goods Sold as product is sold.

PLCB records a provision for obsolete inventory. Stock merchandise may be classified as unsalable for any condition which, at the discretion of management, makes the merchandise unfit for sale. Unsalable does not include loss attributable to theft, burglary, or water and fire damage. Management will regularly review, at least once annually, inventory quantities on hand and increase the provision for obsolete inventory as necessary based upon factors that include historical unsalable product write-off, the age of the inventory and forecasts of product demand. The allowance for obsolete inventory was \$100,000 as of June 30, 2021, and \$99,695 as of June 30, 2020.

PLCB also established an allowance for inventory shrinkage beginning fiscal year ended June 30, 2019. This reserve is based primarily on a sample of actual shrink results from previous physical inventories. Changes in the estimated shrink reserve may be necessary based on the results of physical inventories. The allowance for inventory shrinkage was \$1.7 million as of June 30, 2021, and June 30, 2020.

Capital Assets: Capital assets (excluding intangible - right to use leases, see Note 10) are reported at cost. Depreciation is calculated for buildings, machinery and equipment; amortization is calculated for intangible – internally generated software, and intangible - right to use leases. Depreciation and amortization are calculated on the straight-line basis over the underlying capital asset's estimated useful lives (except for intangible – right to use leases). Intangible right to use leases are amortized on the straight-line basis over the shorter of the lease term or the useful life of the underlying asset.

Compensated Absences: From July 1, 2016 to the end of the 2016 leave calendar year, employees accumulated annual leave based on 2.7% to 10% of regular hours paid to a maximum of 45 days. Effective with the beginning of the 2017 leave calendar year, employees accumulate annual leave based on 4.24% to 11.55% of regular hours paid to a maximum of 45 days. Employees are paid for accumulated annual leave upon termination or retirement.

Employees accumulate sick leave based on 4.24% to 5% of regular hours paid to a maximum of 300 days. Retiring employees that meet service, age, or disability requirements are paid for 30% to 50% of their accumulated unused sick leave.

Taxes: All taxes are excluded from Sales reported on the Statement of Revenues, Expenses, and Changes in Net Position. The 18% state liquor excise taxes (emergency tax), the 6% state sales taxes and the local sales taxes are collected and remitted monthly to the Department of Revenue for the General Fund.

Taxes collected and remitted for the fiscal years ended June 30, 2021, and June 30, 2020, are as follows:

	2021	2020
Liquor tax	\$ 415,839,371	\$ 365,707,467
State Sales Tax	163,877,596	143,946,095
Local Tax	9,642,553	8,776,815
Total	<u>\$ 589,359,520</u>	<u>\$ 518,430,377</u>

New Accounting Pronouncements – Adopted:

Effective July 1, 2020, the PLCB implemented the Governmental Accounting Standards Board (GASB) Statement No. 87, Leases. Under GASB 87, certain operating leases previously expensed based on payment schedules are reported as assets with associated liabilities for future lease payments. The June 30, 2020, net position will not be restated for the cumulative effect of applying GASB 87, due to offsetting assets and liabilities at implementation.

Comparative Data and Reclassifications:

The fiscal year 2019-20 comparative information is adjusted to recognize the estimated impact of GASB 87.

In addition, certain operating expense and miscellaneous revenue amounts presented in prior year data have been reclassified to Cost of Goods Sold and Sales respectively to be consistent with the current year's presentation. Such reclassifications did not affect Total operating income/(loss), Income/(loss) before operating transfers, Net Income/(Loss) from operations, or Total net position.

2. COMMONWEALTH-PROVIDED SERVICES

Expenses reflected in Commonwealth-Provided Services include fiscal year-to-date charges for interagency billings for services provided by the following agencies:

	FY 2020-21	FY 2019-20
Comptroller	\$ 6,025,007	\$ 6,025,355
Auditor General Services	2,651,065	2,742,460
Treasury Department Services	155,105	147,521
Civil Service Commission Services	274,884	218,472
Payroll Operations Services	311,068	250,208
Office of Performance Through Excellence	47,565	46,513
Office of Administration		
HR Shared Services	1,505,225	1,369,413
Strategic Services	7,429	96,147
IES -Contracted Main Services	1,463,810	2,188,066
IT Shared Services	1,317,049	2,130,198
Dept of General Services		
Real Estate & Shared Services	766,513	819,605
Employee Self & Tort Insurance	96,260	89,076
Capital Complex / EnergyCAP Services	312,003	230,481
	<u>\$ 14,932,983</u>	<u>\$ 16,353,515</u>

3. OPERATING TRANSFERS OUT

These transfers are part of PLCB's ordinary and usual business operations to ensure that the provisions of Act 21 of 1951, as reenacted by Act 14 of 1987, and the regulations adopted by the PLCB under this Act are administered and complied with.

PSP Enforcement

The PLCB provides for operating expenses of the Pennsylvania State Police, Bureau of Liquor Control Enforcement.

4. STATUTORY TRANSFERS

These transfers represent distributions of PLCB earnings that are determined by the General Assembly or as a percentage of profits.

General Fund

Per Act 21 of 1951, as reenacted by Act 14 of 1987, the PLCB is subject to transfer moneys to the General Fund for use of the Commonwealth.

Per Act 39 of 2016, any commissions, compensation or any type of incentive award based upon the sale of lottery tickets and games shall be deposited by the PLCB into the General Fund.

Per Act 166 of 2016, all moneys collected from converting an eating place retail dispensing license to a restaurant license, casino license fees, and license auction proceeds shall be transferred from the State Stores Fund to the General Fund.

Drug & Alcohol Programs

Per Act 21 of 1951, as reenacted by Act 14 of 1987, two percent of the PLCB's profits from the sale of alcohol shall be transferred to the Department of Drug and Alcohol Programs (DDAP) for drug and alcohol rehabilitation programs. The PLCB established a \$5.3 million liability for the amount due to DDAP for the fiscal year ended June 30, 2021, to be transferred in fiscal year ending June 30, 2022.

5. PENSION

Commonwealth laws established contributory defined benefit pension plans covering substantially all Commonwealth including the PLCB. PLCB employees are members of the State Employees' Retirement System (SERS). The SERS is the administrator of a cost-sharing multiple-employer defined benefit retirement plan established to provide pension benefits for Commonwealth employees.

Membership in the SERS is mandatory for most PLCB employees. Certain elected or appointed officials are given the option to participate.

SERS provides retirement, death and disability benefits. Article II of the commonwealth's constitution assigns the authority to establish and amend the benefit provision of the plan to the General Assembly. Member retirement benefits are determined by taking years of credited service, multiplied by final average salary, multiplied by 2%, multiplied by class of service multiplier.

Section 5507 of the State Employees Retirement Code (SERC) (71 Pa. C.S. §5507) requires the Commonwealth and other employers whose employees are the SERS members to make contributions to the fund on behalf of all active members and annuitants necessary to fund the liabilities and provide the annuity reserves required to pay benefits. The SERS funding policy, as set by the SERS Board, provides for periodic active member contributions at statutory rates. The SERS funding policy also provides for periodic employer contributions at actuarially determined rates based on the SERS funding valuation, expressed as a percentage of annual covered payroll, such that they, along with employee contributions and an actuarially determined rate of investment return, are adequate to accumulate assets to pay benefits when due. Act 2017-5 includes a savings "plow-back" provision requiring that the annual savings achieved through SERS' benefit changes flow back into the Defined Benefit Plan through the employer contribution rate rather than to other non-pension obligations. Act 2019-105, signed into law in November 2019, allows eligible employers to enter into an agreement with the SERS Board to make a one-time lump sum payment of 75% to 100% of their respective unfunded accrued liability under the most recent funding valuation in effect at the time of agreement. Agreements under this act must be entered into by December 31, 2024, and the lump sum payments must be made by May 1, 2025. SERS records these lump sum

payments as employer contributions when they are received, and they become part of the Defined Benefit Plan's general assets that are not segregated or invested separately for the account or benefit of the contributing employer. The PLCB's contributions to the SERS were \$54.5 million and \$54.4 million for the fiscal years ended June 30, 2021, and June 30, 2020, respectively.

The PLCB reported a liability of \$462.6 million and \$458.7 million for its proportionate share of the SERS net pension liability as of June 30, 2021, and 2020, respectively. The net pension liabilities attributed to participation in the SERS were measured as of December 31, 2021, and December 31, 2020, respectively, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of those dates.

The amount of PLCB's proportionate share of the SERS net pension liability that is "due" within one year and reported as a current portion of the liability is the amount of benefit payments expected to be paid within one year, net of the SERS fiduciary net position (FNP), if any, available to pay that amount. Therefore, there would be no amount that is "due" within one year unless the SERS FNP is less than the amount of benefit payments to be paid within one year.

As of June 30, 2021, PLCB's total Pension deferred outflows of resources, and total Pension deferred inflows of resources totaled \$99.7 million and \$70.7 million, respectively. Deferred Outflows are a balance sheet reporting category similar to an asset, representing outflows of resources that occurred in the current reporting year that are applicable to future years. Deferred Inflows are a balance sheet reporting category similar to a liability. Deferred Inflows represent inflows of resources that occurred in the current reporting year, however, are applicable to future years.

For the fiscal years ended June 30, 2021, and June 30, 2020, the PLCB recognized pension expense of \$45.1 million and \$61.3 million, respectively, as follows:

	June 30, 2021	June 30, 2020
A. Employer Contributions	\$ 54,545,398	\$ 54,454,267
B. Change in Net Pension Liability	3,932,508	(71,605,216)
C. Total Change in Deferred Outflows		
Contributions Subsequent to Measurement Date	448,148	473,465
Difference between Projected and Actual Investment Earnings	-	(51,594,221)
Change in Proportion	8,060,002	829,943
Difference Between Employer Contributions and Proportionate Share	(131,750)	(46,785)
Difference between Expected and Actual Experience	(1,375,701)	(2,238,717)
Difference in Change in Assumptions	33,765,679	3,547,153
Total Change in Deferred Outflows	40,766,378	(49,029,161)
D. Total Change in Deferred Inflows		
Change in Proportion	3,319,301	(618,738)
Difference Between Employer Contributions and Proportionate Share	132,475	(35,452)
Difference between Expected and Actual Experience	(2,587,909)	(2,639,477)
Difference between Projected and Actual Investment Earnings	26,476,659	32,712,970
Total Change in Deferred Inflows	27,340,526	29,419,303
Total Pension Expense (A+B-C+D)	\$ 45,052,055	\$ 61,297,514

6. OTHER POST EMPLOYMENT BENEFITS (OPEB)

Employees of the PLCB participate in the Retired Employees Health Program (REHP), a single employer defined benefit OPEB plan, that is sponsored by the Commonwealth of PA, and administered by the Pennsylvania Employee Benefits Trust Fund (PEBTF).

Generally, eligible employees who retire from the state and meet one of the following eligibility criteria are eligible to receive REHP benefits:

- 25 or more years of service
- 20 or more years of service and superannuation age – Age 50 for Park Rangers, Capitol Police and certain enforcement officers or 60 for general employees (age 55 or 65 for employees subject to Act 120 of 2010)
- Disability retirement – requires five years of service (no service requirement for enforcement officers).

All employing agencies and certain plan members must contribute specified amounts to the REHP. Employing agency contribution requirements are established by the Office of Administration and the Office of the Budget. PLCB began fiscal year ending June 30, 2021, with a contractually required contribution rate of \$230 for each current REHP eligible active employee per biweekly pay period. The rate was reduced to \$0 effective pay period ending January 29, 2021. Active employees are not required to contribute to the REHP. In general, retiree contributions range from 0 to 3% of final average salary, depending on the retiree's retirement date. The PLCB's contributions to the REHP were \$10.8 million and \$19.3 million for the fiscal years ended June 30, 2021, and June 30, 2020, respectively.

The PLCB reported a liability of \$512.4 million and \$429.6 million for its proportionate share of the REHP net OPEB liability as of June 30, 2020, and 2019, respectively. The net OPEB liabilities for the REHP were measured as of June 30, 2020, and June 30, 2019, respectively, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of those dates.

The amount of PLCB's proportionate share of the REHP net OPEB liability that is "due" within one year and reported as a current portion of the liability is the amount of benefit payments expected to be paid within one year, net of REHP's fiduciary net position (FNP), if any, available to pay that amount. Therefore, there would be no amount that is "due" within one year unless the REHP's FNP is less than the amount of benefit payments to be paid within one year.

As of June 30, 2021, PLCB's total OPEB deferred outflows of resources, and total OPEB deferred inflows of resources totaled \$ 110.8 million and \$285.6 million, respectively. Deferred Outflows are a balance sheet reporting category similar to an asset, representing outflows of resources that occurred in the current reporting year that are applicable to future years. Deferred Inflows are a balance sheet reporting category similar to a liability. Deferred Inflows represent inflows of resources that occurred in the current reporting year, however, are applicable to future years.

For the fiscal years ended June 30, 2021, and June 30, 2020, the PLCB recognized OPEB expense of \$(52.7) million and \$(46.7) million, respectively, as follows:

	<u>June 30, 2021</u>	<u>June 30, 2020</u>
A. Employer Contributions	\$ 10,800,064	\$ 19,310,653
B. Change in Net OPEB Liability	82,802,000	(174,386,000)
C. Total Change in Deferred Outflows		
Contributions Subsequent to Measurement Date	(267,000)	(3,728,000)
Change of Assumptions	52,731,000	13,742,000
Differences between expected and actual experience	444,000	-
Change in Allocation and Differences between Employer Contributions and Allocated Share	(960,000)	(3,891,000)
Difference Between Projected and Actual Investment Earnings	182,000	-
Total Change in Deferred Outflows	52,130,000	6,123,000
D. Total Change in Deferred Inflows		
Change of Assumptions	(19,793,000)	(19,897,000)
Differences between expected and actual experience	(73,646,000)	134,510,000
Difference Between Projected and Actual Investment Earnings	(761,000)	(162,000)
Total Change in Deferred Inflows	(94,200,000)	114,451,000
Total OPEB Expense (A+B-C+D)	\$ (52,727,936)	\$ (46,747,347)

7. SELF INSURANCE LIABILITY

The Commonwealth of Pennsylvania is self-insured for statutory workers' compensation, which includes indemnity and medical benefits (employee disability) for employees injured on the job. Commonwealth Agencies contribute to a workers' compensation reserve account via a percentage of their payroll. Agency contribution rates are set annually by the Office of Administration in conjunction with the Governor's Budget Office. In addition to the annual contributions paid to the reserve account, Agencies are allocated a portion of the Commonwealth's total workers compensation self-insurance liability, if one exists. The self-insurance liability for workers' compensation is calculated actuarially on an annual basis by the Department of Labor and Industry in conjunction with the Office of Administration and is included in the Commonwealth's financial statements. The PLCB's allocated workers' compensation liability was \$65.2 million and \$53.6 million as of June 30, 2021, and June 30, 2020, respectively.

8. LITIGATION

The PLCB is a defendant in various legal proceedings pertaining to matters normally incidental to routine operations. The probability of an adverse decision and/or damage assessment for all other litigation matters is indeterminate.

9. DUE TO / FROM OTHER FUNDS, FIDUCIARY FUNDS, OTHER GOVERNMENTS

Amounts due from / to other funds are reported for other state agencies' unremitted charges or collections at period end that arise in connection with routine, ordinary operations.

Amounts due to fiduciary funds consist of the PLCB's estimated accrual for employer contribution owed to the SERS.

Amounts due to other governments consist of PLCB's estimated accrual for Social Security and Medicare taxes owed to the United States Treasury.

10. LEASES

The PLCB routinely enters into transactions that include contracts leases related to stores, land, buildings, machinery and equipment, infrastructure, or other items. For leases with a maximum possible term of 12 months or less at commencement, the PLCB recognizes expense/expenditure based on the provisions of the lease contract. For all other leases, the PLCB recognizes a lease liability and an intangible right to use lease asset. The lease term includes the noncancelable period of the lease, plus any additional periods covered by either an option to (1) extend for which it is reasonably certain to be exercised, or (2) terminate for which it is reasonably certain not to be exercised. Lease right to use assets are reported with capital assets and lease liabilities are reported with current, and non-current liabilities in the statement of net position. The lease liability is measured at the present value of lease payments (measured using the Commonwealth of PA's incremental borrowing rate) expected to be made/received during the lease term. The lease asset is measured at the amount of the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term, and certain direct costs.

11. LICENSE FEES DUE TO LICENSEES

On October 28, 2020, in accordance with the Governor's decision, the Board authorized to waive most fees associated with renewing or validating retail licenses during 2021. The waiver applies for the licensing term that goes into effect in 2021, even though those applications may have been filed in 2020. License application fees collected subject to the waiver are being held as cash deposits until returned to the licensees.

12. RESTATEMENT

Restatement Due to Change in Accounting Principle:

Effective July 1, 2019, the Liquor License Fund implemented GASB Statement No. 84, Fiduciary Activities. PLCB previously reported the activity of the Liquor License Fund as an agency (fiduciary) fund. Beginning in fiscal year 2019-2020, such activity has been more appropriately reported as a special revenue fund under GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. Accordingly, the newly established special revenue fund reports a restated beginning balance of \$0, which is equal to the restatement of net current assets and current liabilities previously reported in the agency fund Statement of Fiduciary Net Position.

New Accounting Pronouncements – Adopted:

Effective July 1, 2020, the PLCB implemented the Governmental Accounting Standards Board (GASB) Statement No. 87, Leases. Under GASB 87, certain operating leases previously expensed based on payment schedules are reported as assets with associated liabilities for future lease payments. The July 1, 2020, net position is not restated for the cumulative effect of applying GASB 87 because at that date the lease assets and liabilities were the same.

State Stores Fund
Comparative Operating Statement
For the Twelve Months Ending June 30, 2021 and June 30, 2020

	<u>2020-21</u>	<u>2019-20*</u>
SALES NET OF TAXES	\$ 2,317,842,844.27	\$ 2,041,261,164.31
LESS: COST OF SALES	1,574,366,425.89	1,388,761,355.07
GROSS INCOME FROM SALES	743,476,418.38	652,499,809.24
LESS: OPERATING EXPENSES		
Salaries	146,788,244.04	143,159,517.77
Overtime	5,031,846.22	4,582,095.73
Shift Differential Pay	572,246.94	542,463.40
Higher Classification Pay	644,063.61	534,733.63
Wages	40,631,837.05	35,949,157.12
Negotiated Office and Subsistence Payments	29,529.50	27,225.00
Wages - Shift Differential	23,489.28	33,514.66
Wages - Higher Class Pay	350,952.87	305,556.54
Employees' Health Benefits - State Share	42,539,847.26	41,396,999.18
Employees' Health & Welfare Fund - State Share	115,611.25	127,242.52
OPEB Employer Contributions	10,800,064.14	19,310,652.85
OPEB Other Components	(63,528,000.00)	(66,058,000.00)
Social Security Contributions - State Share	14,676,337.69	14,225,010.46
Pension Employer Contributions	54,545,398.34	54,454,266.58
Pension Other Components	(9,493,343.44)	6,843,247.58
Workers' Compensation Employer Contributions	7,968,486.25	6,771,380.33
Workers' Compensation Other Components	11,609,219.04	(444,582.89)
Employees' Group Life Insurance - State Share	308,254.40	304,857.54
Out-Service Training	35,919.35	57,756.14
Unemployment Compensation - State Share	195,367.88	1,805,919.64
General Pay Increase - Cash Payment	952,483.00	828,131.00
Sick Leave Payout	(258,737.63)	(265,500.75)
Conference Registrations	1,426.30	16,109.02
In-Service Training	(900.00)	2,210.00
Management Performance Rewards	2,993,162.88	4,039,566.57
Annual Leave Payout	2,207,502.48	3,269,721.04
Stipend for Active Duty Military Reservist	(13,192.11)	40,912.44
Personnel Svcs-SERS DC Plan	424,000.29	-
Litigation/Arbitration Payouts	-	(10,384.65)
Employer Leave Payout Assessment	2,980,435.06	2,356,745.92
ER QTB Admin Fee	-	-
Comptroller Operations Services	6,025,007.00	6,025,354.49
Performance Through Excellence	47,565.00	46,513.00
Auditor General Services	2,651,064.99	2,742,459.65
Civil Service Commission Services	274,883.78	218,471.60
Contract Personnel Services	-	-
Contracted Repairs	329,938.18	154,523.76
HR Shared Services	1,505,225.00	1,369,413.00
Purchasing Services	766,513.03	819,605.32
IT Shared Services	1,317,048.82	2,130,198.35
Specialized Services	387,897.91	1,624,660.83
OA Temporary Clerical Pool Charges	-	40,721.01
Payroll Services - Commonwealth Provided	311,067.69	250,207.86
Liquor Storage and Handling	840,791.58	1,014,378.58
Liquor Reconditioning	40,832.78	(157,632.37)

*See Note 1 - Summary of Significant Accounting Policies, Comparative Data and Reclassifications

FINANCIAL STATEMENTS

	<u>2020-21</u>	<u>2019-20*</u>
Professional Fees	81,432.74	31,937.23
Bank Service Charges	4,634,473.61	2,564,159.99
Armored Collection Service	5,058.95	245,643.90
Alarm Monitoring Services	72,162.14	-
Counterfeits	9,775.66	15,847.00
Strategic Services	7,429.37	96,147.49
Security Guard Service	7,242,161.17	3,715,409.94
Credit/Debit Card Services	35,069,591.72	31,938,260.67
Credit card chargebacks	330,000.00	-
Public Relations	-	58,566.38
Treasury Department Services	155,104.52	147,520.52
Legal Fees	587,403.85	559,059.09
Clinic Services, Medical, Mental, and Dental	-	-
Conference Expenses	13,153.43	42,354.08
Printing Purchased Outside	161,063.05	205,337.30
Advertising - Media Buys	9,961,138.85	7,508,820.23
Advertising - Design	1,764,274.74	-
Telecommunications Toll Free Inbound Services	-	-
Interest/Utility Late Charge Penalties	6,897.24	5,238.25
Postage	3,542.40	3,655.97
Postage Metered	11,310.00	31,440.24
Freight - Liquor Into Warehouses	1,902.70	7,346.30
Freight - LDP Shipments	-	-
Freight - Miscellaneous	1,290,503.47	446,456.21
Freight Upcharge	-	-
Telecommunications Recurring Fixed Charges	2,993,375.46	3,120,955.48
Telecomm. Recurring Fixed Charges - Credit Card Line	-	-
Telecommunications Usage Charges	153,913.23	218,440.84
Telecommunications Usage Charges - Credit Card Line	-	-
Telecommunications Nonrecurring Charges	203,013.95	279,120.49
Telecom-Voice-Services	740,926.76	709,880.99
Telecomm. Nonrecurring Charges - Credit Card Line	-	-
Travel	212,773.54	570,861.04
Telecommunications Purchasing Fund Reimbursement	-	-
Water and Sewage	354,392.22	339,855.25
Electricity	4,441,403.80	4,296,314.18
Heating Fuel	1,117,435.66	1,125,097.69
Consultant Services - EDP/Non-EDP	13,150,005.89	7,070,626.26
Purchasing Card Purchases	70.59	-
EDP Contractual Services - Vendor Provided	5,994,363.48	6,555,997.03
EDP Equipment Rental - Data Circuits and Modems	-	-
EDP Software - Vendor Provided	-	-
Hardware Maintenance	1,589,272.72	1,267,675.52
Subscriptions	100,671.14	91,354.52
Membership Dues	7,470.00	9,265.00
Insurance, Surety and Fidelity Bonds	114,048.64	105,767.93
Motorized Equipment Supplies	-	-
Gasoline	265,801.16	282,488.72
Motorized Equipment Supplies - Miscellaneous	137,806.22	298,656.74
Motorized Equipment Repairs	184,630.67	129,460.06
Contracted Maint. Services - Data Processing	1,463,810.35	2,188,066.25
Contracted Maint. Services - Telephone Equip.	-	-
Contracted Maint. Services - Bldgs & Grounds	806,259.24	489,826.99
Contracted Maint. Services - Office Equipment	7,094.23	44,390.07
Contracted Maint. Services - Other	2,469,024.19	2,402,597.78

*See Note 1 - Summary of Significant Accounting Policies, Comparative Data and Reclassifications

FINANCIAL STATEMENTS

	<u>2020-21</u>	<u>2019-20*</u>
Rent of Real Estate	52,056.00	194,665.00
Store Rent	3,931,311.57	5,224,752.40
District Office Rent	102,954.00	219,434.55
Real Estate Taxes on Leased Property	1,702,455.96	1,350,938.60
Motorized Equipment Rentals	590,008.50	548,508.05
Other Equipment Rentals	73,694.34	60,137.31
Price Variance - Non-Merchandise	-	-
Medical Supplies Issued from Inventory	58,542.81	84,400.60
Wearing Apparel	85,098.60	3,083.10
Food	1,487.28	81,857.86
Housekeeping Supplies Issued from Inventory	3,513,590.30	2,531,216.97
Housekeeping Supplies	859,075.06	263,715.22
Printed Forms	-	-
Inside Duplicating	-	-
Office Supplies Issued from Inventory	-	-
Office Supplies	1,362,142.80	3,291,448.25
EDP Software	135,715.41	148,128.04
Other IT Equipment	852,273.81	2,352,342.82
Educational Supplies	153.06	-
Agricultural Services	-	-
Agricultural Supplies	-	-
Recreational Supplies and Services	-	-
Maintenance Supplies Issued from Inventory	-	-
Maintenance Supplies	1,482,237.07	1,912,008.12
Marketing Promotion Expenses	52.55	174,907.54
Store Water/Fire Damage	27,240.07	118,250.27
Over/Short Store Expense Account	2,638.25	308,038.41
Store Breakage Expenses	531,206.43	488,243.35
Transfers-Lab or Wine Tasting	(44,056.47)	476,498.31
Lottery Cash Over/Short Expense	63.00	13,649.28
Lottery Till Replenishment Expense	-	-
Other Inventory Adjustments	1,261,986.66	273,847.32
Other Services and Supplies	664,164.29	986,902.92
Grants and Payments to Individuals	-	-
State Payments to For Profit Entities	4,330.00	-
State Pmts. to Inst. of Higher Ed. - State Owned	51,108.19	52,307.87
State Payments to Governmental Subrecipients	222,770.20	300,448.81
State Payments to Non-State Institutions of Higher Ed. and Non-Profits	314,654.41	266,887.73
State Payments to Wine Marketing and Research Board	799,886.77	735,737.75
State Payments to Malt and Brewed Beverage Industry Board	1,249,780.33	975,990.81
Amortization of Leasehold Improvements	24,813.00	36,060.04
Amortization of Computer Software-Internally Generated	3,643,474.39	3,649,411.99
Depreciation of Equipment & Machinery	1,785,838.09	1,823,423.94
Amortization - RTU - Mach and Equip	72,539.28	70,774.52
Depreciation of Buildings	865,943.24	869,131.98
Amortization - RTU - Buildings and Improvements	56,716,200.49	53,171,540.44
Depreciation-Computers and Peripherals	852,588.58	1,023,603.11
Bad Debt Expense - Misc Receivables	71,533.15	71,068.96
 TOTAL OPERATING EXPENSES	 469,466,881.92	 453,858,661.31
 MERCHANDISING INCOME	 \$ 274,009,536.46	 \$ 198,641,147.93

*See Note 1 - Summary of Significant Accounting Policies, Comparative Data and Reclassifications

	<u>2020-21</u>	<u>2019-20*</u>
ADD: OTHER INCOME/(LOSS)		
Miscellaneous	(704,432.67)	870,938.34
Lottery Gross Commission Proceeds	1,607,622.36	1,176,755.56
Misc Rev - Bailment Penalties	582,499.00	606,874.75
Interest income	508,992.71	4,906,316.25
Right to use lease interest	(4,786,523.20)	(4,989,150.76)
Licensing:		
License Auction Proceeds	2,432,359.00	3,087,770.00
E to R License Conversion Fees	510,000.00	890.00
Direct Wine Shipper Fees	390,373.00	261,000.00
Wine Expanded Permit (WEP) Application Fees	532,000.00	590,000.00
Wine Expanded Permit (WEP) Renewal Fees	5,704,864.75	3,052,087.28
Surcharge Fees	4,378,500.00	11,589,222.00
Application Fees	3,422,485.00	3,774,802.50
Transfer Fees	-	-
Permit Fees	3,827,990.75	8,833,803.00
Entertainment Fees	(700.00)	(700.00)
Administrative Fees	691,134.64	1,717,197.97
TOTAL OTHER INCOME	<u>19,097,165.34</u>	<u>35,477,806.89</u>
NET INCOME BEFORE PSP ENFORCEMENT	<u>293,106,701.80</u>	<u>234,118,954.82</u>
PSP ENFORCEMENT:		
Income	987,584.93	1,409,663.90
LESS: Expenses	<u>29,236,001.45</u>	<u>30,779,591.68</u>
Net PSP Enforcement	<u>(28,248,416.52)</u>	<u>(29,369,927.78)</u>
NET INCOME	<u>\$ 264,858,285.28</u>	<u>\$ 204,749,027.04</u>

*See Note 1 - Summary of Significant Accounting Policies, Comparative Data and Reclassifications

State Stores Fund
Comparative Operating Statement
For the Month Ending June 30, 2021 and June 30, 2020

	<u>2020-21</u>	<u>2019-20*</u>
SALES NET OF TAXES	\$ 192,233,631.25	\$ 167,034,469.50
LESS: COST OF SALES	132,932,094.03	113,857,536.03
GROSS INCOME FROM SALES	59,301,537.22	53,176,933.47
LESS: OPERATING EXPENSES		
Salaries	12,341,201.29	11,955,868.32
Overtime	496,986.02	237,121.13
Shift Differential Pay	44,672.57	35,754.60
Higher Classification Pay	52,177.52	45,158.51
Wages	3,545,043.11	3,158,555.91
Negotiated Office and Subsistence Payments	5,439.50	4,840.00
Wages - Shift Differential	2,120.31	1,822.76
Wages - Higher Class Pay	30,866.05	21,833.96
Employees' Health Benefits - State Share	3,520,781.73	3,482,186.51
Employees' Health & Welfare Fund - State Share	21,195.00	21,911.33
OPEB Employer Contributions	-	1,615,316.12
OPEB Other Components	(4,480,000.00)	(7,010,000.00)
Social Security Contributions - State Share	1,242,371.02	1,305,417.62
Pension Employer Contributions	4,522,107.07	4,777,164.60
Pension Other Components	(9,868,443.44)	(24,396,752.42)
Workers' Compensation Employer Contributions	668,627.18	619,890.85
Workers' Compensation Other Components	6,109,219.04	(5,944,582.89)
Employees' Group Life Insurance - State Share	25,758.70	26,093.62
Out-Service Training	6,600.00	(8,960.00)
Unemployment Compensation - State Share	(112,859.82)	476,823.51
General Pay Increase - Cash Payment	-	1,622.00
Sick Leave Payout	(268,533.06)	(294,655.14)
Conference Registrations	-	(2,295.00)
In-Service Training	-	(1,200.00)
Management Performance Rewards	(3.89)	1,710,869.70
Annual Leave Payout	2,180,032.02	3,254,329.98
Stipend for Active Duty Military Reservist	(14,288.27)	(2,911.85)
Personnel Svcs-SERS DC Plan	35,333.36	-
Litigation/Arbitration Payouts	-	-
Employer Leave Payout Assessment	245,974.35	197,506.17
ER QTB Admin Fee	-	-
Comptroller Operations Services	1,040,158.90	1,056,597.71
Performance Through Excellence	-	-
Auditor General Services	245,728.37	267,200.04
Civil Service Commission Services	25,302.93	-
Contract Personnel Services	-	-
Contracted Repairs	17,534.93	4,416.53
HR Shared Services	133,941.66	72,465.34
Purchasing Services	15,208.14	58,794.09
IT Shared Services	112,488.39	75,107.86
Specialized Services	15,038.82	111,886.66
OA Temporary Clerical Pool Charges	-	-
Payroll Services - Commonwealth Provided	41,139.23	(20,336.07)
Liquor Storage and Handling	44,427.27	186,061.87
Liquor Reconditioning	(1,480.61)	(26,279.26)

*See Note 1 - Summary of Significant Accounting Policies, Comparative Data and Reclassifications

FINANCIAL STATEMENTS

	<u>2020-21</u>	<u>2019-20*</u>
Professional Fees	17,890.41	2,642.91
Bank Service Charges	381,777.14	733,284.34
Armored Collection Service	-	(14,145.86)
Alarm Monitoring Services	12,176.09	-
Counterfeits	1,075.00	-
Strategic Services	7,429.37	38,505.49
Security Guard Service	1,290,044.96	568,437.44
Credit/Debit Card Services	2,917,142.70	2,709,107.18
Credit card chargebacks	15,000.00	-
Public Relations	-	-
Treasury Department Services	14,769.20	12,097.00
Legal Fees	71,600.84	24,520.38
Clinic Services, Medical, Mental, and Dental	-	-
Conference Expenses	-	8,462.66
Printing Purchased Outside	16,238.65	13,614.27
Advertising - Media Buys	2,483,556.86	912,013.58
Advertising - Design	1,764,274.74	-
Telecommunications Toll Free Inbound Services	-	-
Interest/Utility Late Charge Penalties	78.98	1,283.62
Postage	204.85	(2,227.95)
Postage Metered	-	-
Freight - Liquor Into Warehouses	-	1,484.00
Freight - LDP Shipments	-	-
Freight - Miscellaneous	14,254.29	344,658.50
Freight Upcharge	-	-
Telecommunications Recurring Fixed Charges	275,527.89	249,122.16
Telecomm. Recurring Fixed Charges - Credit Card Line	-	-
Telecommunications Usage Charges	4,217.82	47,203.76
Telecommunications Usage Charges - Credit Card Line	-	-
Telecommunications Nonrecurring Charges	16,543.67	32,722.81
Telecom-Voice-Services	29,143.40	87,935.40
Telecomm. Nonrecurring Charges - Credit Card Line	-	-
Travel	20,868.06	(77.32)
Telecommunications Purchasing Fund Reimbursement	-	-
Water and Sewage	23,039.54	29,047.85
Electricity	369,231.45	345,502.58
Heating Fuel	25,043.40	50,855.01
Consultant Services - EDP/Non-EDP	5,439,373.47	(524,345.63)
Purchasing Card Purchases	-	-
EDP Contractual Services - Vendor Provided	211,150.39	751,327.57
EDP Equipment Rental - Data Circuits and Modems	-	-
EDP Software - Vendor Provided	-	-
Hardware Maintenance	130,610.86	154,226.98
Subscriptions	1,611.73	-
Membership Dues	-	-
Insurance, Surety and Fidelity Bonds	8,076.17	7,742.20
Motorized Equipment Supplies	-	-
Gasoline	28,350.74	19,166.84
Motorized Equipment Supplies - Miscellaneous	(1,218.00)	21,140.78
Motorized Equipment Repairs	14,157.68	3,422.38
Contracted Maint. Services - Data Processing	-	286,283.13
Contracted Maint. Services - Telephone Equip.	-	-
Contracted Maint. Services - Bldgs & Grounds	5,136.22	(671,230.10)
Contracted Maint. Services - Office Equipment	-	-
Contracted Maint. Services - Other	179,545.71	121,975.49

*See Note 1 - Summary of Significant Accounting Policies, Comparative Data and Reclassifications

FINANCIAL STATEMENTS

	<u>2020-21</u>	<u>2019-20*</u>
Rent of Real Estate	(35,562.00)	16,578.00
Store Rent	445,607.73	335,638.71
District Office Rent	(4,522.93)	7,728.55
Real Estate Taxes on Leased Property	67,153.25	29,468.93
Motorized Equipment Rentals	44,827.17	48,130.53
Other Equipment Rentals	10,200.61	1,025.59
Price Variance - Non-Merchandise	-	-
Medical Supplies Issued from Inventory	-	84,400.60
Wearing Apparel	-	-
Food	88.52	149.80
Housekeeping Supplies Issued from Inventory	452,872.19	175,875.50
Housekeeping Supplies	36,929.42	(240,101.15)
Printed Forms	-	-
Inside Duplicating	-	-
Office Supplies Issued from Inventory	-	-
Office Supplies	123,135.15	(86,640.31)
EDP Software	437.50	-
Other IT Equipment	70,814.65	1,133,526.72
Educational Supplies	88.00	-
Agricultural Services	-	-
Agricultural Supplies	-	-
Recreational Supplies and Services	-	-
Maintenance Supplies Issued from Inventory	-	-
Maintenance Supplies	152,625.28	(19,552.52)
Marketing Promotion Expenses	-	156,768.16
Store Water/Fire Damage	1,216.56	572.03
Over/Short Store Expense Account	(1,136.36)	85,461.06
Store Breakage Expenses	33,863.67	44,782.10
Transfers-Lab or Wine Tasting	(17.06)	522.45
Lottery Cash Over/Short Expense	-	12,424.28
Lottery Till Replenishment Expense	-	(264,096.46)
Other Inventory Adjustments	1,105,099.15	216,458.60
Other Services and Supplies	(68,407.23)	141,278.17
Grants and Payments to Individuals	-	-
State Payments to For Profit Entities	-	-
State Pmts. to Inst. of Higher Ed. - State Owned	-	-
State Payments to Governmental Subrecipients	-	-
State Payments to Non-State Institutions of Higher Ed. and Non-Profits	-	-
State Payments to Wine Marketing and Research Board	33,513.77	64,498.67
State Payments to Malt and Brewed Beverage Industry Board	162,603.99	83,333.33
Amortization of Leasehold Improvements	2,194.01	2,004.63
Amortization of Computer Software-Internally Generated	354,706.89	265,342.84
Depreciation of Equipment & Machinery	144,979.34	151,796.50
Amortization - RTU - Mach and Equip	6,178.54	5,897.88
Depreciation of Buildings	73,215.37	72,066.06
Amortization - RTU - Buildings and Improvements	4,824,805.65	4,581,182.23
Depreciation-Computers and Peripherals	71,016.82	74,056.02
Bad Debt Expense - Misc Receivables	43,327.14	63,197.91
TOTAL OPERATING EXPENSES	45,981,644.46	10,684,179.53
MERCHANDISING INCOME	\$ 13,319,892.76	\$ 42,492,753.94

*See Note 1 - Summary of Significant Accounting Policies, Comparative Data and Reclassifications

FINANCIAL STATEMENTS

	<u>2020-21</u>	<u>2019-20*</u>
ADD: OTHER INCOME/(LOSS)		
Miscellaneous	(1,666,247.51)	12,223.01
Lottery Gross Commission Proceeds	212,604.24	46,864.68
Misc Rev - Bailment Penalties	-	-
Interest income	18,976.75	58,202.00
Right to use lease interest	(407,419.07)	(410,084.10)
Licensing:		
License Auction Proceeds	121,900.00	-
E to R License Conversion Fees	90,000.00	-
Direct Wine Shipper Fees	4,750.00	1,750.00
Wine Expanded Permit (WEP) Application Fees	52,000.00	28,000.00
Wine Expanded Permit (WEP) Renewal Fees	224,183.88	177,614.48
Surcharge Fees	85,400.00	999,600.00
Application Fees	227,455.00	69,670.00
Transfer Fees	-	-
Permit Fees	171,636.25	504,478.75
Entertainment Fees	-	-
Administrative Fees	4,185.00	324,600.00
TOTAL OTHER INCOME	(860,575.46)	1,812,918.82
NET INCOME BEFORE PSP ENFORCEMENT	12,459,317.30	44,305,672.76
PSP ENFORCEMENT:		
Income	75,073.12	5,673.27
LESS: Expenses	2,225,621.47	2,155,837.74
Net PSP Enforcement	(2,150,548.35)	(2,150,164.47)
NET INCOME	\$ 10,308,768.95	\$ 42,155,508.29

*See Note 1 - Summary of Significant Accounting Policies, Comparative Data and Reclassifications

STORES RANKED BY TOTAL DOLLAR SALES FY 2020-21

RANK	STORE	ADDRESS	CITY	ZIP CODE	TRANSACTION COUNT	AVG VALUE OF TRANSACTION	DOLLAR SALES
1	5103*	2238 Washington Avenue	Philadelphia	19146	16,155	\$1,309.10	\$21,148,450
2	0247**†	5956 Centre Avenue	Pittsburgh	15206	344,026	\$60.77	\$20,905,063
3	4650^	East Greenville Business Center, 668 Gravel Pike	East Greenville	18041	170,729	\$113.54	\$19,385,142
4	9211**†	Village Square, 5000 Oxford Drive	Bethel Park	15102	246,556	\$67.19	\$16,565,889
5	0934**†	132 Veterans Lane	Doylestown	18901	246,191	\$64.80	\$15,953,098
6	1007**†	Cranberry Mall, 20111 Route 19	Cranberry Twp	16066	239,962	\$65.52	\$15,722,762
7	0940*	855B Pennsylvania Boulevard	Feasterville	19053	12,121	\$1,290.02	\$15,636,330
8	5185**†	180 West Girard Avenue	Philadelphia	19123	281,106	\$55.56	\$15,619,012
9	0214†	The Waterworks, 974 Freeport Road	Pittsburgh	15238	234,812	\$64.77	\$15,209,752
10	9208**†	125 Towne Centre Drive	Wexford	15090	209,763	\$69.69	\$14,619,401
11	4623**†	1440 Bethlehem Pike	Flourtown	19031	226,808	\$63.69	\$14,446,194
12	0231**†	Robinson Plaza Town Center, 1106 Park Manor Blvd.	Pittsburgh	15205	245,026	\$58.84	\$14,416,621
13	4646**†	Ardmore Shopping Center, 62 Greenfield Avenue	Ardmore	19003	199,465	\$70.83	\$14,129,039
14	0621**†	Berkshire West, 1101 Woodland Road	Wyomissing	19610	237,136	\$58.85	\$13,956,451
15	0943**†	212 South State Street	Newtown	18940	200,557	\$62.89	\$12,612,830
16	5104**†	Columbus Commons, 1940 S. Christopher Columbus Blvd.	Philadelphia	19148	226,817	\$55.52	\$12,593,044
17	3627**†	Shoppes at Belmont 1565 Fruitville Pike	Lancaster	17601	244,120	\$51.27	\$12,516,070
18	6717**†	York Marketplace, 2547 East Market Street	York	17402	245,929	\$50.30	\$12,369,509
19	4624**†	125 West Dekalb Pike	King Of Prussia	19406	229,383	\$52.15	\$11,963,377
20	1532*	100 Willowbrook Lane	West Chester	19382	11,123	\$1,058.56	\$11,774,366
21	2210**†	5070 Jonestown Road	Harrisburg	17112	236,007	\$48.02	\$11,333,546
22	4641**†	1839 East Ridge Pike	Royersford	19468	229,440	\$49.22	\$11,293,854
23	2102**†	West Shore Plaza, 1200 Market Street	Lemoine	17043	231,319	\$48.47	\$11,211,805
24	0260**†	1955 Wharton Street	Pittsburgh	15203	255,973	\$43.77	\$11,204,858
25	3516†	222 Northern Boulevard	Clarks Summit	18411	178,967	\$62.37	\$11,161,479
26	3901†	Crest Plaza, 1516 North Cedar Crest Boulevard	Allentown	18104	182,284	\$61.21	\$11,157,906
27	1405†	1682 North Atherton Street	State College	16803	203,489	\$53.30	\$10,846,624
28	0227**†	3845 Northern Pike	Monroeville	15146	235,096	\$45.96	\$10,803,950
29	6317**	Trinity Point Shopping Center, 50 Trinity Point Drive	Washington	15301	219,763	\$47.44	\$10,426,310
30	9101**†	2040 Market Street	Philadelphia	19103	257,445	\$40.22	\$10,355,282
31	0920†	Quakertown Plaza, 1465 West Broad Street	Quakertown	18951	245,297	\$42.00	\$10,301,396
32	0284**†	Bill Green's Shopping Center, 10 Old Clairton Road	Pittsburgh	15236	221,728	\$46.04	\$10,207,557
33	6716**†	West Manchester Town Center, 880 Town Center Drive	York	17408	242,427	\$41.86	\$10,148,877
34	2301*	Lawrence Park Industrial Center, 629 Parkway Drive	Broomall	19008	7,436	\$1,356.37	\$10,085,991
35	4613**†	935 Old York Road	Jenkintown	19046	179,800	\$55.86	\$10,044,067
36	0232**†	McIntyre Square, 3080 McIntyre Square Drive	Pittsburgh	15237	199,415	\$50.00	\$9,969,925
37	5154**†	1112 Chestnut Street	Philadelphia	19107	242,102	\$41.03	\$9,932,437
38	0245**†	330 East Waterfront Drive	Homestead	15120	232,889	\$42.43	\$9,881,295
39	2514**†	Yorktown Centre, 2501 West 12th Street	Erie	16505	177,502	\$55.30	\$9,816,634
40	4817*	3084 Emrick Boulevard	Bethlehem	18020	8,744	\$1,092.47	\$9,552,546

* Licensee Service Center ** Remodeled † Premium Collection ^ E-Commerce Fulfillment Center † Taste & Learn Center

APPENDIX

RANK	STORE	ADDRESS	CITY	ZIP CODE	TRANSACTION COUNT	AVG VALUE OF TRANSACTION	DOLLAR SALES
41	2211**†	1158 Mae Street	Hummelstown	17036	146,095	\$65.11	\$9,512,111
42	2310†	149 Baltimore Pike	Springfield	19064	247,276	\$38.07	\$9,412,730
43	4814†	Northampton Crossings, 3718 Easton-Nazareth Highway	Easton	18045	187,111	\$50.04	\$9,362,603
44	1501**†	132 Woodcutter Street	Exton	19341	169,047	\$55.30	\$9,347,855
45	3616*	1190 Dillerville Road	Lancaster	17601	10,874	\$856.91	\$9,318,013
46	9205†	1602 Cochran Road	Pittsburgh	15220	185,734	\$49.75	\$9,240,811
47	6518**†	Norwin Hills Shopping Center, 8775 Norwin Avenue	Irwin	15642	200,995	\$45.95	\$9,236,174
48	4653**†	Centre Square Commons, 984 Dekalb Pike	Blue Bell	19422	139,580	\$66.01	\$9,213,220
49	4632**†	Gwynedd Crossing, 1210 Bethlehem Pike	North Wales	19454	168,914	\$54.47	\$9,201,373
50	0625**†	Town Square Plaza, 4110 North Fifth Street Highway	Temple	19560	185,724	\$49.44	\$9,181,485
51	4502†	Pocono Village Mall, 3430 Route 940	Mount Pocono	18344	225,970	\$40.55	\$9,163,414
52	3925**†	2560 Macarthur Road	Whitehall	18052	200,010	\$45.27	\$9,054,788
53	0929**†	4275 County Line Road	Chalfont	18914	186,757	\$47.99	\$8,962,958
54	3622**†	Shoppes at Kissel Village, 1036 Lititz Pike	Lititz	17543	182,107	\$48.89	\$8,902,463
55	4654**†	15 West Germantown Pike	Norristown	19401	186,945	\$46.86	\$8,760,932
56	4657**†	Metroplex Mall, 2430 Chemical Road	Plymouth Meeting	19462	159,361	\$54.85	\$8,741,473
57	1528**†	Paoli Shopping Center, 17-19 Leopard Road	Paoli	19301	149,805	\$58.25	\$8,726,572
58	0215*	1601 Liberty Avenue	Pittsburgh	15222	9,378	\$927.55	\$8,698,573
59	1516†	933 Paoli Pike	West Chester	19380	205,705	\$41.74	\$8,587,150
60	1527**†	821 West Lancaster Avenue	Wayne	19087	130,639	\$65.71	\$8,584,708
61	1533**†	Phoenixville Plaza, 700 Nutt Road	Phoenixville	19460	184,930	\$46.22	\$8,546,682
62	6711**†	Hanover Crossing, 431 Eisenhower Drive	Hanover	17331	182,483	\$46.79	\$8,539,062
63	9118**	Ivyridge Shopping Center, 7146 Ridge Avenue	Philadelphia	19128	214,208	\$39.51	\$8,464,254
64	4647**	237 Harleysville Pike, Route 113	Harleysville	19438	183,502	\$46.08	\$8,455,236
65	3918†	Promenade Shops at Saucon Valley, 3060 Center Valley Pkwy.	Center Valley	18034	129,513	\$64.95	\$8,411,742
66	4614**†	119 West City Avenue	Bala Cynwyd	19004	211,533	\$39.67	\$8,391,738
67	2101**†	Carlisle Marketplace, 281 South Spring Garden Street	Carlisle	17013	212,491	\$39.43	\$8,379,410
68	4648**†	160 Market Street	Collegeville	19426	144,647	\$57.34	\$8,293,817
69	4306**	Hermitage Towne Plaza, 2321 East State Street	Hermitage	16148	191,690	\$42.94	\$8,231,948
70	0604**	4721 Perkiomen Avenue	Reading	19606	189,379	\$42.69	\$8,084,112
71	0222*	98 Vanadium Road	Bridgeville	15017	7,057	\$1,143.59	\$8,070,280
72	5146**	3903 Aramingo Avenue	Philadelphia	19137	204,873	\$39.32	\$8,056,464
73	6517†	Westmoreland Mall, 5280 Route 30	Greensburg	15601	141,507	\$56.86	\$8,045,948
74	5191**	2401 Vare Avenue	Philadelphia	19145	235,541	\$34.04	\$8,018,904
75	2516**	Liberty Plaza, 3702 Liberty Street	Erie	16508	225,903	\$35.18	\$7,948,161
76	0286**†	Pines Plaza, 1130 Perry Highway #20	Pittsburgh	15237	145,713	\$54.30	\$7,912,191
77	3924**†	750 North Krocks Road	Allentown	18106	146,208	\$53.91	\$7,882,253
78	5133**†	401 Franklin Mills Circle	Philadelphia	19154	208,551	\$37.78	\$7,878,136
79	4001**	Wilkes-Barre Township Marketplace, 2136 Wilkes-Barre Boulevard	Wilkes-Barre	18702	187,240	\$41.81	\$7,828,598
80	3625**†	Centerville Square, 558 Centerville Road	Lancaster	17601	184,916	\$42.26	\$7,813,989
81	0912**†	Logan Square, 6542-J Lower York Road	New Hope	18938	99,555	\$78.45	\$7,810,167

* Licensee Service Center ** Remodeled † Premium Collection ‡ Taste & Learn Center

APPENDIX

RANK	STORE	ADDRESS	CITY	ZIP CODE	TRANSACTION COUNT	AVG VALUE OF TRANSACTION	DOLLAR SALES
82	2341**†	3735 West Chester Pike	Newtown Square	19073	135,462	\$57.62	\$7,804,726
83	4819**†	Madison Farms Retail Center, 4817 Freemansburg Ave.	Easton	18045	173,571	\$44.88	\$7,789,643
84	4110**†	Loyal Plaza, 1939 East Third Street	Williamsport	17701	166,901	\$46.59	\$7,776,304
85	1010	206 Seven Fields Boulevard	Seven Fields	16046	154,122	\$50.37	\$7,762,487
86	0298**†	Chartiers Valley Shopping Center, 1025 Washington Pike	Bridgeville	15017	157,821	\$49.12	\$7,752,301
87	0945**†	Addisville Commons, 890 Second Street Pike	Richboro	18954	156,132	\$49.59	\$7,742,300
88	5112**†	2550 Grant Avenue	Philadelphia	19114	198,070	\$39.00	\$7,725,246
89	1529**†	Shoppes at Longwood Village, 855 East Baltimore Pike	Kennett Square	19348	138,015	\$55.48	\$7,657,323
90	2106**†	6560 Carlisle Pike	Mechanicsburg	17050	159,612	\$47.90	\$7,645,280
91	0709**†	Pleasant Valley Shopping Center, 3415 Pleasant Valley Blvd.	Altoona	16602	175,865	\$43.18	\$7,592,984
92	4501**†1	Pocono Plaza, 310 Lincoln Avenue	East Stroudsburg	18301	199,437	\$37.95	\$7,568,677
93	1530**†	Bradford Plaza, 692 Downingtown Pike	West Chester	19380	173,257	\$43.22	\$7,488,439
94	2324**	MacDade Plaza, 2143 MacDade Boulevard	Holmes	19043	214,212	\$34.75	\$7,443,420
95	2801†	Wayne Plaza, 987 Wayne Avenue	Chambersburg	17201	185,145	\$39.53	\$7,318,735
96	0941**	532 South Oxford Valley Road	Fairless Hills	19030	200,917	\$36.31	\$7,295,906
97	211**	East Penn Center, 736 Wertzville Road	Gibsonia	15044	160,460	\$45.45	\$7,292,830
98	5174**	Baker's Centre, 3413 Fox Street	Philadelphia	19129	203,453	\$35.80	\$7,282,916
99	1514**†	161 East Swedesford Road	Wayne	19087	147,196	\$49.01	\$7,214,597
100	0266**†	521 Beaver Street	Sewickley	15143	109,680	\$64.23	\$7,045,091
101	4652**	Upland Square, 260 Upland Square Drive	Pottstown	19464	180,725	\$38.85	\$7,021,984
102	2305**†	315 West Baltimore Avenue	Media	19063	142,777	\$48.96	\$6,990,671
103	2215**	The Point Shopping Center, 4227 Union Deposit Road	Harrisburg	17111	202,012	\$34.58	\$6,986,488
104	2320**	1305 West Chester Pike	Havertown	19083	165,883	\$42.02	\$6,971,090
105	0910**	Hilltown Plaza, 766 Route 113	Souderton	18964	172,167	\$40.32	\$6,942,106
106	6526**†	109 Blue Spruce Way	Murrysville	15668	129,567	\$53.55	\$6,937,682
107	1510**	Barley Station, 2715 East Lincoln Highway	Coatesville	19320	207,232	\$33.47	\$6,935,635
108	4658**†1	Ralphs Corner Shopping Center, 2333 Welsh Road	Lansdale	19446	139,597	\$48.89	\$6,825,415
109	6705**	Queensgate Towne Center, 2075 Springwood Road	York	17403	166,997	\$40.41	\$6,747,534
110	4511**	Kinsley Plaza, 107 Kinsley Drive	Brodheadsville	18322	183,742	\$36.67	\$6,738,736
111	3922**	Lehigh Shopping Center, 2154 West Union Boulevard	Bethlehem	18018	173,779	\$38.77	\$6,736,686
112	1903**	1005 Scott Town Center	Bloomsburg	17815	154,381	\$43.60	\$6,731,058
113	6401†	74 Welwood Avenue	Hawley	18428	116,596	\$57.44	\$6,696,940
114	2115**†	3725 Capital City Mall Drive	Camp Hill	17011	136,538	\$48.83	\$6,667,453
115	0101**†	Marshalls Plaza, 1275 York Road	Gettysburg	17325	147,148	\$45.26	\$6,659,861
116	5157**†	1237 South 11th Street	Philadelphia	19147	157,344	\$42.18	\$6,636,609
117	4622**	404 Huntingdon Pike	Rockledge	19046	172,693	\$38.24	\$6,603,519
118	0299**	Penn Hills Center, 11685 Penn Hills Drive	Pittsburgh	15235	200,657	\$32.66	\$6,554,452
119	5201**	106 West Harford Street	Milford	18337	149,420	\$43.71	\$6,530,686
120	4638**	123 South Easton Road	Glenside	19038	165,029	\$39.53	\$6,523,758
121	5167**	Lincoln Square, 1403 Washington Avenue	Philadelphia	19146	185,722	\$35.06	\$6,511,324
122	5161**†	1515 Locust Street	Philadelphia	19102	172,175	\$37.47	\$6,450,757

** Remodeled † Premium Collection 1 Taste & Learn Center

APPENDIX

RANK	STORE	ADDRESS	CITY	ZIP CODE	TRANSACTION COUNT	AVG VALUE OF TRANSACTION	DOLLAR SALES
123	6315**†	Donaldson's Crossroads Shopping Center, 3929 Washington Road	McMurray	15317	113,212	\$56.65	\$6,413,635
124	2334**†	Brandywine Mills, 1751 Wilmington Pike	Glen Mills	19342	112,643	\$56.25	\$6,335,886
125	3206**†	Townfair Plaza, 475 Ben Franklin South	Indiana	15701	156,598	\$40.19	\$6,293,343
126	4639**	Gilbertsville Shopping Center, 1050 East Philadelphia Ave.	Gilbertsville	19525	149,040	\$42.18	\$6,287,042
127	3801**	102 North Eighth Avenue	Lebanon	17046	169,578	\$37.06	\$6,284,087
128	0228**	Edgewood Towne Centre, 1749 South Braddock Ave.	Pittsburgh	15218	186,132	\$33.67	\$6,267,402
129	5160**	Hendrix Center, 11685 Bustleton Avenue	Philadelphia	19116	178,838	\$34.68	\$6,202,006
130	0939**	306 Easton Road	Warrington	18976	148,583	\$41.73	\$6,200,059
131	2343**†1	127 West Lancaster Avenue	Wayne	19087	100,050	\$61.83	\$6,186,035
132	0919**	2223 Galloway Road	Bensalem	19020	166,870	\$36.97	\$6,169,744
133	4655*	900 Forge Avenue	Norristown	19403	6,365	\$969.24	\$6,169,225
134	2501	Summit Towne Center, 7200 Peach Street	Erie	16509	135,932	\$45.34	\$6,163,060
135	5119**†	724 South Street	Philadelphia	19147	148,236	\$41.57	\$6,162,811
136	6714†	Shrewsbury Commons Shopping Center, 802 Shrewsbury Commons Avenue	Shrewsbury	17361	136,187	\$44.79	\$6,100,122
137	2220**†	Blue Mountain Commons, 2310 Linglestown Road	Harrisburg	17110	154,101	\$39.09	\$6,024,322
138	1003**	608 Moraine Pointe Plaza	Butler	16001	152,630	\$39.42	\$6,017,069
139	0932**†	1115 North Main Street	Warrington	18976	110,337	\$53.93	\$5,951,011
140	1506**	Ashbridge Square, 861 East Lancaster Avenue	Downingtown	19335	135,221	\$44.01	\$5,950,575
141	1412**†	127 Southridge Plaza	State College	16801	121,511	\$48.59	\$5,904,357
142	0267**	Moon Plaza, 5990 University Boulevard	Coraopolis	15108	148,259	\$39.68	\$5,883,012
143	0296**	5249 Library Road	Bethel Park	15102	155,004	\$37.41	\$5,798,507
144	0928**	The Shoppes at Flowers Mill, 118 North Flowers Mill Rd.	Langhorne	19047	151,105	\$38.26	\$5,781,154
145	4033**	Church Hill Mall, 1089 North Church Street	Hazleton	18201	134,909	\$42.81	\$5,775,964
146	0914**	Lower Southampton Village, 162 East Street Road	Feasterville	19053	148,095	\$38.85	\$5,753,689
147	6003**†	Penn House Commons, 310 North 10th Street	Lewisburg	17837	130,116	\$44.21	\$5,752,083
148	3615**	Bridgeport Shopping Center, 1622 Lincoln Highway East	Lancaster	17602	168,628	\$34.07	\$5,745,660
149	0915**	3920 New Falls Road	Bristol	19007	178,746	\$32.01	\$5,722,446
150	3522**	210 Meadow Avenue	Scranton	18505	165,020	\$34.56	\$5,703,466
151	5165**	2118 Cottman Avenue	Philadelphia	19149	165,307	\$34.26	\$5,664,098
152	4636†	1 Station Circle	Narberth	19072	108,409	\$52.11	\$5,649,578
153	3903	1918 West Allen Street	Allentown	18104	166,804	\$33.67	\$5,616,764
154	0415**	Rochester Plaza, 730 Ohio River Boulevard	Rochester	15074	141,670	\$39.37	\$5,577,873
155	4627**	Hillcrest Shopping Center, 644 East Main Street	Lansdale	19446	154,325	\$35.66	\$5,503,976
156	0290**	Noble Manor Shopping Center, 2350 Noblestown Road	Pittsburgh	15205	155,319	\$35.43	\$5,502,680
157	6523**	1038 Latrobe 30 Plaza	Latrobe	15650	136,139	\$40.29	\$5,484,656
158	4626**	2501 Main Street	Norristown	19403	148,437	\$36.51	\$5,419,872
159	5150**	4301 Chestnut Street	Philadelphia	19104	157,925	\$34.28	\$5,413,811
160	4003**†	2161 Memorial Highway	Dallas	18612	103,792	\$51.98	\$5,394,942
161	4635**	Regency Square, 1029 North Easton Road	Willow Grove	19090	135,204	\$39.70	\$5,367,581
162	3914**	Mountainville Plaza, 1620 South Fourth Street	Allentown	18103	151,710	\$35.15	\$5,332,339

* Licensee Service Center ** Remodeled † Premium Collection ‡ Taste & Learn Center

APPENDIX

RANK	STORE	ADDRESS	CITY	ZIP CODE	TRANSACTION COUNT	AVG VALUE OF TRANSACTION	DOLLAR SALES
163	4507	Blakeslee Plaza, 248 Route 940	Blakeslee	18610	123,506	\$43.09	\$5,322,118
164	3915	Westgate Mall, 2289 Schoenersville Road	Bethlehem	18017	138,561	\$38.10	\$5,278,752
165	0292**	North Hills Village Mall, 4801 McKnight Road	Pittsburgh	15237	140,502	\$37.36	\$5,248,901
166	5121**†	Top of the Hill Plaza, 8705 Germantown Avenue	Philadelphia	19118	111,395	\$46.93	\$5,228,066
167	2333**	Barclay Square, 1500 Garrett Road	Upper Darby	19082	161,630	\$32.23	\$5,208,944
168	0938**	Center Point Plaza, 748 West Street Road	Warminster	18974	145,442	\$35.69	\$5,191,312
169	4509	Tannersville Plaza, 2838 Route 611	Tannersville	18372	140,357	\$36.94	\$5,185,150
170	1404**	Hamilton Square Shopping Center, 230 W. Hamilton Ave.	State College	16801	100,587	\$51.34	\$5,164,203
171	6519**	Crossroads Plaza, 2501 Leechburg Road	Lower Burrell	15068	134,933	\$38.20	\$5,154,033
172	6404**	1199 Texas Palmyra Highway	Honesdale	18431	121,010	\$42.42	\$5,132,986
173	5111**	3720 Main Street	Philadelphia	19127	122,676	\$41.73	\$5,119,759
174	2331**†	5035 Township Line Road	Drexel Hill	19026	127,273	\$39.93	\$5,081,901
175	2342**†	1083 West Baltimore Pike	Media	19063	123,855	\$40.97	\$5,074,331
176	4006**	Luzerne Shopping Center, 472 Union Street	Luzerne	18709	131,577	\$38.43	\$5,055,943
177	0249**	519 Towne Square Way	Pittsburgh	15227	144,292	\$34.91	\$5,037,165
178	4642**	The Marketplace at Huntingdon Valley, 2080 County Line Road	Huntingdon Valley	19006	125,520	\$39.62	\$4,972,582
179	6524**	321 Tri-County Lane	Belle Vernon	15012	147,979	\$33.54	\$4,962,652
180	5193**	Penrose Plaza, 2900 Island Avenue	Philadelphia	19153	152,196	\$32.59	\$4,960,062
181	4608†	922 West Lancaster Avenue	Bryn Mawr	19010	97,656	\$50.51	\$4,932,861
182	4605**	Melrose Shopping Center, 103 West Cheltenham Ave.	Cheltenham	19012	143,605	\$34.30	\$4,925,090
183	1525**†	Lionville Shopping Center, 162 Eagleview Boulevard	Exton	19341	114,781	\$42.89	\$4,923,483
184	5126**	The Shops at Brewerytown, 3101 West Girard Avenue	Philadelphia	19130	142,183	\$34.44	\$4,896,974
185	0274**	Lebanon Shops, 300 Mount Lebanon Boulevard	Pittsburgh	15234	126,906	\$38.57	\$4,895,127
186	3904**	3300 Lehigh Street	Allentown	18103	120,742	\$40.22	\$4,856,362
187	0409**	Chippewa Center, 2580 Constitution Boulevard	Beaver Falls	15010	121,691	\$39.83	\$4,846,631
188	4640**	8156 Ogontz Avenue	Wyncote	19095	160,092	\$30.27	\$4,845,918
189	2332†	Lawrence Park, 1991 Sproul Road	Broomall	19008	123,069	\$39.37	\$4,845,011
190	1702**†	5720 Shaffer Road	Dubois	15801	115,285	\$41.90	\$4,830,043
191	1512**	Lincoln Court, 215 Lancaster Avenue	Malvern	19355	113,915	\$42.15	\$4,801,896
192	2327†	789 East Lancaster Avenue	Villanova	19085	78,116	\$60.85	\$4,753,079
193	0226**	132 Ben Avon Heights Road	Pittsburgh	15237	127,069	\$37.22	\$4,729,082
194	0615	Douglassville Shopping Center, 180 Old Swede Road	Douglassville	19518	122,603	\$38.57	\$4,729,052
195	4506	1060 North Ninth Street	Stroudsburg	18360	128,965	\$36.56	\$4,715,577
196	2110**	Stonehedge Square, 950 Walnut Bottom Road	Carlisle	17013	120,893	\$38.97	\$4,711,505
197	2001**†	Downtown Mall, 900 Water Street	Meadville	16335	124,295	\$37.74	\$4,690,442
198	5190**	7161 Ogontz Avenue	Philadelphia	19138	166,238	\$28.18	\$4,684,806
199	1508**	West Sadsbury Commons, 324 Commons Drive	Parkesburg	19365	136,400	\$34.33	\$4,682,990
200	4629**	Fairway Shopping Center, 1825 Limekiln Pike	Dresher	19025	123,593	\$37.72	\$4,661,349
201	4508*	Jay Park Plaza, Route 209, 288 Dartmouth Drive	Marshalls Creek	18335	3,122	\$1,492.08	\$4,658,279
202	2221*	990 Briarsdale Road	Harrisburg	17109	5,171	\$899.57	\$4,651,661

* Licensee Service Center ** Remodeled † Premium Collection

APPENDIX

RANK	STORE	ADDRESS	CITY	ZIP CODE	TRANSACTION COUNT	AVG VALUE OF TRANSACTION	DOLLAR SALES
203	2329**	Eddystone Crossings, 1562 Chester Pike	Eddystone	19022	150,978	\$30.73	\$4,638,943
204	4510	Fox Run Plaza, 232 Fox Run Lane	East Stroudsburg	18302	135,091	\$34.01	\$4,594,917
205	2610**	Fayette Plaza Shopping Center, 619 Pittsburgh Road	Uniontown	15401	95,920	\$47.86	\$4,590,900
206	6709**	The Crossroads, 351 Loucks Road	York	17404	123,218	\$37.25	\$4,589,408
207	0237**†1	339 Fifth Avenue	Pittsburgh	15222	145,993	\$31.27	\$4,565,281
208	2503**	Asbury Square, 2421 Asbury Road	Erie	16506	125,538	\$36.28	\$4,554,948
209	5502**	244 Marketplace Boulevard	Selinsgrove	17870	107,893	\$42.19	\$4,551,670
210	4804**	Stefko Center, 1844A Stefko Boulevard	Bethlehem	18017	130,117	\$34.94	\$4,545,739
211	0607**	1772 Tilden Ridge Drive	Hamburg	19526	107,925	\$42.10	\$4,543,935
212	4607**	132 East Butler Avenue	Ambler	19002	107,998	\$41.95	\$4,530,569
213	3923**	7801 Glenlivet West Drive	Fogelsville	18051	98,030	\$45.52	\$4,462,097
214	0602**	Rockland Plaza, 1100 Rockland Street	Reading	19604	131,260	\$33.74	\$4,429,282
215	4637	Audubon Village Shopping Center, 2860 Audubon Village Drive	Audubon	19403	117,592	\$37.66	\$4,428,357
216	3508**	70 Keystone Industrial Park Road	Dunmore	18512	124,084	\$35.51	\$4,406,711
217	2105**	Mechanicsburg Plaza, 5301 Simpson Ferry Road	Mechanicsburg	17050	127,923	\$34.44	\$4,406,179
218	4027**	Pittston Crossing, 320 Route 315 Highway	Pittston	18640	127,314	\$34.53	\$4,396,267
219	2339**	4934 Edgmont Avenue	Brookhaven	19015	144,753	\$30.20	\$4,371,290
220	6710**	Windsor Commons, 3159 Cape Horn Road	Red Lion	17356	134,433	\$32.47	\$4,365,658
221	0937	Oxford Oaks Shopping Center, 1601 Big Oak Road	Yardley	19067	122,631	\$35.56	\$4,360,846
222	0703**	202 Hollidaysburg Plaza	Duncansville	16635	108,816	\$39.75	\$4,324,910
223	9111**	Roosevelt Plaza, 6577 Roosevelt Boulevard	Philadelphia	19149	136,776	\$31.37	\$4,291,309
224	3608**	Manor Shopping Center, 1234 Millersville Pike	Lancaster	17603	146,297	\$29.29	\$4,285,181
225	4611**	Park Towne Plaza Shopping Center, 301 North Lewis Rd.	Royersford	19468	133,618	\$31.99	\$4,275,021
226	5134**	32 South Second Street	Philadelphia	19106	93,153	\$45.87	\$4,272,690
227	6527**	Hollywood Square, 6750 Hollywood Boulevard	Delmont	15626	109,997	\$38.84	\$4,271,920
228	6720**	406 North US 15	Dillsburg	17019	102,260	\$41.68	\$4,262,428
229	4032	12 Diana Lane	West Hazleton	18202	87,768	\$48.16	\$4,227,019
230	0280**	2800 Robinson Boulevard	Pittsburgh	15235	142,497	\$29.58	\$4,215,456
231	4656**	Pennsburg Square Shopping Center, 456 Pottstown Ave.	Pennsburg	18073	110,815	\$37.94	\$4,204,324
232	5169	1935 Fairmount Avenue	Philadelphia	19130	113,895	\$36.59	\$4,167,601
233	0906**	Pennsbury Plaza Shopping Center, 229 Plaza Boulevard	Morrisville	19067	130,933	\$31.74	\$4,156,099
234	6302**	43 East Pike Street	Canonsburg	15317	113,486	\$36.51	\$4,143,039
235	5142	Plaza Americana, 2717 North American Street	Philadelphia	19133	133,635	\$30.90	\$4,128,846
236	5195**	7702 City Avenue	Philadelphia	19151	124,290	\$33.12	\$4,116,182
237	6403**	Hamlin Shopping Plaza, 569 Route 590	Hamlin	18427	102,970	\$39.96	\$4,114,226
238	0272**	233 Shiloh Street	Pittsburgh	15211	103,360	\$39.77	\$4,110,962
239	2302	128 South 69th Street	Upper Darby	19082	143,560	\$28.54	\$4,097,403
240	4606†	Maple Glen Shopping Center, 1973 Norristown Road	Maple Glen	19002	75,687	\$54.07	\$4,092,257
241	0942**	Levittown Town Center, 179B Levittown Parkway	Levittown	19055	131,406	\$31.11	\$4,088,340
242	6201	44 Market Street	Warren	16365	110,920	\$36.85	\$4,086,887

** Remodeled † Premium Collection † Taste & Learn Center

APPENDIX

RANK	STORE	ADDRESS	CITY	ZIP CODE	TRANSACTION COUNT	AVG VALUE OF TRANSACTION	DOLLAR SALES
243	5602**	Somerset Commons, 1534 North Center Avenue	Somerset	15501	98,643	\$41.42	\$4,085,608
244	4651**	Village Mall, 200 Blair Mill Road	Horsham	19044	130,678	\$31.09	\$4,062,394
245	3619**	2600 Willow Street Pike North	Willow Street	17584	109,814	\$36.94	\$4,056,721
246	3916**	The Shoppes at Trexler, 6900 Hamilton Boulevard	Trexlerstown	18087	108,371	\$37.16	\$4,027,244
247	4004*	1492 Highway 315	Wilkes-Barre	18702	3,405	\$1,181.12	\$4,021,723
248	5116**	101 East Olney Avenue	Philadelphia	19120	129,321	\$30.96	\$4,003,215
249	0608**	Springtown Shopping Center, 2671 Shillington Road	Sinking Spring	19608	106,891	\$37.30	\$3,987,308
250	3611**	1575 South Market Street	Elizabethtown	17022	118,042	\$33.61	\$3,967,757
251	5114**	8844 Frankford Avenue	Philadelphia	19136	137,474	\$28.67	\$3,941,016
252	5143	2429 South Street	Philadelphia	19146	99,512	\$39.45	\$3,926,135
253	0278**	4065 Butler Street	Pittsburgh	15201	103,080	\$38.02	\$3,919,257
254	2511**	737 East 38th Street	Erie	16504	123,715	\$31.49	\$3,895,648
255	0414	1476 Old Brodhead Road	Monaca	15061	88,452	\$44.03	\$3,894,894
256	0256**	1020 Village Center Drive	Tarentum	15084	97,788	\$39.82	\$3,894,139
257	1002**	Northgate Plaza, 115 Perry Highway	Harmony	16037	98,175	\$39.59	\$3,886,979
258	4659**†1	The Promenade at Upper Dublin, 204 Concourse Blvd.	Dresher	19025	68,698	\$56.46	\$3,878,747
259	0605**	Village Square Plaza, 45 Constitution Boulevard	Kutztown	19530	98,664	\$39.23	\$3,870,704
260	5141**	4906-4908 Baltimore Avenue	Philadelphia	19143	129,280	\$29.88	\$3,863,125
261	1523**	Shoppes at Dilworthtown Crossing, 1363 Dilworthtown Rd.	West Chester	19382	78,967	\$48.89	\$3,860,976
262	1118**	Geistown Shopping Center, 2451 Bedford Street	Johnstown	15904	110,583	\$34.88	\$3,856,942
263	4807**	Creekside Market Plaza, 1848 Leithsville Road	Hellertown	18055	99,532	\$38.71	\$3,852,516
264	0503**	9613 Lincoln Highway	Bedford	15522	85,900	\$44.71	\$3,840,204
265	2103**	109 South Conestoga Drive	Shippensburg	17257	114,989	\$33.33	\$3,832,306
266	3520**	Green Ridge Plaza, 1610 Nay Aug Avenue	Scranton	18509	121,347	\$31.57	\$3,830,966
267	0238	Shady Hill Center, 6320 Shakespeare Street	Pittsburgh	15206	155,831	\$24.57	\$3,829,085
268	2312**	920 East Baltimore Avenue	Lansdowne	19050	116,953	\$32.63	\$3,815,673
269	4401**	129 South Main Street	Lewistown	17044	111,205	\$34.31	\$3,815,452
270	5173**	Woodland Village Plaza, 6036 Woodland Avenue	Philadelphia	19142	144,906	\$26.31	\$3,812,120
271	3711**	Union Square Shopping Center, 2507 West State St.	New Castle	16101	106,380	\$35.80	\$3,808,706
272	6715**	Newberry Pointe, 180 Newberry Parkway	Etters	17319	103,096	\$36.60	\$3,773,011
273	0410**	Aliquippa Shopping Center, 2719 Brodhead Road	Aliquippa	15001	96,571	\$38.97	\$3,763,778
274	1518**	Marketplace at Westtown, 1502 West Chester Pike	West Chester	19382	102,734	\$36.62	\$3,762,102
275	0927**	Plumstead Square, 5837 Easton Road	Pipersville	18947	96,385	\$38.91	\$3,750,310
276	2519**	Giant Eagle Plaza, 4058 Buffalo Road	Erie	16510	102,961	\$36.29	\$3,736,324
277	0944**†	Buttonwood Park Place, 7 Buttonwood Drive	Yardley	19067	73,084	\$50.93	\$3,722,069
278	3802**	1737 Quentin Road	Lebanon	17042	86,099	\$43.18	\$3,717,879
279	3503**	1520 South Main Avenue	Scranton	18504	118,295	\$31.32	\$3,704,807
280	1522**	Suburbia Shopping Center, 76 Glocker Way	Pottstown	19465	90,443	\$40.88	\$3,697,481
281	0282**	Oak Park Mall, 2001 Lincoln Way	White Oak	15131	106,483	\$34.65	\$3,689,758
282	4701	144 Continental Boulevard	Danville	17821	91,377	\$40.31	\$3,683,572
283	3803**	Palmyra Shopping Center, 901 East Main Street	Palmyra	17078	100,231	\$36.66	\$3,674,305

* Licensee Service Center ** Remodeled † Premium Collection 1 Taste & Learn Center

APPENDIX

RANK	STORE	ADDRESS	CITY	ZIP CODE	TRANSACTION COUNT	AVG VALUE OF TRANSACTION	DOLLAR SALES
284	6601**	600 Hunter Highway	Tunkhannock	18657	93,086	\$39.07	\$3,637,032
285	3710**	3326 Wilmington Road	New Castle	16105	99,756	\$36.18	\$3,608,867
286	9213**	2356 Golden Mile Highway	Pittsburgh	15239	107,602	\$33.36	\$3,589,135
287	3908	199 West Main Street	Macungie	18062	96,306	\$37.13	\$3,575,522
288	1521**	Brandywine Village, 1239 Horseshoe Pike, Route 322	Downingtown	19335	88,752	\$40.27	\$3,573,645
289	2502**	105 West 18th Street	Erie	16501	115,709	\$30.86	\$3,570,639
290	4035**	223 S Mountain Boulevard	Mountain Top	18707	85,451	\$41.70	\$3,563,019
291	0224**	1824 Murray Avenue	Pittsburgh	15217	105,176	\$33.80	\$3,554,787
292	0946**	Marketplace at Neshaminy, 680 Rockhill Drive	Bensalem	19020	100,796	\$35.18	\$3,546,457
293	2217**	Swatara Square, 6301 Grayson Road	Harrisburg	17111	105,281	\$33.68	\$3,546,374
294	3610**	Muddy Creek Shoppes, 2350 North Reading Road	Denver	17517	86,087	\$41.12	\$3,539,997
295	1108**	300 Walmart Drive	Ebensburg	15931	92,887	\$38.05	\$3,534,045
296	1120**	1910 Minno Drive	Johnstown	15905	95,863	\$36.83	\$3,530,576
297	0623**	100 Kenhorst Plaza, 1895 New Holland Road	Reading	19607	90,038	\$39.12	\$3,522,202
298	3617	Wheatland Center, 1761A Columbia Avenue	Lancaster	17603	100,394	\$34.87	\$3,500,674
299	2201**	Kline Plaza, 29 Kline Village	Harrisburg	17104	133,680	\$26.18	\$3,499,894
300	4815	Forks Town Center, 341 Town Center Boulevard	Easton	18040	106,030	\$32.97	\$3,496,163
301	5158**	McKeown's Plaza, 6824 Rising Sun Avenue	Philadelphia	19111	122,587	\$28.37	\$3,477,987
302	2107	3760 Market Street	Camp Hill	17011	82,850	\$41.93	\$3,474,004
303	4026	26 Gateway Shopping Center	Edwardsville	18704	100,856	\$34.23	\$3,452,711
304	0308**	Franklin Village, 13 Franklin Village Mall	Kittanning	16201	90,492	\$38.09	\$3,446,933
305	0263**	418 East Ohio Street	Pittsburgh	15212	130,102	\$26.47	\$3,444,104
306	0203**	Braddock Hills Shopping Center, 230 Yost Boulevard	Pittsburgh	15221	114,467	\$30.00	\$3,433,598
307	2606**	140 Walnut Hill Road	Uniontown	15401	91,052	\$37.49	\$3,413,718
308	4308**	41 Pine Grove Square Drive	Grove City	16127	88,699	\$38.26	\$3,393,810
309	9114**	Adams And Tabor Center, 730 Adams Avenue	Philadelphia	19124	97,831	\$34.53	\$3,377,725
310	3620**	Main Street Center, 763 East Main Street	Mount Joy	17552	93,601	\$35.98	\$3,367,954
311	1407**	Weis Market Shopping Center, 178 Buckaroo Lane	Bellefonte	16823	86,386	\$38.85	\$3,355,973
312	0288**	Caste Village Shopping Center, 5301 Grove Road	Pittsburgh	15236	91,833	\$36.28	\$3,331,608
313	0917**	500 South Second Street Pike	Southampton	18966	84,628	\$39.29	\$3,324,735
314	3510**	Plaza 1500, 1531 Main Street	Peckville	18452	94,344	\$35.23	\$3,323,770
315	0250**	56 Highlands Mall	Natrona Heights	15065	93,393	\$35.40	\$3,305,922
316	0907	Edgewood Village Shopping Center, 635 Heacock Road	Yardley	19067	95,693	\$34.53	\$3,304,458
317	0285	Hampton Home Center, 4706 William Flynn Highway	Allison Park	15101	76,509	\$43.14	\$3,300,921
318	0201**	3239 Washington Pike	Bridgeville	15017	95,145	\$34.63	\$3,294,889
319	1520**	Ludwig's Village, 2910 Conestoga Road	Glenmoore	19343	66,705	\$49.35	\$3,291,875
320	2006**	19017 Park Avenue Plaza	Meadville	16335	71,813	\$45.77	\$3,287,225
321	0202**	River Town Shops, 90 Allegheny River Boulevard	Verona	15147	82,511	\$39.78	\$3,282,226
322	0901**	Hilltown Crossings, 1547 Bethlehem Pike	Hatfield	19440	96,413	\$33.92	\$3,270,004
323	4013**	South Main Plaza, 379 South Main Street	Wilkes-Barre	18701	114,076	\$28.62	\$3,264,853
324	3621**	Shoppes at Landis Valley, 2347 Oregon Pike	Lancaster	17601	80,152	\$40.54	\$3,249,663

** Remodeled

RANK	STORE	ADDRESS	CITY	ZIP CODE	TRANSACTION COUNT	AVG VALUE OF TRANSACTION	DOLLAR SALES
325	5401**	530 Pottsville Park Plaza, Route 61 North	Pottsville	17901	93,017	\$34.84	\$3,240,672
326	3902**	5041 Route 873	Schnecksville	18078	90,701	\$35.67	\$3,235,045
327	3920	East Penn Plaza, 1325 Chestnut Street	Emmaus	18049	85,062	\$37.96	\$3,228,750
328	2518**	Washington Towne Plaza, 140 Washington Towne Blvd.	Edinboro	16412	89,011	\$36.24	\$3,225,947
329	4805	1910 Center Street	Northampton	18067	92,834	\$34.68	\$3,219,594
330	5101**	135 West Cheltenham Avenue	Philadelphia	19144	136,102	\$23.50	\$3,198,875
331	6525**	6041 Route 30	Greensburg	15601	91,004	\$34.91	\$3,177,262
332	0264	Shaler Plaza, 880 Butler Street	Pittsburgh	15223	91,035	\$34.74	\$3,162,344
333	2206**	Midtown Plaza, 430 East Main Street	Middletown	17057	105,085	\$30.09	\$3,161,524
334	2805**	Lincoln Way East, 1660 Lincoln Way East	Chambersburg	17201	98,630	\$32.04	\$3,159,900
335	6507**	613 West Main Street	Ligonier	15658	53,862	\$58.65	\$3,159,256
336	5145**	5235 Frankford Avenue	Philadelphia	19124	143,152	\$21.98	\$3,147,052
337	6308*	102 Four Coins Drive	Canonsburg	15317	4,115	\$761.30	\$3,132,759
338	1406**	The Benner Pike Shops, 323 Benner Pike	State College	16801	80,462	\$38.86	\$3,126,860
339	1801	137 East Main Street	Lock Haven	17745	73,663	\$42.39	\$3,122,783
340	3504	529 Main Street	Childs	18407	77,515	\$40.21	\$3,117,230
341	5138**	7204 Germantown Avenue	Philadelphia	19119	97,636	\$31.92	\$3,116,757
342	5105	5 North 12th Street	Philadelphia	19107	135,094	\$23.04	\$3,113,122
343	3521**	921 Drinker Turnpike	Covington Township	18444	84,733	\$36.37	\$3,081,688
344	1509**	Shoppes at Jenners Village, 853 West Baltimore Pike	West Grove	19390	84,900	\$36.22	\$3,074,684
345	9206**	Kenmawr Plaza, 510 Pine Hollow Road	McKees Rocks	15136	87,777	\$34.99	\$3,070,891
346	3603**	Columbia Shopping Center, 36 South 18th Street	Columbia	17512	99,222	\$30.74	\$3,049,616
347	0234**	West View Park Shopping Center, 1012 West View Park Drive	Pittsburgh	15229	92,499	\$32.53	\$3,008,561
348	1531**†	London Grove Village, 775 Gap Newport Pike	Avondale	19311	73,489	\$40.58	\$2,982,092
349	9108**	Pennypack Circle Shopping Center, 8204 East Roosevelt Boulevard	Philadelphia	19152	108,033	\$27.51	\$2,971,652
350	4201**	38 Davis Street	Bradford	16701	83,253	\$35.52	\$2,956,784
351	3618	Clock Tower Plaza, 2846 Main Street	Morgantown	19543	79,902	\$36.72	\$2,934,108
352	0603	Sinking Spring Plaza, 4880 Penn Avenue	Sinking Spring	19608	72,618	\$40.39	\$2,933,114
353	1005**	110 Bon Aire Plaza	Butler	16001	77,359	\$37.45	\$2,897,465
354	0931**	341 Dublin Pike	Perkasie	18944	71,022	\$40.58	\$2,881,837
355	5189**	2807 South Front Street	Philadelphia	19148	76,668	\$37.51	\$2,875,434
356	3604	31 West Main Street	Ephrata	17522	82,191	\$34.85	\$2,864,249
357	6703	Grandview, 1446 Baltimore Street	Hanover	17331	81,065	\$35.30	\$2,861,535
358	3101**	7657 Lake Raystown Shopping Center	Huntingdon	16652	75,490	\$37.40	\$2,823,453
359	9212**	Penn Lincoln Center, 440 Penn Lincoln Drive	Imperial	15126	69,826	\$40.36	\$2,818,372
360	0933**	Buckingham Green, 4950 Old York Road	Holicong	18928	54,302	\$51.52	\$2,797,891
361	2208**	Uptown Plaza, 2943 North Seventh Street	Harrisburg	17110	110,024	\$25.25	\$2,778,405
362	0801**	2323 North Elmira Street	Sayre	18840	78,412	\$35.40	\$2,775,674
363	5132**	4229 North Broad Street	Philadelphia	19140	98,858	\$27.91	\$2,759,440
364	1901**	35 Briar Creek Plaza	Berwick	18603	69,570	\$39.61	\$2,755,957

* Licensee Service Center ** Remodeled † Premium Collection

APPENDIX

RANK	STORE	ADDRESS	CITY	ZIP CODE	TRANSACTION COUNT	AVG VALUE OF TRANSACTION	DOLLAR SALES
365	0294	Olympia Shopping Center, 4313 Walnut Street	McKeesport	15132	86,981	\$31.63	\$2,751,618
366	4810	Bethlehem Square, 3926 Nazareth Pike	Bethlehem	18020	81,001	\$33.87	\$2,743,279
367	9210	Community Plaza, 1103 Milltown Road	Verona	15147	84,940	\$32.11	\$2,727,023
368	5202**	Village Center at Lords Valley, 123 Village Center Drive	Lords Valley	18428	75,183	\$36.24	\$2,724,389
369	4007**	13 Weis Plaza	Nanticoke	18634	85,341	\$31.48	\$2,686,515
370	0295**	Great Valley Mart, 355 Lincoln Highway	North Versailles	15137	94,636	\$28.38	\$2,685,766
371	4104	1274 East Penn Street	Muncy	17756	76,643	\$34.95	\$2,678,613
372	0242**	Haymaker Village Shops, 4524 Broadway Boulevard	Monroeville	15146	80,810	\$33.10	\$2,674,754
373	0218**	2947 West Liberty Avenue	Pittsburgh	15216	84,398	\$31.63	\$2,669,676
374	4813**	30 East Fourth Street	Bethlehem	18015	95,011	\$28.10	\$2,669,346
375	6509	208 Countryside Plaza	Mount Pleasant	15666	79,889	\$33.30	\$2,660,334
376	2603**	808 Vanderbilt Road	Connellsville	15425	73,213	\$36.12	\$2,644,315
377	1515**	Marchwood Center, 23 Marchwood Road	Exton	19341	67,527	\$39.04	\$2,636,125
378	0273**	3202 Brighton Road	Pittsburgh	15212	94,911	\$27.71	\$2,629,885
379	0916	Bristol Park, 238 Commerce Circle	Bristol	19007	86,868	\$30.21	\$2,624,672
380	0935**	Warwick Square, 2395 Old York Road	Jamison	18929	63,756	\$41.02	\$2,615,477
381	6528**	250 South Third Streret	Youngwood	15697	74,080	\$35.28	\$2,613,705
382	0624**	528 East Lancaster Avenue	Reading	19607	76,255	\$34.17	\$2,605,890
383	1308**	2 River Street	Jim Thorpe	18229	65,350	\$39.83	\$2,602,607
384	4816**	Wind Gap Plaza, 813 Male Road	Wind Gap	18091	79,052	\$32.86	\$2,597,343
385	4902**	The Plaza at Coal Township, 9345 State Route 61	Coal Township	17866	72,648	\$35.74	\$2,596,115
386	0904**	Perkasie Square, 511 Constitution Avenue	Perkasie	18944	79,235	\$32.61	\$2,583,997
387	2806**	Waynesboro Shopping Center, 642 East Main Street	Waynesboro	17268	74,048	\$34.73	\$2,571,454
388	3601**	New Holland Shopping Center, 681 West Main Street	New Holland	17557	72,179	\$35.39	\$2,554,483
389	4801**	Walnutport Shopping Center, 200C South Best Avenue	Walnutport	18088	68,553	\$37.02	\$2,537,730
390	1006**	340 Greater Butler Mart	Butler	16001	65,625	\$38.59	\$2,532,379
391	1304**	143 South Street	Lehighton	18235	66,104	\$38.25	\$2,528,761
392	4017**	Plains Plaza, 217 Plains Plaza	Plains	18705	69,865	\$36.09	\$2,521,147
393	6704**	East Manchester Village Center, 205 Glen Drive	Manchester	17345	72,141	\$34.17	\$2,464,850
394	0216**	102 East Main Street	Carnegie	15106	76,373	\$32.26	\$2,463,516
395	6102**	541 Allegheny Boulevard	Franklin	16323	65,179	\$37.65	\$2,453,678
396	0236**	820 McKeesport Road	Elizabeth	15037	65,816	\$37.15	\$2,444,753
397	4034	1008 Wyoming Avenue	Wyoming	18644	67,697	\$36.08	\$2,442,385
398	3907	The Shops at Cedar Point, 333 South Cedar Crest Blvd.	Allentown	18103	67,095	\$36.17	\$2,426,757
399	0206**	136 McKees Rocks Plaza, 409 Chartiers Avenue	McKees Rocks	15136	89,013	\$27.25	\$2,425,782
400	5120**	Academy Plaza, 3246 Red Lion Road	Philadelphia	19114	81,835	\$29.64	\$2,425,239
401	0210	The Bavarian Village, 2550 Brownsville Road	South Park	15129	63,702	\$38.07	\$2,425,083
402	2601**	111 West Fayette Street	Uniontown	15401	68,077	\$35.56	\$2,420,493
403	0617**	Tulpehocken Village, 430 North Third Street	Womelsdorf	19567	68,922	\$35.03	\$2,414,375
404	3626**	2350 Lincoln Highway East	Lancaster	17602	65,875	\$36.35	\$2,394,597
405	4025**	Valley Plaza, 653 State Route 93	Conyngham	18219	62,038	\$38.56	\$2,392,285

** Remodeled

APPENDIX

RANK	STORE	ADDRESS	CITY	ZIP CODE	TRANSACTION COUNT	AVG VALUE OF TRANSACTION	DOLLAR SALES
406	1009**	240 Buffalo Plaza	Sarver	16055	58,315	\$40.95	\$2,387,973
407	4633†	Allen Forge Shopping Center, 850 South Valley Forge Rd.	Lansdale	19446	56,495	\$42.14	\$2,380,976
408	1102	East Hills Plaza, 1513 Scalp Avenue	Johnstown	15904	69,782	\$34.07	\$2,377,572
409	6708**	Fairview Center, 128 Old York Road	New Cumberland	17070	72,856	\$32.60	\$2,375,292
410	4303	Greenville Plaza, 100 Hadley Road	Greenville	16125	61,889	\$38.23	\$2,366,089
411	4102	Hepburn Center, 449 Hepburn Street	Williamsport	17701	76,649	\$30.69	\$2,352,106
412	3919	Towne Center, 4777 Tilghman Street	Allentown	18104	67,091	\$34.64	\$2,324,002
413	3505**	305 South Main Street	Old Forge	18518	61,379	\$37.51	\$2,302,278
414	5137**	5159 Lancaster Avenue	Philadelphia	19131	73,297	\$31.06	\$2,276,308
415	4803**	1375 Blue Valley Drive	Pen Argyl	18072	68,794	\$32.95	\$2,267,055
416	4809**	Bath Shopping Center, 362 South Walnut Street	Bath	18014	62,690	\$36.02	\$2,257,915
417	6516**	Penn Crossing Shopping Center, 2014 Penny Lane	Jeannette	15644	57,465	\$39.18	\$2,251,440
418	2317**	12 East Hinckley Avenue	Ridley Park	19078	73,646	\$30.54	\$2,249,376
419	0705**	Chestnut Plaza, 220 East Chestnut Avenue	Altoona	16601	75,997	\$29.57	\$2,247,588
420	2402**	St. Marys Plaza, 832 South St. Marys Road	St. Marys	15857	59,638	\$37.67	\$2,246,486
421	6514**	147 Columbia Avenue	Vandergrift	15690	61,159	\$36.73	\$2,246,111
422	3518**	Keyser Oak Plaza, 1762 North Keyser Avenue	Scranton	18508	72,796	\$30.85	\$2,245,646
423	6511**	Willowbrook Plaza, 4627 Route 51	Rostraver Township	15012	59,727	\$37.33	\$2,229,408
424	3806**	Cleona Square, 475 West Penn Avenue	Cleona	17042	60,201	\$37.00	\$2,227,571
425	0235**†	2001 Smallman Street	Pittsburgh	15222	32,090	\$69.31	\$2,224,290
426	0217**	1110 Fourth Avenue	Coraopolis	15108	70,509	\$31.49	\$2,220,354
427	3502	1512 Scranton Carbondale Highway	Dickson City	18508	55,777	\$39.46	\$2,200,948
428	0213**	217 Atwood Street	Pittsburgh	15213	83,478	\$26.28	\$2,193,842
429	4903**	Sunbury Plaza, 1135 North Fourth Street	Sunbury	17801	65,074	\$33.41	\$2,174,314
430	4028**	850 Sans Souci Parkway	Wilkes-Barre	18706	62,526	\$34.61	\$2,164,092
431	0261**	2629 Brownsville Road	Pittsburgh	15227	76,698	\$28.10	\$2,155,222
432	5408**	888 Gordon Nagle Triangle	Pottsville	17901	58,538	\$36.79	\$2,153,365
433	5903	16 Crafton Street	Wellsboro	16901	60,200	\$35.75	\$2,152,409
434	0707**	Valley View Shopping Center, 613 Pleasant Valley Blvd.	Altoona	16602	64,633	\$33.27	\$2,150,562
435	1705**	Clearfield Mall, 1824 Daisy Street	Clearfield	16830	63,926	\$33.52	\$2,142,714
436	0220**	624 Allegheny River Boulevard	Oakmont	15139	43,666	\$48.85	\$2,133,193
437	2111**	East Penn Center, 736 Wertzville Road	Enola	17025	59,635	\$35.52	\$2,118,457
438	6510**	Hillcrest Shopping Center, 3220 Leechburg Road	Lower Burrell	15068	60,788	\$34.74	\$2,111,604
439	1603**	78 Clarion Plaza	Clarion	16214	53,740	\$39.08	\$2,099,950
440	3001**	Widewaters Commons, 55 Sugar Run Road	Waynesburg	15370	64,614	\$32.49	\$2,099,431
441	4628†	Whitemarsh Shopping Center, 44 Ridge Pike	Conshohocken	19428	46,219	\$45.14	\$2,086,511
442	3605**	Manheim Shopping Center, 97 Doe Run Road	Manheim	17545	57,665	\$36.14	\$2,084,142
443	5402**	9 Gold Star Plaza	Shenandoah	17976	60,592	\$34.28	\$2,077,122
444	2108**	Summerdale Plaza, 443 North Enola Road	Enola	17025	62,196	\$33.22	\$2,066,132
445	2520**	Imperial Point, 9135 Ridge Road	Girard	16417	63,426	\$32.50	\$2,061,258
446	3701**	Lawrence Village Plaza, 2656 Ellwood Road	New Castle	16101	61,733	\$33.34	\$2,058,382

** Remodeled † Premium Collection

APPENDIX

RANK	STORE	ADDRESS	CITY	ZIP CODE	TRANSACTION COUNT	AVG VALUE OF TRANSACTION	DOLLAR SALES
447	2218	731 Cherry Drive	Hershey	17033	61,392	\$33.30	\$2,044,065
448	3702	729 Lawrence Avenue	Ellwood City	16117	55,021	\$36.94	\$2,032,334
449	5403**	141 North Railroad Street	Tamaqua	18252	55,611	\$36.54	\$2,032,167
450	6501	105 Harrison Avenue	Greensburg	15601	55,618	\$36.41	\$2,024,811
451	3602	252 North Queen Street	Lancaster	17603	80,265	\$25.08	\$2,012,930
452	0281**	1706 Mount Royal Boulevard	Glenshaw	15116	59,919	\$33.23	\$1,990,931
453	5802**	16750 State Route 706	Montrose	18801	48,078	\$41.32	\$1,986,725
454	4106	2067 Lycoming Creek Road	Williamsport	17701	65,594	\$30.15	\$1,977,895
455	2504**	10720 West Main Street	North East	16428	56,566	\$34.97	\$1,977,855
456	5108**	3250 North Broad Street	Philadelphia	19140	82,755	\$23.88	\$1,976,132
457	4806**	34 South Broad Street	Nazareth	18064	55,947	\$35.03	\$1,959,616
458	4107	803 North Loyalsock Avenue	Montoursville	17754	58,149	\$33.65	\$1,956,889
459	4301**	Sharon Center City Shopping Center, 120 S. Water Ave.	Sharon	16146	68,724	\$28.05	\$1,927,616
460	2515**	Perry Plaza, 2208 Broad Street	Erie	16503	74,378	\$25.84	\$1,922,238
461	5412**	515 Dock Street	Schuylkill Haven	17972	53,304	\$35.77	\$1,906,798
462	2517	3412 West Lake Road	Erie	16505	49,950	\$38.17	\$1,906,731
463	0279	722 Brookline Boulevard	Pittsburgh	15226	68,683	\$27.61	\$1,896,560
464	2204**	325 North Front Street	Steelton	17113	70,366	\$26.83	\$1,887,697
465	0252	4643 Centre Avenue	Pittsburgh	15213	69,682	\$27.07	\$1,886,571
466	0219**	Kennywood Shops, 1326 Hoffman Boulevard	West Mifflin	15122	68,157	\$27.57	\$1,878,898
467	0297	The Village Shopping Center, 1874 Homeville Road	West Mifflin	15122	57,301	\$32.71	\$1,874,183
468	2325**	Village Green Shopping Center, 3486 Concord Road	Aston	19014	57,918	\$32.34	\$1,872,978
469	0223**	129 Lincoln Avenue	Pittsburgh	15209	56,741	\$32.56	\$1,847,403
470	2513**	East Erie Plaza, 828 East Sixth Street	Erie	16507	75,071	\$24.55	\$1,843,323
471	5409**	Federal Square, 705 West Market Street	Orwigsburg	17961	39,960	\$45.81	\$1,830,489
472	4023**	801 Wyoming Avenue	West Pittston	18643	53,542	\$33.89	\$1,814,503
473	0802**	Colonial Plaza, 85 Reuter Boulevard	Towanda	18848	49,201	\$36.66	\$1,803,600
474	3523**	Hillside Plaza, 771 Scranton Carbondale Highway	Eynon	18403	49,296	\$36.44	\$1,796,391
475	4634**	2014 Old Arch Road	Norristown	19401	60,616	\$29.47	\$1,786,346
476	1008**	Slippery Rock Plaza, 223 Grove City Road	Slippery Rock	16057	52,468	\$33.97	\$1,782,223
477	2506**	Corry Plaza, 350 West Columbus Avenue	Corry	16407	49,281	\$36.16	\$1,781,947
478	0930**	Doylestown Pointe Plaza, 1661 Easton Road	Warrington	18976	47,546	\$37.31	\$1,773,727
479	6304**	105 Third Street	Charleroi	15022	51,745	\$34.08	\$1,763,395
480	2304**	Edgemont Square, 4839 West Chester Pike	Newtown Square	19073	41,397	\$42.31	\$1,751,507
481	5152**	Erie Plaza, 3772 L Street	Philadelphia	19124	59,847	\$29.14	\$1,743,752
482	3921	Airport Plaza, 1247 Airport Road	Allentown	18109	47,719	\$36.52	\$1,742,879
483	3524**	Shoppes at Montage, 2571 Shoppes Boulevard	Moosic	18507	34,334	\$50.50	\$1,733,831
484	1706**	Peebles Plaza, 1067 North Front Street	Philipsburg	16866	52,303	\$32.94	\$1,722,899
485	0402**	Green Garden Shopping Center, 3113 Green Garden Rd.	Hopewell Township	15001	50,305	\$34.15	\$1,717,670
486	0408	816 Third Avenue	New Brighton	15066	50,354	\$34.06	\$1,715,228
487	2002**	126 South Martin Street	Titusville	16354	53,111	\$32.16	\$1,708,027

** Remodeled

APPENDIX

RANK	STORE	ADDRESS	CITY	ZIP CODE	TRANSACTION COUNT	AVG VALUE OF TRANSACTION	DOLLAR SALES
488	2213**	3775 Peters Mountain Road	Halifax	17032	43,032	\$39.58	\$1,703,157
489	4503**	1152 Route 390	Cresco	18326	47,847	\$34.65	\$1,657,773
490	5905	187 North Main Street	Mansfield	16933	44,426	\$37.06	\$1,646,532
491	6506	656 West Main Street	Mount Pleasant	15666	25,360	\$64.57	\$1,637,490
492	4904**	Weis Market Shopping Center, 551 Mahoning Street	Milton	17847	51,550	\$31.49	\$1,623,280
493	0403	999 Merchant Street	Ambridge	15003	52,651	\$30.80	\$1,621,761
494	6306	245 West Main Street	Monongahela	15063	51,971	\$31.16	\$1,619,220
495	5003**	Crestview Plaza, 201 Fickes Lane	Newport	17074	39,099	\$40.52	\$1,584,196
496	5170**†1	The Granary, 411 North 20th Street	Philadelphia	19130	34,014	\$45.72	\$1,555,150
497	3302**	567 West Mahoning Street	Punxsutawney	15767	43,653	\$35.29	\$1,540,644
498	6103	17 Kimberly Lane	Cranberry	16319	47,552	\$32.30	\$1,536,028
499	6311	327 Third Street	California	15419	43,341	\$35.14	\$1,523,203
500	4304**	535 Greenville Road	Mercer	16137	41,032	\$36.82	\$1,510,832
501	5153**	2115 North 22nd Street	Philadelphia	19121	56,703	\$26.04	\$1,476,483
502	3202	575 Philadelphia Street	Indiana	15701	40,335	\$36.50	\$1,472,277
503	4103**	354 Allegheny Street	Jersey Shore	17740	42,629	\$34.49	\$1,470,110
504	0244**	739 Monongahela Avenue	Glassport	15045	51,471	\$28.55	\$1,469,509
505	4802**	111 Northampton Street	Easton	18042	48,000	\$30.45	\$1,461,824
506	0205	149 Fifth Avenue	McKeesport	15132	59,816	\$24.37	\$1,457,845
507	0212**	959 Liberty Avenue	Pittsburgh	15222	32,035	\$45.31	\$1,451,368
508	4002**	7 George Avenue	Wilkes-Barre	18705	49,268	\$28.84	\$1,420,765
509	1524**	Oxford Square, 449 North Third Street	Oxford	19363	43,283	\$32.09	\$1,388,925
510	2803**	Greencastle Market Place, 512 North Antrim Way	Greencastle	17225	45,232	\$30.70	\$1,388,496
511	9203**	3 Quaker Village Shopping Center	Leetsdale	15056	38,861	\$35.63	\$1,384,807
512	6305**	McDonald Plaza, 301 West Barr Street	McDonald	15057	41,079	\$33.62	\$1,381,199
513	6314	980 Jefferson Avenue	Washington	15301	47,087	\$29.26	\$1,377,578
514	6002**	30 East Chestnut Street	Mifflinburg	17844	40,763	\$33.74	\$1,375,481
515	6721**	One West, 9 West Market Street	York	17401	59,305	\$23.17	\$1,374,090
516	6101**	Seneca Street Plaza, 50 Seneca Street	Oil City	16301	40,318	\$33.61	\$1,355,029
517	0704**	1260 Pennsylvania Avenue	Tyrone	16686	40,206	\$33.01	\$1,327,343
518	5129**	1446 Point Breeze Avenue	Philadelphia	19146	59,782	\$22.09	\$1,320,448
519	5198**	Freedom Square, 5113 Germantown Avenue	Philadelphia	19144	53,784	\$24.48	\$1,316,707
520	0412	Northern Lights Shoppers City, 1603 State Street West	Baden	15005	40,922	\$32.17	\$1,316,625
521	1601**	800 Center, 845 Main Street	Clarion	16214	34,838	\$37.75	\$1,315,071
522	4109**	510 West Southern Avenue	South Williamsport	17702	42,205	\$30.88	\$1,303,227
523	3926**	Airport Point Shopping Center, 934 Airport Center Road	Allentown	18109	28,139	\$45.81	\$1,288,952
524	5603**	1607 Jefferson Avenue	Windber	15963	34,704	\$36.94	\$1,281,824
525	6504**	114 South Fifth Street	Jeannette	15644	36,674	\$34.66	\$1,271,300
526	3201**	215 East Market Street	Blairsville	15717	38,847	\$32.69	\$1,269,738
527	4604	212 East High Street	Pottstown	19464	52,695	\$23.79	\$1,253,675
528	0271	3408 Main Street	Munhall	15120	46,885	\$26.49	\$1,242,197

** Remodeled † Premium Collection 1 Taste & Learn Center

APPENDIX

RANK	STORE	ADDRESS	CITY	ZIP CODE	TRANSACTION COUNT	AVG VALUE OF TRANSACTION	DOLLAR SALES
529	3401**	4093 William Penn Highway	Mifflintown	17059	37,646	\$32.72	\$1,231,942
530	0616**	200 West First Street	Birdsboro	19508	41,073	\$29.87	\$1,226,999
531	4020**	White Haven Shopping Center, 501 Main Street	White Haven	18661	34,867	\$34.98	\$1,219,622
532	5413**	16 Tremont Road	Pine Grove	17963	32,445	\$36.78	\$1,193,393
533	0601	537 Penn Street	Reading	19601	54,748	\$21.72	\$1,189,316
534	6505**	328 Central City Plaza	New Kensington	15068	45,073	\$25.96	\$1,169,984
535	2202**	1200 North Third Street	Harrisburg	17102	46,346	\$24.80	\$1,149,520
536	3612**	Village at Gap, 5360 Lincoln Highway	Gap	17527	36,561	\$30.75	\$1,124,109
537	5301**	151 Route 6 West	Coudersport	16915	30,761	\$35.69	\$1,097,879
538	3301	160 Main Street	Brookville	15825	28,751	\$35.85	\$1,030,858
539	1104	101 Park Avenue	Cresson	16630	36,812	\$28.00	\$1,030,675
540	1101	426 Main Street	Johnstown	15901	41,790	\$24.05	\$1,005,014
541	0903**	8794 Easton Road	Ottsville	18942	23,048	\$43.32	\$998,358
542	4616**	100 Main Street	Schwenksville	19473	29,686	\$32.74	\$971,831
543	0265**	Deer Lakes Plaza, 908 Little Deer Creek Valley Road	Russellton	15076	25,865	\$37.39	\$967,001
544	2205**	529 Market Street	Lykens	17048	24,991	\$37.80	\$944,600
545	2004**	211 East Erie Street	Linesville	16424	22,967	\$40.96	\$940,715
546	4202	124 North Fraley Street	Kane	16735	24,053	\$37.21	\$895,120
547	4618**	504 West Marshall Street	Norristown	19401	34,152	\$25.94	\$886,008
548	1103**	910 Philadelphia Avenue	Northern Cambria	15714	23,087	\$37.76	\$871,739
549	5002	53 South Main Street	Duncannon	17020	25,774	\$33.64	\$867,153
550	0804**	41871 Route 6	Wyalusing	18853	25,765	\$33.55	\$864,324
551	3002**	Brodak Commons, 554 South 88 Road	Carmichaels	15320	27,644	\$30.23	\$835,705
552	2901**	Ayr Town Center, 362 South Second Street	McConnellsburg	17233	24,282	\$33.88	\$822,786
553	2219**	333 Market Street	Harrisburg	17101	44,117	\$18.38	\$810,957
554	1303	221 Delaware Avenue	Palmerton	18071	23,340	\$33.93	\$791,846
555	1301	46 West Ridge Street	Lansford	18232	26,433	\$29.07	\$768,327
556	2401**	305 North Broad Street	Ridgway	15853	19,422	\$39.52	\$767,574
557	6502**	313 Depot Street	Latrobe	15650	20,831	\$34.20	\$712,489
558	0270	3643 California Avenue	Pittsburgh	15212	25,781	\$27.62	\$712,084
559	2512**	66 North Main Street	Union City	16438	19,676	\$35.89	\$706,121
560	3102	25 West Water Street	Mt. Union	17066	24,751	\$27.65	\$684,416
561	0302	137 South Jefferson Street	Kittanning	16201	16,015	\$42.71	\$683,960
562	6307**	Kwik Stop Plaza, 2038 Smith Township Road	Burgettstown	15021	18,986	\$35.82	\$680,129
563	5701**	121 West Main Street	Dushore	18614	17,675	\$37.35	\$660,215
564	6312**	524 Front Street	Fredericktown	15333	16,392	\$37.78	\$619,211
565	2702**	644 Elm Street	Tionesta	16353	16,631	\$37.17	\$618,215
566	4901**	136 South Oak Street	Mount Carmel	17851	19,744	\$31.04	\$612,758
567	2509	Giant Eagle Plaza, 4466 Buffalo Road	Erie	16510	18,170	\$33.30	\$605,048
568	0803**	752 Canton Street	Troy	16947	15,819	\$36.49	\$577,306
569	5801	605 Main Street	Forest City	18421	16,507	\$34.61	\$571,365

** Remodeled

APPENDIX

RANK	STORE	ADDRESS	CITY	ZIP CODE	TRANSACTION COUNT	AVG VALUE OF TRANSACTION	DOLLAR SALES
570	1111**	3670 Portage Street	Portage	15946	16,558	\$33.68	\$557,644
571	6316	Washington Mall, 301 Oak Spring Road	Washington	15301	11,781	\$47.12	\$555,075
572	0303	163 Third Street	Leechburg	15656	14,526	\$38.04	\$552,633
573	6503**	925 Donner Avenue	Monessen	15062	19,046	\$28.29	\$538,873
574	1004**	102 Main Street	Petrolia	16050	11,472	\$46.42	\$532,587
575	2604**	1890 McClellandtown Road	Masontown	15461	16,157	\$32.35	\$522,708
576	1201	54 East Fourth Street	Emporium	15834	12,441	\$39.23	\$488,052
577	0405	508 Midland Avenue	Midland	15059	15,629	\$31.18	\$487,247
578	2804**	9 South Main Street	Mercersburg	17236	11,874	\$40.51	\$481,074
579	4204	66 West Mill Street	Port Allegany	16743	13,807	\$33.95	\$468,705
580	6508	310 Main Street	Irwin	15642	10,463	\$44.54	\$465,990
581	4203**	433 West Main Street	Smethport	16749	11,821	\$38.59	\$456,200
582	2701**	121 Chestnut Street	Marienville	16239	11,548	\$39.47	\$455,745
583	5904	126 West Main Street	Westfield	16950	10,439	\$43.21	\$451,100
584	5803	The Shops, 191 Erie Boulevard	Susquehanna	18847	14,096	\$31.49	\$443,912
585	1115	20th Ward Shopping Center, 358 North Sheridan Street	Johnstown	15906	16,587	\$26.32	\$436,524
586	2608**	3532 Pittsburgh Road	Perryopolis	15473	12,854	\$33.36	\$428,801
587	1602	452 Broad Street	New Bethlehem	16242	11,876	\$35.34	\$419,647
588	5302	15 West Street	Galeton	16922	10,671	\$37.92	\$404,697
589	1703**	821 Centennial Street	Houtzdale	16651	10,644	\$35.37	\$376,447
590	0502	600 Main Street	Saxton	16678	9,109	\$40.81	\$371,715
591	5404	630 Centre Street	Ashland	17921	10,670	\$31.04	\$331,168
592	1604**	506 Main Street	Knox	16232	7,180	\$45.57	\$327,200
593	6513	214 Fifth Street	Avonmore	15618	7,633	\$41.97	\$320,377
594	1803**	167 Seventh Street	Renovo	17764	8,148	\$38.67	\$315,116
595	3303**	445 Main Street	Brockway	15824	7,090	\$42.29	\$299,835
596	5406**	7 South Main Street	Mahanoy City	17948	7,470	\$34.89	\$260,623
597	1107	513 Chestnut Street	Conemaugh	15909	5,781	\$45.05	\$260,462
598	3203**	560 Franklin Street	Clymer	15728	6,494	\$38.57	\$250,503
599	5606**	212 Ohio Street	Boswell	15531	5,809	\$37.52	\$217,973
600	1704**	449 State Street	Curwensville	16833	6,687	\$32.26	\$215,752
601	2605	213 Penn Street	Point Marion	15474	5,698	\$36.30	\$206,823
602	5601**	686 Market Square	Meyersdale	15552	3,817	\$52.46	\$200,252
603	1403**	15 West Olive Street	Snow Shoe	16874	4,769	\$37.12	\$177,049
604	3305	410 Main Street	Reynoldsville	15851	4,719	\$34.31	\$161,932
605	6202	212 South Main Street	Sheffield	16347	4,602	\$33.96	\$156,266
606	3525**	63 South Main Street	Carbondale	18407	1,532	\$43.53	\$66,682

** Remodeled

These research notes document the sources and techniques used to create this annual report.

Finance reports were extracted in August 2021 using Oracle EBS, the PLCB's unaudited financial statements and supporting schedules for fiscal year 2020-21. Financial reporting excludes liquor tax and sales tax.

Merchandising reports were extracted on July 28, 2021, from the retail data warehouse using MS Power BI, followed by cleaning, coding and calculations to assess and verify data. Sales data from Oracle BI includes liquor tax but excludes sales tax. Additional data was pulled later, during the editing process, with analyses also incorporating records and data from other systems.

Mapping was done using ESRI ArcGIS software.

County-level reports include only retail stores, not licensee service centers or the e-commerce fulfillment center. This creates a representation of the county with only the stores present in the borders being accounted for.

Financial and merchandising reports use fiscal year calendar and totals unless specified otherwise, and exclude accessories, placeholders and fees as appropriate. Special order items were excluded from price segment reports because they are not classified by price segment. Wholesale reporting included in merchandising reports references wine expanded permits active at the end of the fiscal year.

Year-to-year comparisons were used for most reports, with share of sales as the other measure used. Analyses in the Marketing & Merchandising section of the report have customized date ranges and sales parameters with modification as necessary for purposes of presentation. For county sales and shares information, categories with less than 1% share were excluded.

Data is updated from year to year, and changes to sales data (including product returns accounting and modifications resulting from data reclassification) occur continuously throughout the year. Such updates and changes may result in data changes in subsequent and future extractions.

In order to be fiscally and environmentally responsible, the
Pennsylvania Liquor Control Board limits the printing of this document.

GET THE ANNUAL REPORT ONLINE AT

lcb.pa.gov