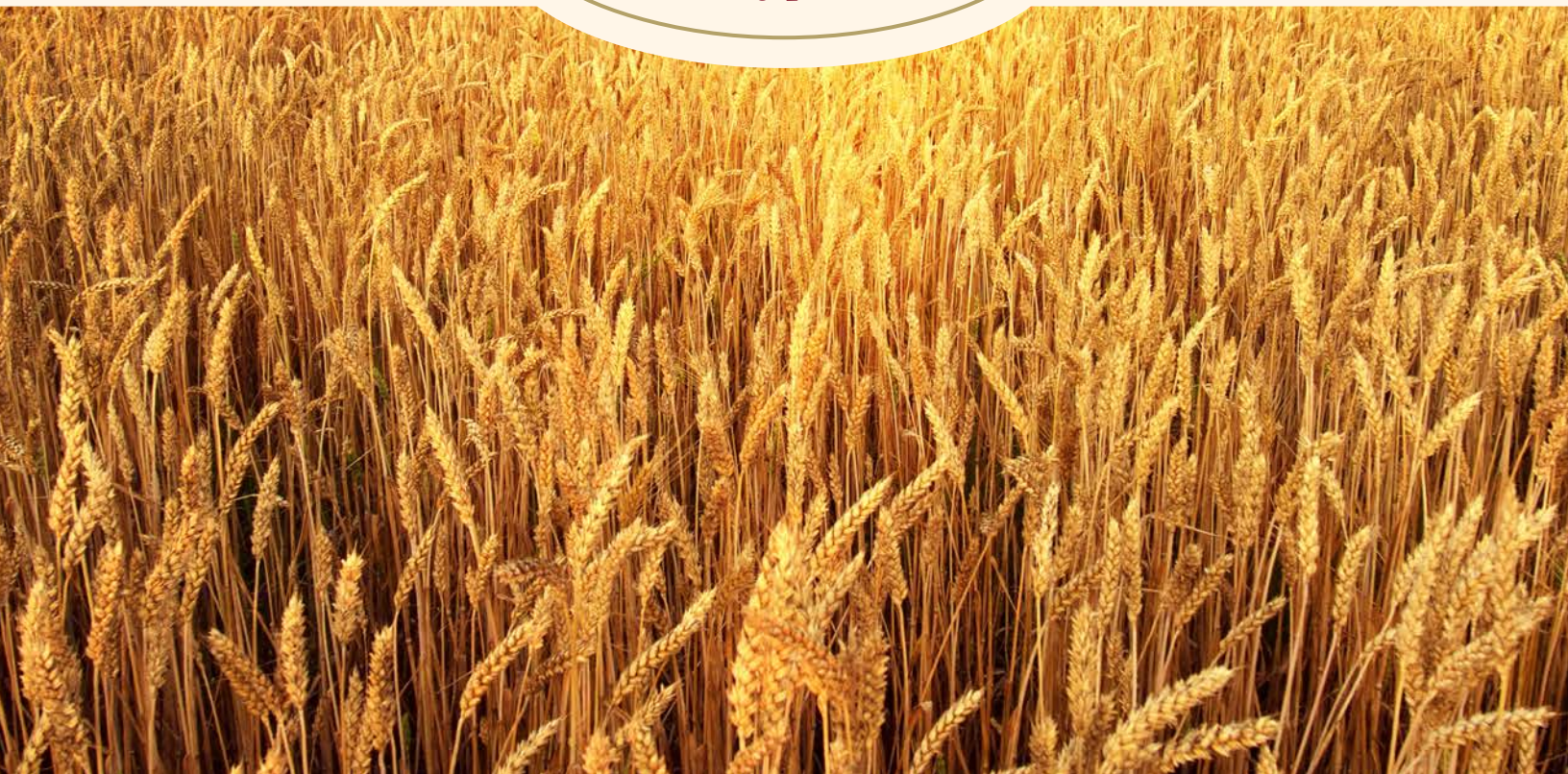


PENNSYLVANIA LIQUOR  
— FISCAL —  
ANNUAL 2021 2022 REPORT  
— YEAR —  
CONTROL BOARD



# 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.

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# MESSAGE FROM THE BOARD

Dear Fellow Pennsylvanians:

It is our pleasure to present to you the Pennsylvania Liquor Control Board's (PLCB) Fiscal Year 2021-22 Annual Report. This publication outlines the PLCB's operations, popular products and sales trends and shares financial results for the period of July 1, 2021, to June 30, 2022.

In fiscal year 2021-22, the PLCB achieved total sales of \$3.02 billion (including liquor and sales taxes), reflecting a \$109.9 million or 3.8% increase over the prior year and marking gross wine and spirits sales over \$3 billion for the first time in PLCB history. Net income for the year totaled a record \$330.9 million, \$66 million or 24.9% higher than fiscal year 2020-21. 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 more than \$786 million. An outline of revenues and contributions is available on pages 12-13, while detailed financial reports are available beginning on page 62.

While the PLCB continued to adapt to new business challenges and norms in the wake of COVID-19, during fiscal year 2021-22 we spent a great deal of time and energy on our ongoing technology transformation and the consolidation of our distribution center network.

In January 2022, Release 1 of Project New Horizon – a multi-year effort to modernize and transform the PLCB's technology and organizational infrastructure – went live, providing the PLCB with upgraded cloud-based finance and indirect procurement systems. Learn more about these enhancements, as well as plans for Release 2 – which will transform how the agency conducts business with wine and spirits suppliers, replenishes Fine Wine & Good Spirits (FW&GS) stores and manages inventory and accounting – on page 43.

The completion of a three-year consolidation effort in April streamlined the PLCB's network of distribution centers supplying FW&GS stores and licensees from three facilities to two, providing improved efficiency, cost savings and service. The consolidation eliminated a facility in northeast Pennsylvania while expanding the service areas of two modern and optimally located distribution hubs in eastern and western Pennsylvania. An overview of the distribution center consolidation project, which earned the PLCB a "Best Distribution Innovation" Best Practices award from StateWays magazine, is available on pages 38-39.

In June 2022, newly developed system functionality allowed suppliers to begin direct delivery of Special Orders (SOs) to licensees, rather than delivering them to FW&GS stores and licensee service centers (LSCs). The new service allows suppliers to propose direct delivery of SOs to a licensee's place of business or for delivery to and pickup from a FW&GS store or LSC. Licensees can view an order-by-order price comparison for store-delivered versus direct-delivered SOs within the PLCB's Licensee Online Order Portal (LOOP). More information about this new option for suppliers and licensees is available on page 40.

The launch of READY, a new program for FW&GS retail employees, focused on elevating the in-store shopping experience for customers in line with new and evolving consumer expectations. READY – which stands for Responsibility and Results, Engagement, Available, Drive units to basket and why is the customer leaving without a purchase? – encourages a customer-centric mindset and store culture with the goal of providing customers with a superior in-store shopping experience and staff interaction. For more information about this innovative new program, which earned the PLCB a “Best Retail Innovation” Best Practices award from StateWays magazine, see pages 24-25.

Other PLCB activities and key accomplishments for the fiscal year include:

- In May, PLCB Board Chair Tim Holden assumed the role of chairman of the National Alcohol Beverage Control Association (NABCA), the national association representing jurisdictions that directly control the distribution and sale of beverage alcohol within their borders. See highlights and learn more about “Power of the Past, Forces of the Future,” his theme as NABCA chair, on page 7.
- A new loss prevention campaign provided education and training to FW&GS associates on how to proactively and safely address preventable loss in FW&GS stores. Read more about the campaign on page 25.
- Vodka, whiskey, tequila and ready-to-drink spirits topped the list of product categories with the highest year-over-year dollar gains with increases ranging from 2.6% to 63.8% across categories. More on these top product categories can be found on pages 27-28.
- The PLCB partnered with the Commonwealth Prevention Alliance (CPA) to conduct a needs assessment survey of Pennsylvania higher education institutions to collect data about current alcohol-related issues on campus and initiatives to counter the negative effects of student alcohol use. The report is available under the Education section of [lcb.pa.gov](http://lcb.pa.gov).
- Grant funding of \$1.4 million was awarded by the PLCB in support of alcohol education initiatives to reduce underage and dangerous drinking, and \$1.9 million in grants was awarded in support of Pennsylvania’s wine and beer industries. A breakout of alcohol education grants is available on page 52, and an overview of wine and beer grants is available on pages 54-56.

The activities contained within this report speak to our ongoing commitment to continue to expand and improve 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 P. 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.

## Power of the Past, Forces of the Future

In May 2022, Chairman Tim Holden assumed the role of chairman of the National Alcohol Beverage Control Association (NABCA), the industry association representing jurisdictions across the U.S. that control the distribution and sale of beverage alcohol within their borders.

Established in 1938, NABCA serves its members by providing research, analytics and alcohol regulatory information and acts as liaison to federal, state and local governments, research groups, public health associations, the media and other organizations impacting alcohol policy.

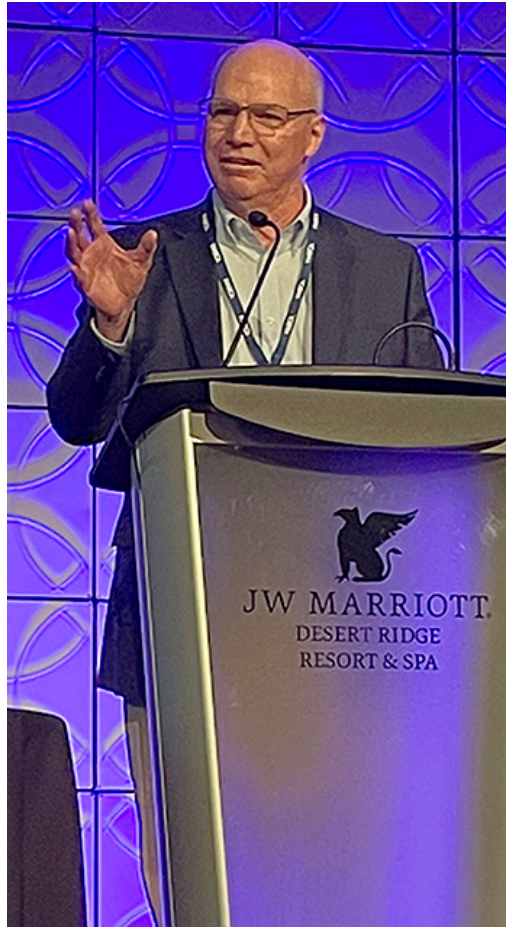
As a member of the NABCA Board of Directors since 2015, Tim has been involved in several of the association's committees including Finance, Governance, Public Affairs, Internal Affairs, the Pension Plan Trustees Committee and the Chairman's Task Force.

While NABCA members come from all different parts of the country with their own unique experiences, priorities and interests, they are united by their control models and their efforts to deliver social, educational and fiscal value for their citizenry.

As NABCA chairman, Tim unveiled the theme of his chairmanship, "Power of the Past, Forces of the Future," which speaks to a shared history of members working together toward common goals – protecting public health and safety and ensuring responsible and efficient systems for beverage alcohol distribution and sales – and sets the stage for working cooperatively to navigate and

succeed within the scope of a new and evolving post-pandemic beverage alcohol marketplace.

Over the last nine decades, control state models have grown, adapted and modernized, while consistently preserving and advancing core values and guiding principles of safety, responsibility and public health.



In Pennsylvania, the initiation of a tightly controlled state system post-Prohibition has evolved over time to a current PLCB focused on continually improving the customer experience, providing accessibility and convenience and offering fair pricing and a broad and diverse range of products to retail customers and licensees.

Over the course of the last two years, COVID has impacted the ways in which the world – and the beverage alcohol industry – conducts business. From supply chain disruptions to new customer expectations related to alcohol accessibility, the beverage alcohol marketplace has permanently changed.

While the "new normal" of the post-pandemic world is still being defined – the persistence of the present – so, too, are new opportunities to collaborate and lead in the interest of improving service and value. By drawing on the power of the past – control systems' combined experience of integrity, service and innovation

– Tim encourages NABCA members to be effective forces of the future in their own jurisdictions and within the NABCA community.

**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.



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.

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

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 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, 2022)



*ROW ONE, left to right*

**Director of  
Policy & Communications**  
Elizabeth Brassell

**Executive  
Director**  
Michael Demko

**Director of  
Regulatory Affairs**  
Tisha Albert

*ROW TWO, left to right*

**Director of Legislative &  
Governmental Affairs/  
Board Secretary**  
Michael Vigoda

**Chief Operating  
Officer**  
Andrew Collins

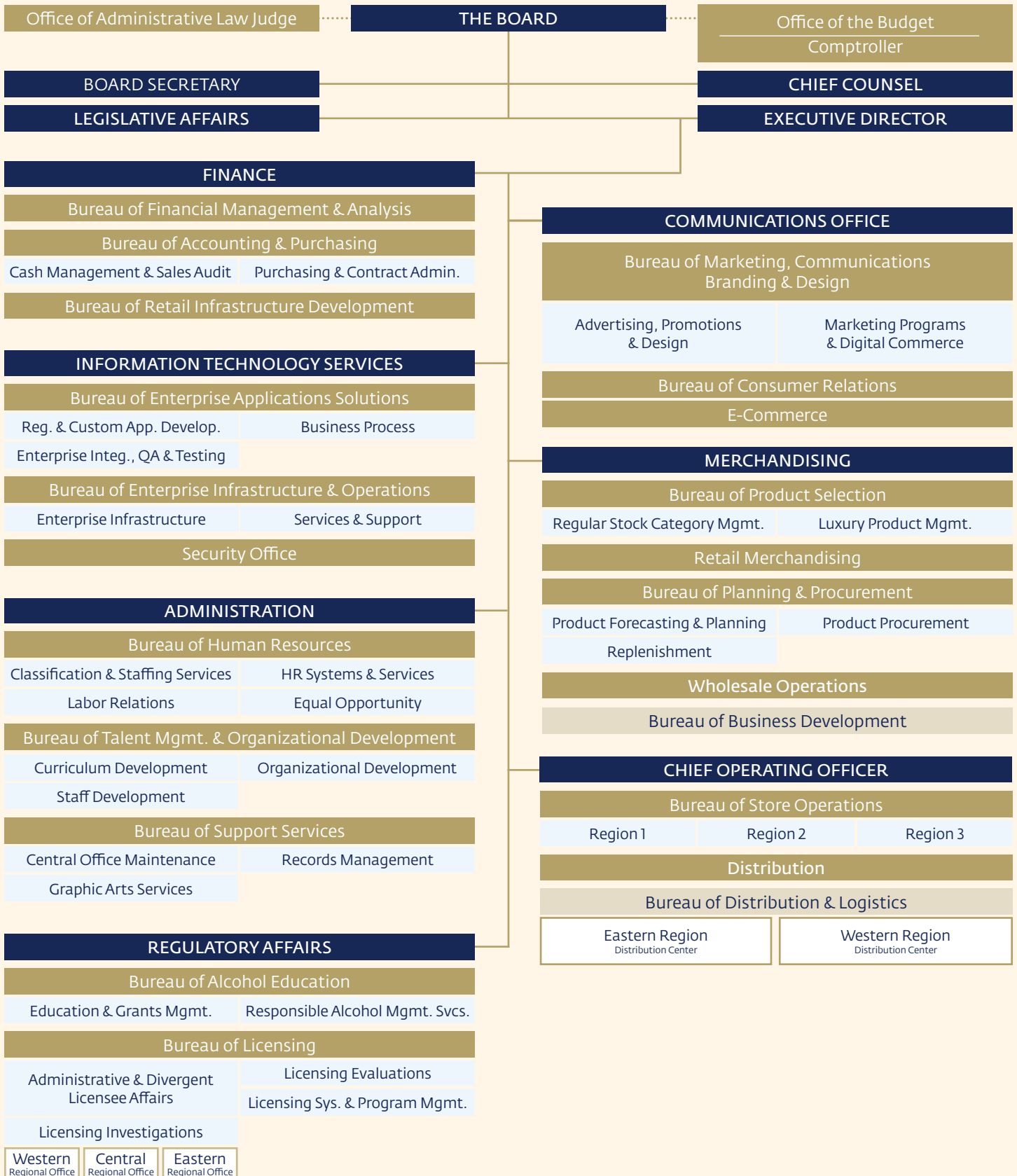
**Director of  
Administration**  
Jason P. Lutcavage

**Chief Information  
Officer**  
Rob McCabe

**Chief Merchandising  
Officer**  
Deborah Rivera

**Chief  
Counsel**  
Rodrigo Diaz

# ORGANIZATIONAL STRUCTURE



# FINANCIAL HIGHLIGHTS

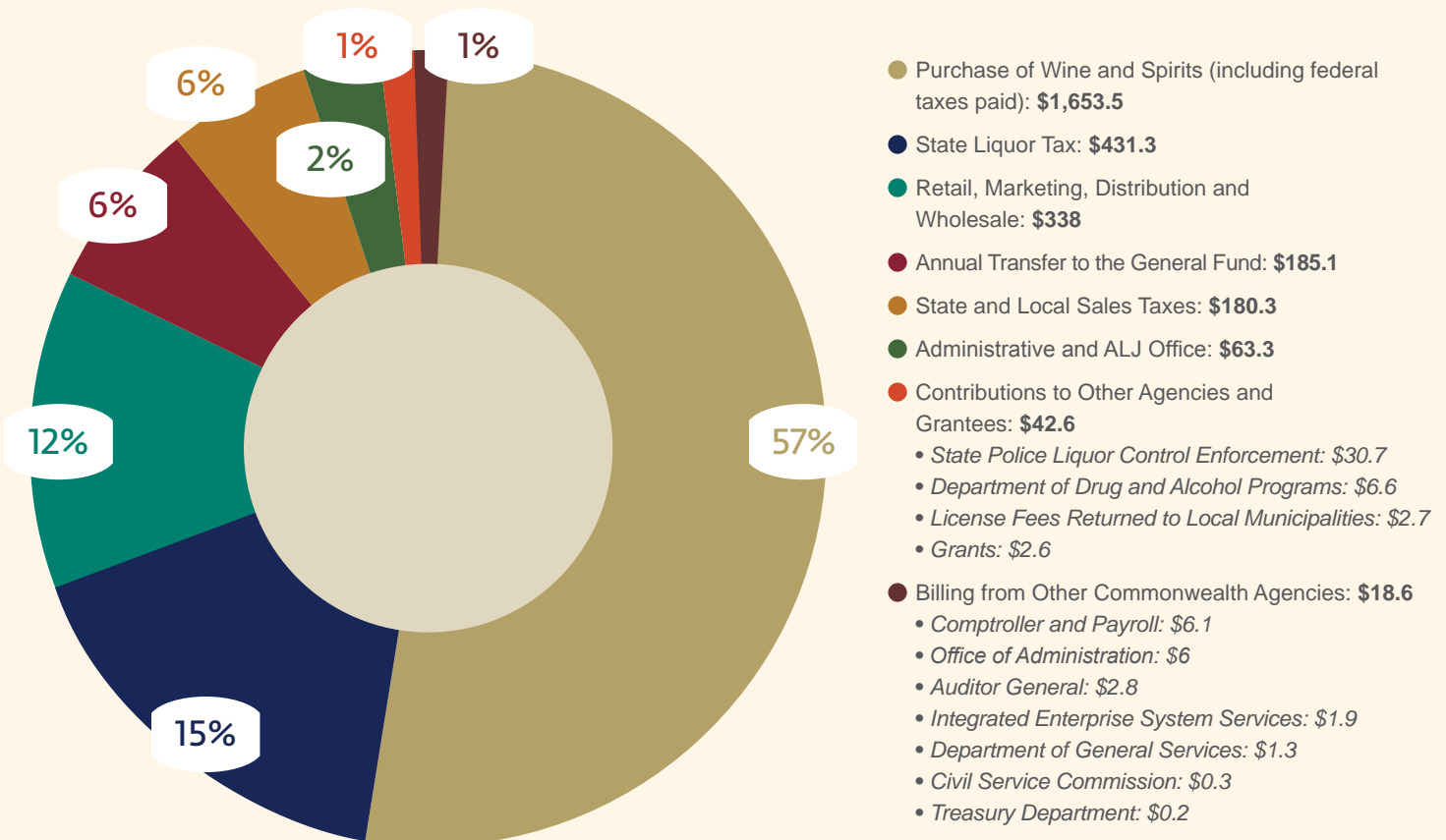
## Where The Money Goes

The PLCB generated more than \$3.02 billion in sales and taxes from Fine Wine & Good Spirits stores, direct deliveries to licensees and from its e-commerce website.

Together, **more than \$839.3 million** was returned to the General Fund, state and local government and other beneficiaries in fiscal year 2021-22.

- The PLCB returned more than \$786 million to the General Fund:
  - \$431.3 million in liquor tax
  - \$169.7 million in state sales tax
  - \$185.1 million transferred to the General Fund
- The Pennsylvania State Police received \$30.7 million for the enforcement of liquor laws.

DISTRIBUTION OF PROCEEDS (IN MILLIONS)



- The Department of Drug and Alcohol Programs received \$6.6 million to educate and prevent problem alcohol use.
- Philadelphia and Allegheny counties received \$10.7 million in local sales taxes.
- Local communities received \$2.7 million in returned licensing fees.

**IN THE LAST FIVE YEARS, THE PLCB HAS PROVIDED:**

- \$3.7 billion to the Pennsylvania General Fund
- \$152.5 million to the Pennsylvania State Police

- \$22.4 million to the Department of Drug and Alcohol Programs
- \$17.9 million to local municipalities in returned license fees

**IN FISCAL YEAR 2021-22, THE PLCB:**

- Authorized \$1.9 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 2021-22*	FY 2020-21	FY 2019-20	FY 2018-19	FY 2017-18	CAGR **
Sales Net of Taxes	\$2,405,547	\$2,317,842	\$2,039,324	\$2,126,928	\$2,066,562	3.9%
Gross Profit	\$752,013	\$743,476	\$652,764	\$675,155	\$658,030	3.4%
Gross Margin	31.3%	32.1%	32.0%	31.7%	31.8%	-0.5%
Operating Expenses	\$419,853	\$469,467	\$457,086	\$501,726	\$522,590	-5.3%
Operating Income	\$332,160	\$274,009	\$195,678	\$173,429	\$135,440	25.1%
Other Revenues	\$29,425	\$20,085	\$43,813	\$48,869	\$53,336	-13.8%
Transfers to State Police	\$30,734	\$29,236	\$30,780	\$31,257	\$30,528	0.2%
Net Income	\$330,851	\$264,858	\$208,711	\$191,041	\$158,248	20.2%
Transfers to General Fund	\$185,100	\$185,100	\$185,100	\$185,100	\$185,100	0.0%
Drug & Alcohol Transfers	\$6,617	\$5,297	\$4,174	\$3,821	\$2,500	27.5%
Liquor Tax	\$431,264	\$415,839	\$365,707	\$381,876	\$371,508	3.8%
State Sales Tax	\$169,651	\$163,878	\$143,946	\$150,195	\$146,027	3.8%
Local Sales Tax	\$10,669	\$9,643	\$8,777	\$9,680	\$9,398	3.2%
License Fees for Return ^	\$2,697	\$1,812	\$4,273	\$4,478	\$4,632	-12.6%
Grants	\$2,606	\$2,643	\$2,331	\$3,457	\$2,486	1.2%
Operating Exp./Net Sales	17.5%	20.3%	22.4%	23.6%	25.3%	
Contributions/Net Sales ^^	34.9%	35.1%	36.5%	36.2%	36.4%	
Return on Assets	44.1%	30.8%	42.3%	34.2%	28.9%	

\*Financial results for fiscal year 2021-22 are unaudited.

\*\*CAGR - Compound Annual Growth Rate.

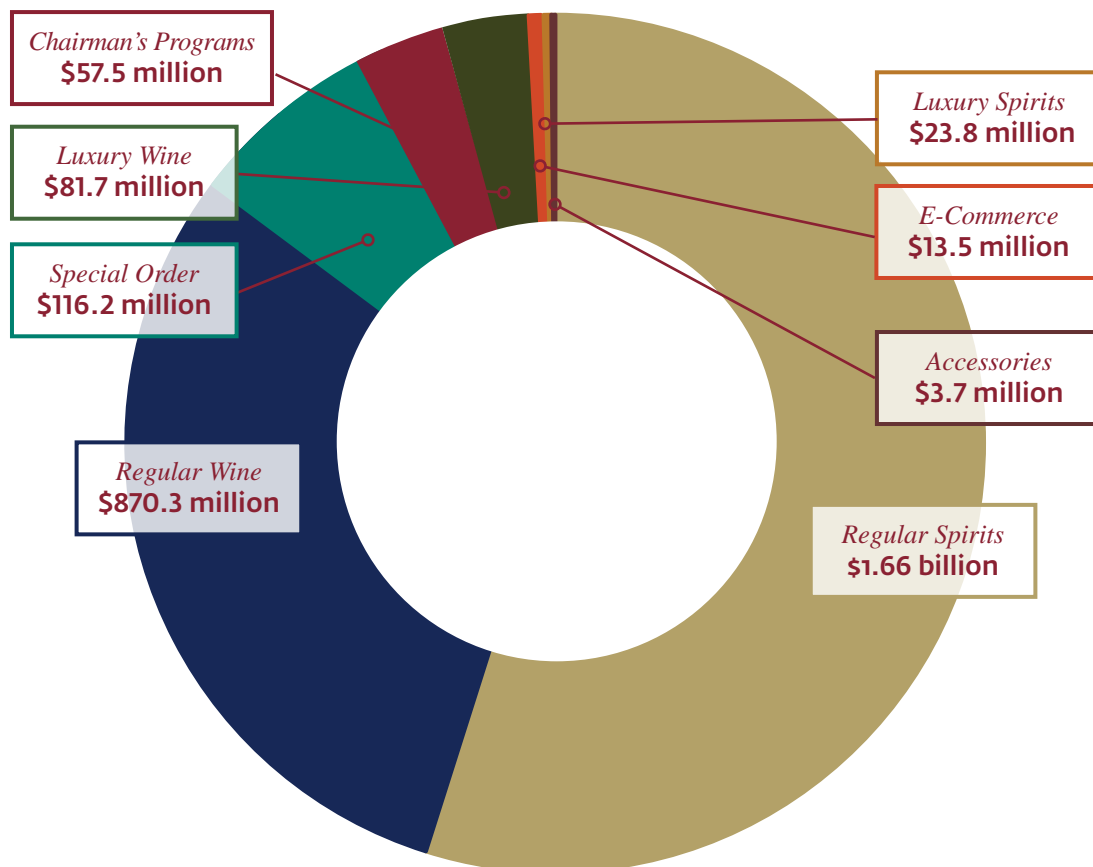
^As provided by statute, a portion of license fees are returned to municipalities. Rates have not changed since 1991, but some license renewal fees were waived in calendar 2021.

^^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 2021-22\* were \$2.83 billion, an increase of 3.7% over the prior year. The compound annual growth rate (CAGR) between fiscal year 2017-18 and fiscal year 2021-22 is 3.9%.



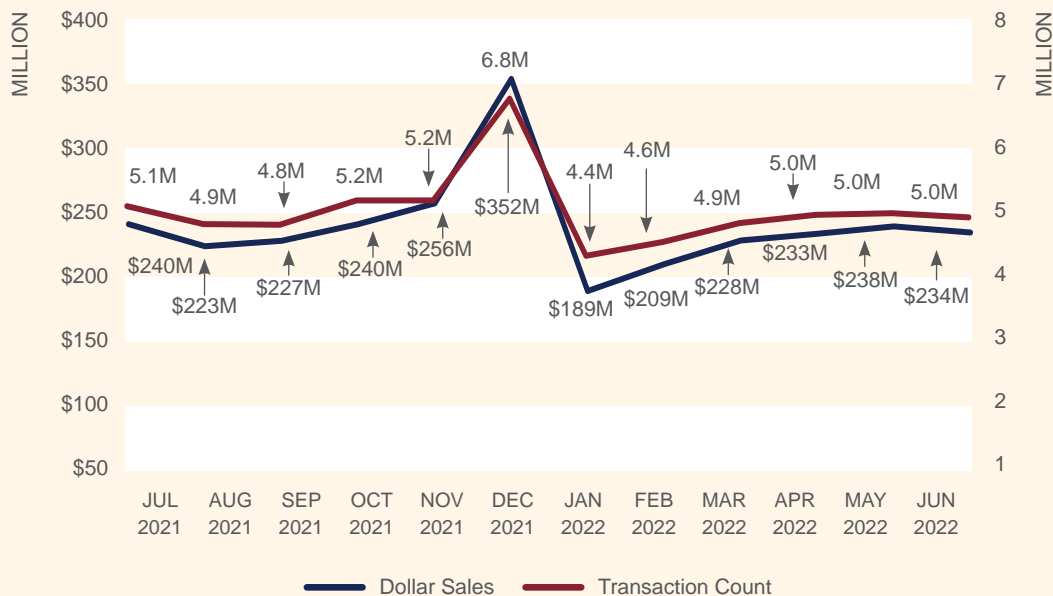
\*E-commerce sales were removed from Chairman's programs and Luxury Spirits. Placeholders and fees were removed from all sales. Sales data includes the 18% liquor tax, but excludes state and local sales tax.

FINE WINE &  
GOOD SPIRITS  
SALES HIGHLIGHTS

DEPARTMENT	FY 2021-22	FY 2020-21	FY 2019-20	FY 2018-19	FY 2017-18
Regular Spirits	\$1.66 billion	\$1.58 billion	\$1.27 billion	\$1.38 billion	\$1.33 billion
Regular Wine	\$870.3 million	\$901.9 million	\$871.6 million	\$851.6 million	\$847.3 million
Special Order	\$116.2 million	\$67.2 million	\$91 million	\$112.8 million	\$104.5 million
Luxury Wine	\$81.7 million	\$74.6 million	\$62.9 million	\$70.7 million	\$59.3 million
Chairman's Programs	\$57.5 million	\$68.7 million	\$61.3 million	\$71 million	\$81.7 million
Luxury Spirits	\$23.8 million	\$18.6 million	\$11.6 million	\$13.8 million	\$6.3 million
E-Commerce	\$13.5 million	\$16.8 million	\$26.8 million	\$5 million	\$3 million
Accessories	\$3.7 million	\$3.3 million	\$2.6 million	\$2.9 million	\$1.5 million
<b>TOTAL</b>	<b>\$2.83 billion</b>	<b>\$2.73 billion</b>	<b>\$2.4 billion</b>	<b>\$2.5 billion</b>	<b>\$2.43 billion</b>

**CALENDAR MONTH DOLLAR SALES AND TRANSACTION COUNT**

December had 12.3% of yearly dollar sales, followed by November with 8.9%.

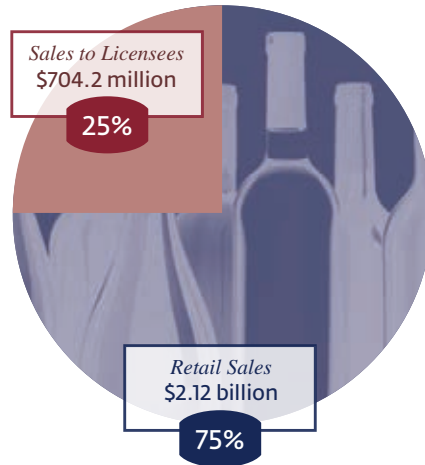


**SALES AT RETAIL VERSUS SALES TO LICENSEES**

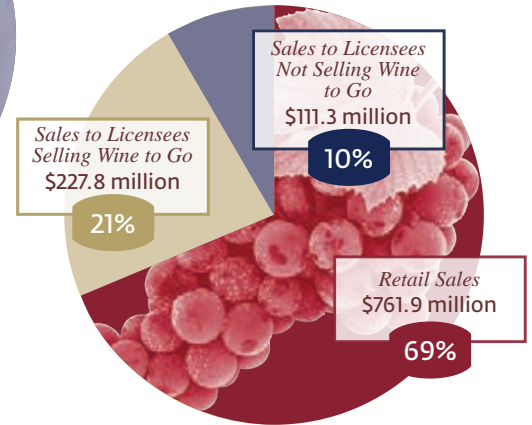
Of total sales, 75% occurred at retail, while 25% were made to licensees. For spirits, 79% of sales were retail sales to individual consumers, while 21% of sales were to licensees. Sixty-nine percent of wine sales were retail sales, while 31% of sales were to licensees, including those selling wine to go.

**TOTAL LICENSEE AND RETAIL  
DOLLAR SALES FY 2021-22**

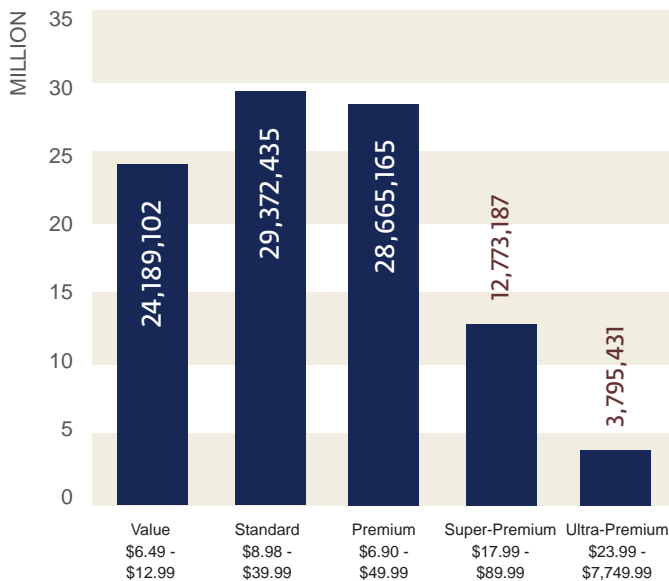
**SPIRITS LICENSEE AND RETAIL  
DOLLAR SALES FY 2021-22**



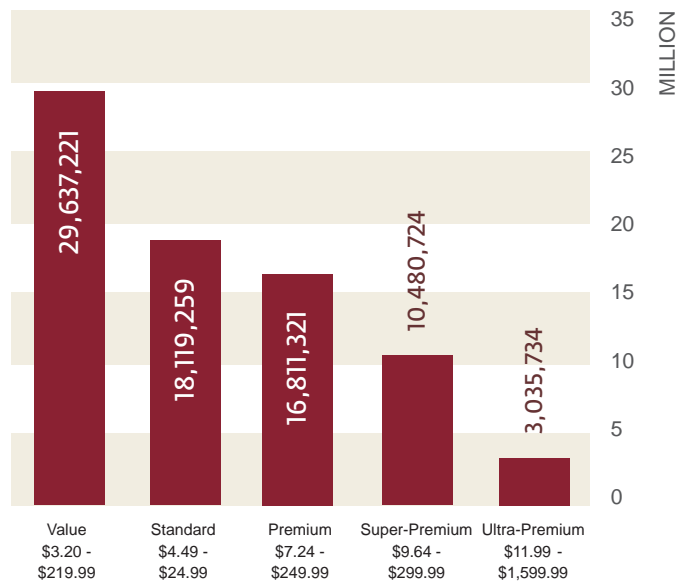
**WINE LICENSEE AND RETAIL  
DOLLAR SALES FY 2021-22**



**SPIRITS UNITS SOLD BY PRICE  
SEGMENT FY 2021-22**



**WINE UNITS SOLD BY PRICE  
SEGMENT FY 2021-22**





FINE WINE &  
GOOD SPIRITS  
SALES HIGHLIGHTS

**COUNTY SHARES AND PERCENTAGE CHANGE BASED ON DOLLAR SALES\***

The top three counties – Allegheny, Philadelphia and Montgomery – accounted for 35% of statewide sales. Adams (12.4%), Philadelphia (9.2%) and Washington (9.2%) counties had the largest percentage change over the prior year.

RANK	COUNTY	FY 2021-22 Dollar Sales	FY 2020-21 Dollar Sales	FY 2021-22 County Share	% Change	RANK	COUNTY	FY 2021-22 Dollar Sales	FY 2020-21 Dollar Sales	FY 2021-22 County Share	% Change
1	Allegheny	\$348,946,310	\$347,631,879	14.26%	0.38%	35	Columbia	\$9,453,426	\$9,421,441	0.39%	0.34%
2	Philadelphia	\$267,531,996	\$245,055,272	10.93%	9.17%	36	Indiana	\$9,298,047	\$9,222,493	0.38%	0.82%
3	Montgomery	\$239,981,301	\$239,208,414	9.81%	0.32%	37	Pike	\$8,819,788	\$9,224,952	0.36%	-4.39%
4	Bucks	\$168,085,413	\$166,670,993	6.87%	0.85%	38	Adams	\$7,427,396	\$6,609,543	0.30%	12.37%
5	Chester	\$123,876,646	\$120,892,407	5.06%	2.47%	39	Union	\$7,229,848	\$7,095,140	0.30%	1.90%
6	Delaware	\$96,567,670	\$98,347,422	3.95%	-1.81%	40	Northumberland	\$7,125,961	\$6,962,421	0.29%	2.35%
7	Lehigh	\$89,641,340	\$89,853,320	3.66%	-0.24%	41	Carbon	\$6,487,177	\$6,646,733	0.27%	-2.40%
8	Lancaster	\$78,404,238	\$79,580,135	3.20%	-1.48%	42	Bradford	\$6,211,628	\$6,005,562	0.25%	3.43%
9	Westmoreland	\$72,398,897	\$71,932,026	2.96%	0.65%	43	Somerset	\$5,940,814	\$5,745,193	0.24%	3.40%
10	York	\$70,638,452	\$69,448,685	2.89%	1.71%	44	Venango	\$5,370,828	\$5,319,213	0.22%	0.97%
11	Berks	\$66,675,320	\$66,136,679	2.72%	0.81%	45	McKean	\$4,834,421	\$4,758,628	0.20%	1.59%
12	Luzerne	\$59,089,914	\$59,120,701	2.41%	-0.05%	46	Armstrong	\$4,776,175	\$4,643,754	0.20%	2.85%
13	Cumberland	\$56,077,270	\$54,136,751	2.29%	3.58%	47	Snyder	\$4,612,077	\$4,520,095	0.19%	2.03%
14	Dauphin	\$55,901,926	\$54,974,136	2.28%	1.69%	48	Bedford	\$4,360,856	\$4,163,521	0.18%	4.74%
15	Erie	\$55,653,242	\$55,336,829	2.27%	0.57%	49	Tioga	\$4,291,265	\$4,238,086	0.18%	1.25%
16	Northampton	\$50,941,906	\$50,441,337	2.08%	0.99%	50	Warren	\$4,264,384	\$4,229,876	0.17%	0.82%
17	Lackawanna	\$48,187,100	\$48,170,611	1.97%	0.03%	51	Clarion	\$4,222,154	\$4,146,962	0.17%	1.81%
18	Butler	\$43,870,006	\$43,051,754	1.79%	1.90%	52	Mifflin	\$3,922,852	\$3,800,417	0.16%	3.22%
19	Monroe	\$42,490,562	\$44,754,266	1.74%	-5.06%	53	Montour	\$3,572,495	\$3,652,410	0.15%	-2.19%
20	Washington	\$33,051,366	\$30,276,474	1.35%	9.17%	54	Clinton	\$3,544,657	\$3,419,220	0.14%	3.67%
21	Centre	\$30,315,521	\$28,340,244	1.24%	6.97%	55	Huntingdon	\$3,508,525	\$3,495,816	0.14%	0.36%
22	Beaver	\$24,760,634	\$24,802,910	1.01%	-0.17%	56	Wyoming	\$3,444,321	\$3,616,421	0.14%	-4.76%
23	Lycoming	\$19,663,930	\$19,412,726	0.80%	1.29%	57	Elk	\$3,047,530	\$2,997,631	0.12%	1.66%
24	Mercer	\$17,769,704	\$17,342,185	0.73%	2.47%	58	Jefferson	\$2,993,507	\$3,020,314	0.12%	-0.89%
25	Blair	\$17,592,382	\$17,512,713	0.72%	0.45%	59	Susquehanna	\$2,980,843	\$2,990,685	0.12%	-0.33%
26	Cambria	\$17,481,296	\$17,332,182	0.71%	0.86%	60	Greene	\$2,912,005	\$2,927,964	0.12%	-0.55%
27	Lebanon	\$16,079,376	\$15,797,286	0.66%	1.79%	61	Perry	\$2,448,356	\$2,439,939	0.10%	0.34%
28	Wayne	\$15,686,228	\$15,778,179	0.64%	-0.58%	62	Juniata	\$1,257,289	\$1,226,964	0.05%	2.47%
29	Franklin	\$15,632,375	\$14,856,594	0.64%	5.22%	63	Potter	\$1,148,209	\$1,498,898	0.05%	-23.40%
30	Schuylkill	\$15,332,715	\$14,885,656	0.63%	3.00%	64	Forest	\$1,095,358	\$1,071,850	0.04%	2.19%
31	Fayette	\$14,457,193	\$14,076,685	0.59%	2.70%	65	Fulton	\$799,118	\$820,483	0.03%	-2.60%
32	Lawrence	\$11,551,591	\$11,450,155	0.47%	0.89%	66	Sullivan	\$635,773	\$655,689	0.03%	-3.04%
33	Crawford	\$10,769,178	\$10,582,000	0.44%	1.77%	67	Cameron	\$507,662	\$486,064	0.02%	4.44%
34	Clearfield	\$9,517,704	\$9,246,613	0.39%	2.93%						

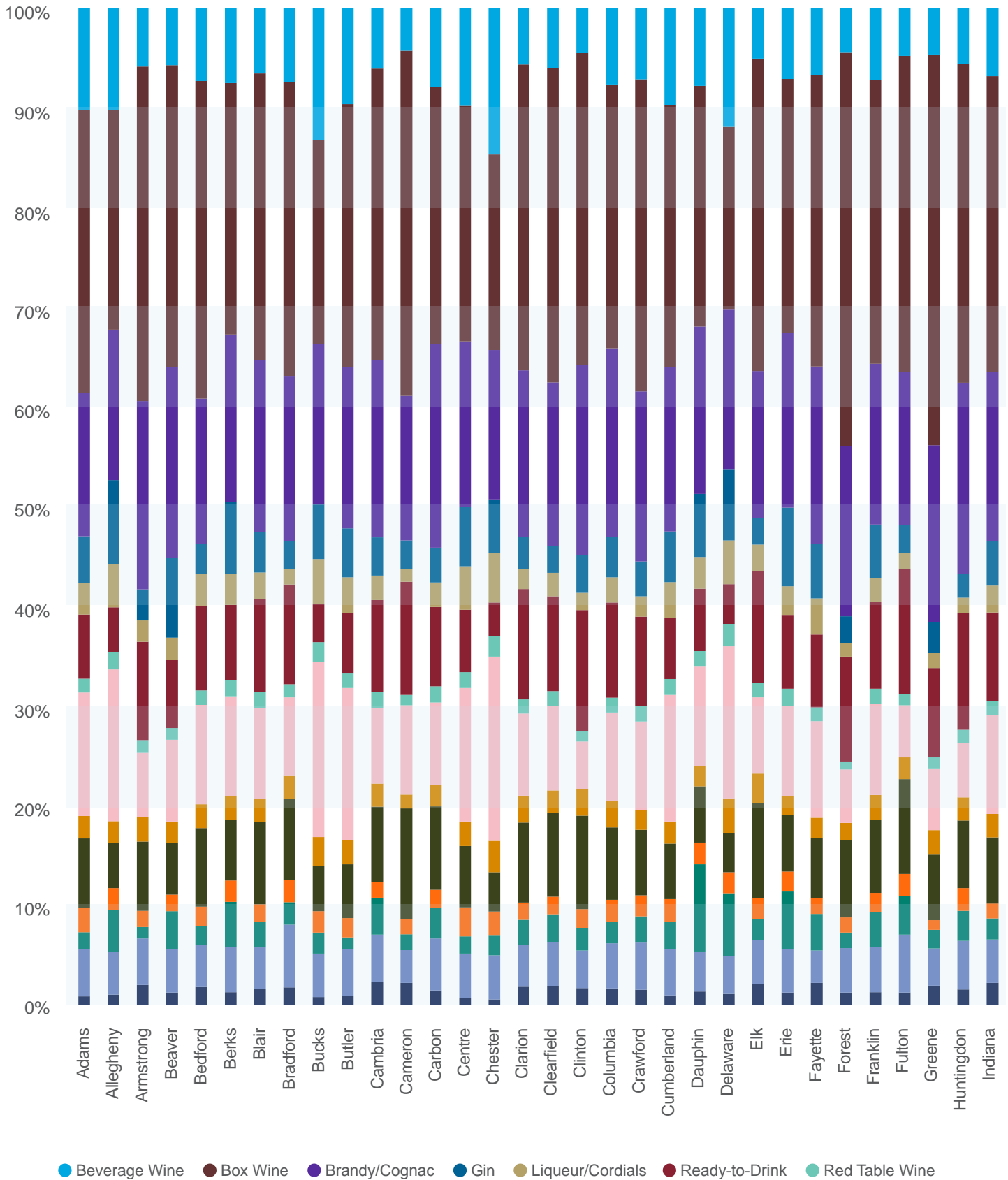
\*Sales data includes the 18% liquor tax, but excludes state and local sales tax.



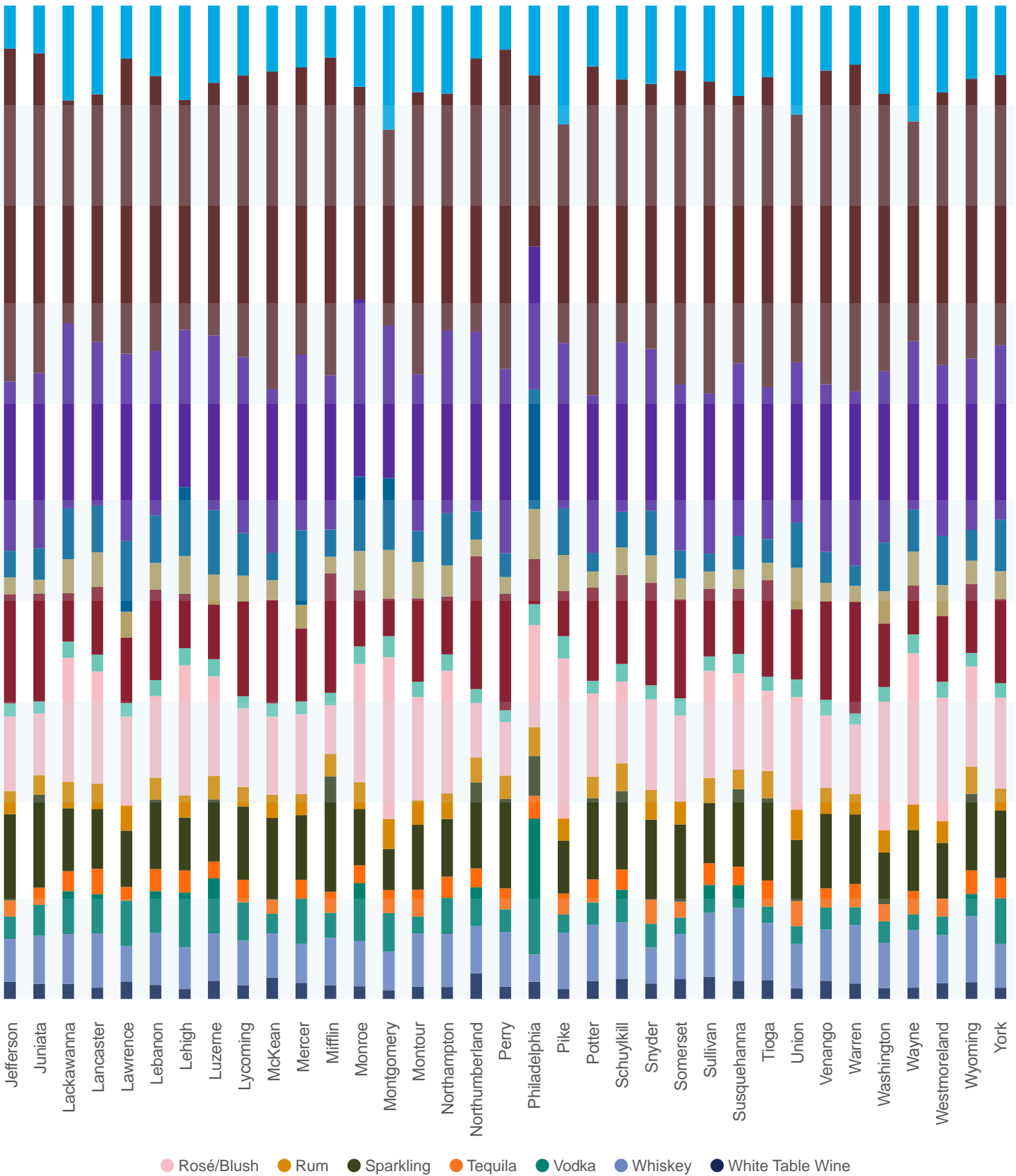
FINE WINE &  
GOOD SPIRITS  
SALES HIGHLIGHTS

ROSÉ/BLUSH	RUM	SPARKLING	TEQUILA	VODKA	WHISKEY	WHITE TABLE WINE
\$102,129	\$467,468	\$228,156	\$341,541	\$1,045,615	\$2,058,880	\$746,945
\$6,010,733	\$15,317,311	\$14,813,821	\$28,808,111	\$51,480,258	\$75,306,920	\$35,042,263
\$60,998	\$462,392	\$100,144	\$146,157	\$887,055	\$1,574,718	\$275,380
\$292,345	\$1,658,662	\$549,608	\$1,961,098	\$4,657,310	\$7,399,080	\$1,401,360
\$62,700	\$361,633	\$135,753	\$128,501	\$620,578	\$1,358,792	\$312,612
\$1,025,214	\$4,966,346	\$2,042,873	\$4,724,105	\$10,965,823	\$16,476,773	\$4,928,407
\$279,149	\$1,600,057	\$464,902	\$700,674	\$2,976,687	\$4,955,963	\$1,132,901
\$80,384	\$610,860	\$95,751	\$170,584	\$1,011,610	\$1,801,806	\$453,646
\$3,283,587	\$6,352,014	\$7,406,448	\$8,998,684	\$26,517,694	\$33,744,774	\$21,834,237
\$632,480	\$2,604,205	\$1,552,120	\$2,108,715	\$6,988,108	\$11,358,734	\$4,154,835
\$271,466	\$1,583,038	\$417,742	\$656,963	\$3,036,186	\$5,007,084	\$1,040,681
\$5,275	\$56,497	\$6,271	\$14,438	\$72,324	\$172,859	\$21,385
\$103,454	\$504,573	\$155,929	\$222,249	\$1,299,798	\$1,638,384	\$503,949
\$470,476	\$1,862,926	\$1,285,906	\$1,763,289	\$4,921,376	\$6,997,347	\$2,912,198
\$2,541,471	\$4,092,600	\$6,004,046	\$6,546,555	\$18,175,524	\$23,862,217	\$17,834,508
\$58,336	\$457,698	\$81,849	\$133,905	\$689,532	\$1,265,461	\$234,726
\$135,019	\$885,671	\$216,787	\$250,383	\$1,527,465	\$2,936,332	\$560,441
\$34,327	\$424,097	\$60,792	\$132,538	\$662,268	\$1,091,021	\$157,606
\$135,966	\$882,664	\$235,652	\$376,377	\$1,748,178	\$2,449,124	\$708,703
\$161,915	\$949,402	\$216,379	\$366,818	\$1,801,281	\$3,307,515	\$756,298
\$876,015	\$3,386,398	\$1,954,576	\$2,794,746	\$9,076,941	\$14,419,830	\$5,366,661
\$812,319	\$3,439,403	\$1,729,327	\$3,473,298	\$9,194,834	\$13,216,838	\$4,280,914
\$2,125,004	\$3,726,522	\$4,158,308	\$6,700,217	\$15,138,399	\$17,290,378	\$11,244,203
\$42,332	\$334,918	\$80,690	\$79,062	\$440,384	\$936,674	\$151,522
\$913,502	\$4,061,252	\$1,557,020	\$4,317,609	\$9,587,038	\$13,919,598	\$3,901,290
\$198,524	\$1,036,250	\$513,784	\$773,336	\$2,526,351	\$4,153,863	\$955,682
\$8,696	\$113,512	\$14,422	\$29,204	\$184,238	\$425,031	\$48,415
\$231,491	\$1,327,227	\$369,233	\$822,728	\$2,472,019	\$4,360,191	\$1,103,422
\$8,874	\$99,199	\$12,146	\$22,115	\$121,304	\$249,458	\$37,970
\$31,929	\$257,066	\$42,814	\$88,695	\$509,871	\$1,123,987	\$136,137
\$46,854	\$402,409	\$52,890	\$82,533	\$658,867	\$1,099,656	\$194,357
\$128,953	\$808,018	\$246,656	\$403,740	\$1,548,111	\$2,708,681	\$622,645
\$38,114	\$322,667	\$50,217	\$77,607	\$500,389	\$983,323	\$126,745
\$14,938	\$133,760	\$17,256	\$39,092	\$216,868	\$396,722	\$59,177
\$762,237	\$2,306,912	\$1,608,827	\$2,406,431	\$8,774,653	\$10,568,667	\$4,501,717
\$1,305,655	\$5,236,745	\$2,684,930	\$3,625,815	\$12,666,319	\$19,148,356	\$6,870,385
\$151,533	\$754,444	\$291,287	\$810,504	\$2,144,066	\$3,377,573	\$605,391
\$248,803	\$1,444,964	\$421,210	\$750,459	\$2,612,211	\$4,378,878	\$1,121,082
\$1,501,564	\$4,803,420	\$3,367,331	\$6,083,821	\$13,895,000	\$20,347,418	\$8,347,281
\$997,623	\$3,189,123	\$1,743,837	\$3,751,671	\$10,150,375	\$14,698,878	\$4,496,964
\$232,703	\$1,848,476	\$502,920	\$827,966	\$3,425,662	\$5,490,831	\$1,358,310
\$62,910	\$495,730	\$93,951	\$130,223	\$783,864	\$1,522,458	\$315,286
\$224,542	\$1,276,634	\$418,456	\$1,308,150	\$3,088,335	\$5,045,487	\$1,086,946
\$48,110	\$464,846	\$63,319	\$105,971	\$598,542	\$1,233,519	\$201,303
\$733,233	\$2,340,264	\$1,652,549	\$3,106,241	\$7,440,311	\$8,895,863	\$3,388,529
\$4,939,300	\$8,876,807	\$11,486,317	\$16,960,570	\$35,942,518	\$46,213,809	\$29,243,624
\$52,862	\$293,859	\$128,641	\$109,790	\$552,278	\$994,615	\$304,834
\$825,134	\$2,919,843	\$1,557,718	\$2,641,559	\$9,182,144	\$11,912,548	\$4,430,476
\$98,643	\$932,231	\$117,344	\$196,594	\$1,261,543	\$1,914,045	\$371,373
\$28,260	\$282,126	\$39,960	\$57,666	\$446,114	\$771,474	\$106,487
\$5,388,652	\$11,751,683	\$13,037,930	\$31,195,155	\$37,266,398	\$44,510,861	\$18,197,201
\$192,638	\$391,928	\$314,454	\$406,845	\$1,439,440	\$1,900,444	\$1,034,589
\$14,290	\$105,751	\$18,417	\$20,888	\$179,070	\$373,641	\$68,981
\$266,629	\$1,335,264	\$415,142	\$539,827	\$2,545,899	\$3,953,139	\$1,113,082
\$63,594	\$465,741	\$125,090	\$203,426	\$737,111	\$1,205,485	\$356,631
\$100,722	\$579,254	\$123,352	\$162,711	\$974,499	\$1,841,961	\$380,554
\$9,082	\$42,591	\$10,902	\$11,299	\$100,983	\$196,744	\$47,747
\$56,930	\$190,955	\$57,596	\$98,991	\$508,695	\$786,807	\$266,085
\$59,893	\$409,999	\$72,870	\$101,120	\$644,167	\$1,317,965	\$304,061
\$124,002	\$499,990	\$297,457	\$322,991	\$1,141,687	\$1,764,502	\$775,748
\$82,469	\$523,262	\$97,748	\$164,997	\$890,982	\$1,666,100	\$345,416
\$45,832	\$471,707	\$67,073	\$85,502	\$734,652	\$1,378,492	\$249,880
\$484,169	\$2,077,848	\$1,063,934	\$1,579,636	\$5,622,464	\$9,078,091	\$2,887,757
\$291,435	\$756,643	\$525,210	\$647,290	\$2,608,308	\$3,399,220	\$1,787,257
\$1,146,483	\$4,702,272	\$2,228,906	\$3,500,078	\$12,247,302	\$19,526,266	\$6,215,339
\$45,504	\$235,187	\$78,597	\$103,874	\$582,979	\$950,496	\$248,540
\$999,718	\$5,874,248	\$1,944,391	\$3,585,044	\$12,172,166	\$18,816,300	\$4,839,605

PERCENT OF DOLLAR SALES BY COUNTY FY 2021-22



FINE WINE &  
GOOD SPIRITS  
SALES HIGHLIGHTS



# LEGISLATIVE SYNOPSIS

## **In fiscal year 2021-22, one new law that impacted the Liquor Code was enacted.**

**Act 81 of 2021.** Signed by Governor Wolf on Nov. 5, 2021, and effective immediately, Act 81 made changes to multiple sections of the Liquor Code to allow for the sale of liquor and wine by a licensee that is permanently closing to another licensee; allow the temporary outdoor extension of certain retail and manufacturer's licenses; change the rules for off-premises catering permits (OPCP); and provide an additional year of safekeeping for select licensees.

Act 81 granted permission for a licensee that is permanently closing to sell its remaining stock of wine and liquor to another licensee qualified to sell such products. The licensee that is closing is required to provide written notice of the sale to the PLCB to include the name of the licensee purchasing the alcohol; information identifying the products sold to the licensee; and a description of the liquor and/or wine sold to the licensee, inclusive of brand names, sizes and numbers of containers.

Act 81 also granted the allowance for a licensed club, catering club, restaurant, retail dispenser, hotel,

limited distillery, distillery, brewery or limited winery to temporarily extend their licensed premises to include any outside serving area that is immediately adjacent to the existing licensed area or within 1,000 feet of the existing area, regardless of whether it is separated by a public thoroughfare. The PLCB will grant immediate operating authority to the applicant to use the temporary extension area while the licensee's temporary extension application – which requires no filing fee – is being processed. However, the operating authority is terminated if a valid protest is received or if the PLCB determines that the proposed temporary extension does not meet the requirements for licensure. Temporary extensions authorized under Act 81 expire on Dec. 31, 2024.

Act 81 removed the requirement for OPCP applications to be submitted prior to March 1 of the corresponding calendar year; eliminated the OPCP application fee; established an unlimited number of events for OPCP-eligible entities; and removed the five-hour limit for catered functions. OPCP changes authorized under Act 81 expire on Dec. 31, 2024.

For club, catering club, restaurant, eating place retail dispenser, hotel, importing distributor and distributor

licenses that were in safekeeping during Governor Wolf's COVID-19 Emergency Declaration, Act 81 allowed for an additional year of safekeeping to be added upon license renewal or validation in 2022, during which time those licenses will be exempt from renewal, validation or late fees.

Complete summaries of the legislative changes enacted in fiscal year 2021-22 and prior fiscal years can be accessed at [lcb.pa.gov](http://lcb.pa.gov) by selecting "Legislative Updates" under the "Legal" menu.

## **The following regulations were promulgated during fiscal year 2021-22:**

### **Cleaning of Malt or Brewed Beverage Dispensary Systems**

Effective July 31, 2021  
40 Pa. Code § 5.51

The PLCB amended its regulations regarding the cleaning of malt or brewed beverage dispensing systems, which deliver what is commonly known as draft beer. The amendment reduced the frequency of dispensary system cleaning from once every seven days to once every 14 days. The amendment also clarified that every licensee using such a dispensary system for selling malt or brewed beverages

– including but not limited to limited wineries, limited distilleries and distilleries – is subject to this regulation.

### **Responsible Alcohol Management Program**

Effective Aug. 28, 2021  
40 Pa. Code §§ 5.201-5.271

The PLCB amended its regulations pertaining to the Responsible Alcohol Management Program (RAMP) to clarify what constitutes RAMP certification and what is required of owner/managers and alcohol service personnel, as well as to provide guidance to those who want to offer RAMP server/seller training as online training providers or classroom instructors.

The amendments clarify that certification is available to licensees that complete the four program prerequisites and then apply for certification of the licensee. The

four program prerequisites are (1) owner/manager training; (2) server/seller training; (3) new employee orientation; and (4) display of responsible alcohol service signage.

Throughout the subchapter, if the word “certification” or “certified” was used in a context other than licensee certification, it was replaced with a more appropriate word. For example, alcohol service personnel (“server/sellers”) and owner/managers receive “training,” not “certification.” Online training providers and classroom instructors are “authorized” or “deauthorized,” not “certified.” Curriculum is “approved,” not “certified.”

The regulations state that all training, whether owner/manager or server/seller, expires after two years. The regulations now require all training, for either owner/manager or server/seller, to be renewed every

two years. After Aug. 28, 2021, every new manager must obtain owner/manager training in a classroom setting. Subsequent training can be done online.

The regulations also provide extensive guidance to anyone who wants to offer RAMP server/seller training, including those who would serve as online training providers.

### **Wholesale Purchases**

Effective Oct. 9, 2021  
40 Pa. Code §§ 11.1 and 11.3-11.5

The PLCB amended its regulations to eliminate a \$50 minimum purchase requirement for retail licensees that hold a Wholesale Liquor Purchase Permit Card. As a result, cardholders will receive a discount on every liquor purchase from the PLCB, regardless of the purchase amount. The PLCB also eliminated obsolete language in updating the regulations.

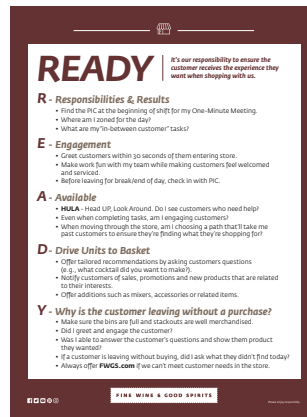
# RETAIL OPERATIONS

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

In fiscal year 2021-22, the PLCB's Office of Retail Operations introduced a new Fine Wine & Good Spirits (FW&GS) customer service model, resumed in-store tastings and increased focus on loss prevention.

While retail dollar sales decreased 3.4% year over year – from \$2.2 billion in fiscal year 2020-21 to \$2.12 billion in fiscal year 2021-22 – the change illustrates a return to “near normal” pre-pandemic purchasing patterns, with retail comprising approximately 75% of total agency dollar sales and licensee sales accounting for the remainder.

In August 2021, the PLCB launched READY, a new program for FW&GS retail employees focused on elevating the in-store shopping experience for

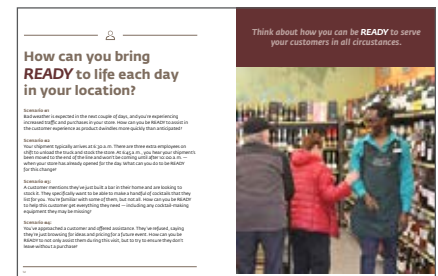


customers. Designed to meet the evolving expectations of customers, READY emphasizes not only traditional customer service, but the entire customer experience.

The program acronym – which stands for Responsibility and Results, Engagement, Available,

Drive units to basket and why is the customer leaving without a purchase? – encourages a customer-centric mindset and store culture with the goal of providing customers with a superior in-store shopping experience and staff interaction.

Mandatory READY web-based training is comprised of an introductory program video; a customer service experience guide; an overview of the daily READY



## AS OF JUNE 30, 2022, THE AGENCY OPERATED 588 SALES FACILITIES

<b>462</b> Standard Stores	<b>112</b> Premium Collection Stores
<b>13</b> Licensee Service Centers	<b>1</b> E-Commerce Fulfillment Center

## PLCB RETAIL OPERATIONS FIVE-YEAR SUMMARY

	FY 2021-22	FY 2020-21	FY 2019-20	FY 2018-19	FY 2017-18
Total Units Sold*	169.9 million	161.5 million	143.8 million	164.6 million	159.9 million
Average Retail Price per Item**	\$15.58	\$15.67	\$14.90	\$14.51	\$14.64
Wage % of Net Sales***	7.2%	7.3%	8.2%	7.2%	7.1%

\* 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 2021-22, see pages 89-103.



one-minute meeting used to establish individual, customer service and sales goals each day; and a seasonal product and selling guide with strategies on how to implement READY program principles during peak times of in-store customer traffic.

In addition to providing the highest level of service to customers in FW&GS stores, the PLCB's Customer Service call center responded to an average of 2,300 calls and live chats each month from citizens, civic groups, legislative liaisons, licensees and others inquiring and providing feedback regarding orders at FWGS.com, product returns, store experiences, regulatory or policy changes and a variety of other topics.

Fiscal year 2021-22 heralded the return of in-store wine and spirits tastings, affording FW&GS customers the opportunity to taste and learn about new products once again after a two-year pandemic-induced hiatus. From April 2022, when tastings resumed, through June 30, 2022, FW&GS wine specialists hosted more than 1,300 tastings across the state, while vendors conducted 340 tastings in stores.

New for 2021-22, the PLCB launched a loss prevention campaign to proactively address loss in FW&GS stores with employees while prioritizing their safety. Introduced in December 2021, the campaign features training for FW&GS associates on preventable loss and ways to safely and preemptively thwart shoplifting, employee misappropriation and burglary.

The campaign also features a loss prevention video and ongoing communication to educate managers and staff on how and why loss happens, what employees can do to reduce and prevent it and how to remain safe while doing so. Examples of loss prevention topics covered via point-of-service messaging, blogs and in-person meetings include recognizing suspicious behavior, store security, cash handling and inventory accuracy.

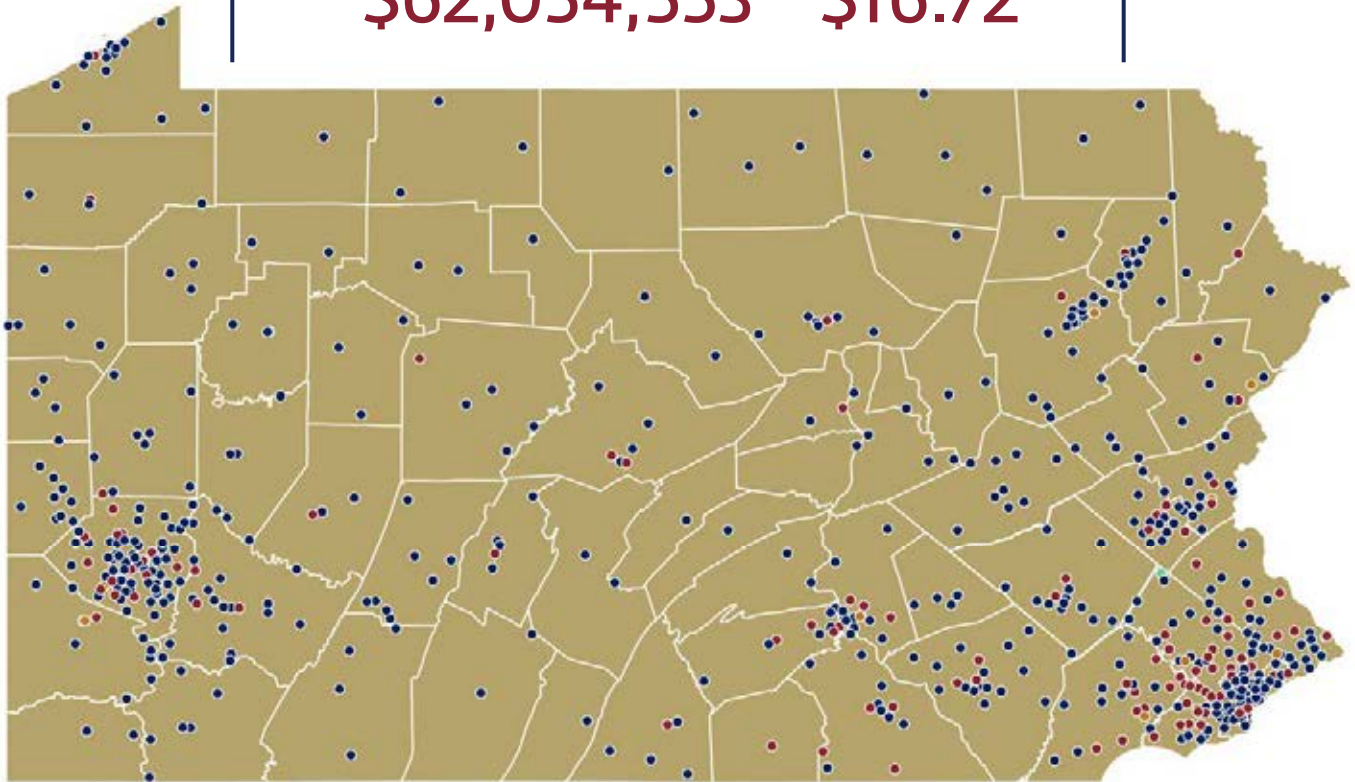
For the fourth year in a row, the PLCB was recognized in 2022 as a "Top 100 Retailer of the Year" by national beverage alcohol trade magazine Beverage Dynamics. The award recognizes innovation and excellence within the beverage alcohol industry.



In fiscal year 2021–22, Retail Operations completed 35 projects: 27 store refreshes, and 8 remodeling/relocation projects.

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>
<b>588</b>	<b>3,235,470</b>	<b>5,503</b>
<i>Annual Rent</i>	<i>Avg. Price Per Sq. Ft.</i>	
<b>\$62,054,553</b>	<b>\$16.72</b>	



● Standard Stores — 462 ● Premium Collection Stores — 112 ● Licensee Service Centers — 13 ● E-Commerce Fulfillment Center — 1

**REGION III**

*Western Region  
214 stores*

Total Square Feet	966,124
Average Store Size	4,515
Annual Rent Paid	\$15,635,778
Average Price per Sq. Ft.	\$13.37

**REGION II**

*Central Region  
213 stores*

Total Square Feet	1,091,396
Average Store Size	5,124
Annual Rent Paid	\$17,481,825
Average Price per Sq. Ft.	\$14.62

**REGION I**

*Eastern Region  
161 stores*

Total Square Feet	1,177,950
Average Store Size	7,316
Annual Rent Paid	\$28,936,950
Average Price per Sq. Ft.	\$23.97

# 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.

## TOP PRODUCT CATEGORIES

For fiscal year 2021-22, tequila (+\$39,585,807), whiskey (+\$31,316,325), ready-to-drink beverages (+\$24,212,926) and vodka (+\$10,510,533) comprised the categories with the largest dollar gains year over year.

**Tequila.** Tequila in the \$40 to \$60 price range accounted for 38.4% of total dollar sales for tequila in fiscal year 2021-22, an increase of 40.6% (+\$19,680,474) over the prior fiscal year. Sales of silver/blanco increased 21.7% (+\$17,135,967) with sales of products in the \$20 to \$40 price range exhibiting the most growth with an increase of 35.9% (+\$12,315,258) over the prior fiscal year. In terms of overall dollar sales for tequila, silver/blanco held the highest category share at 54.3%, followed by reposado – with a sales increase of 41.2% over fiscal year 2020-21 – at 16.9%.



**Whiskey.** Items in the \$20 to \$40 price range comprised 49.9% of total dollar sales for whiskey in fiscal year 2021-22, an increase of 8.3% (+\$22,446,665) over the prior fiscal year. American whiskey accounted for the largest share of sales at 45.4%, an increase of 5.9% (+\$14,776,797) over fiscal year 2020-21. Within the American whiskey category, dollar sales for items within the \$20 to \$40 price range increased 10.2% (+\$13,556,198), while sales of items in the \$40 to \$60 price range increased by 5.1% (+\$3,201,168). Flavored whiskey, with 15.6% share of the overall whiskey category, followed at a distant second, with an increase of 10.5% (+\$8,655,801) in dollar sales for fiscal year 2021-22 as compared to the prior year.



**Vodka.** Within the vodka category, sales of unflavored vodka dominated with a share of 78.4% verses flavored vodka at 21.6%. Fiscal year 2021-22 dollar sales for unflavored vodka increased 5.3% (+\$16,284,942) over fiscal year 2020-21, while sales of flavored vodka decreased 6.1% (-\$5,774,408) from the prior year.



Sales for vodka in the \$20 to \$40 price range – both flavored and unflavored – increased 5.6% (+\$10,397,467) over the prior year. Lower-priced items showed the largest increases with unflavored vodka in the \$20 to \$40 price range increasing 7.8% (+\$12,133,900) and those under \$20 increasing 3.1% (+\$4,348,008).

**Ready-to-Drink Beverages.** In fiscal year 2021-22, total dollar sales for ready-to-drink (RTD) wine and spirits products increased 48.4% (+\$20,399,506) over the prior year.

Accounting for the largest percentage of growth within the RTD category, dollar sales for items within the \$10 to \$15 price range increased 94.3% (+\$8,013,022), followed by an increase of 66.4% (+\$8,522,109) for items in the \$15 to \$20 price range.

Sales of canned RTD wine and spirits products increased 136.2% over the prior year, while sales of non-canned RTDs were flat at 0.6%. Sales of RTD canned spirits increased 164.6% over the prior year, while sales of RTD canned wine decreased 22%.

The top three RTD products by dollar sales were the High Noon vodka eight-can variety pack (\$7,987,414), followed by the High Noon black cherry vodka four-pack (\$1,688,515) and pineapple vodka four-pack (\$1,643,055).



**Supply and Demand: Brandy/ Cognac.** In fiscal year 2021-22, dollar sales for brandy/cognac decreased 17.9% (-\$26,420,807) compared to the prior fiscal year, due to global supply chain interruptions.

To bridge the gap between supply and demand, ensure broader distribution of limited-availability products and avoid long stretches of product outages, a two-bottle purchase limit for select brandy/cognac items was imposed on purchases through FW&GS stores and on FWGS.com during the fiscal year.

to the bottle limit decreased by 40.2% (-\$16,667,305) from the onset of the limit in September 2021 through the last week of the fiscal year, sales of the top 10 items increased by 49% (+\$5,147,872) during the same time.

While sales for all sizes of Hennessy Cognac VS 80 Proof products subject



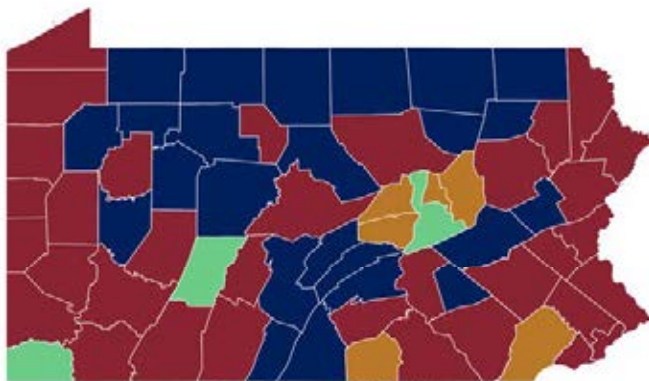
**TOP 10 PRODUCT CATEGORIES**

Tequila, silver or blanco (21.7%), flavored whiskey (10.5%) and American whiskey (bourbon) (5.9%) saw the largest growth over the prior fiscal year.

CATEGORY	FY 2021-22 DOLLAR SALES	FY 2020-21 DOLLAR SALES	FY 2019-20 DOLLAR SALES	FY 2018-19 DOLLAR SALES
Unflavored Vodka	\$323,887,781	\$307,602,839	\$276,645,135	\$302,419,921
American Whiskey (bourbon)	\$265,576,360	\$250,799,563	\$203,641,720	\$213,169,537
Tequila, Silver or Blanco	\$96,274,382	\$79,138,415	\$50,773,496	\$48,211,009
California Cabernet Sauvignon	\$94,254,064	\$94,408,596	\$91,500,056	\$87,039,373
Flavored Whiskey	\$91,358,189	\$82,702,388	\$62,322,958	\$45,422,935
Flavored Vodka	\$89,455,566	\$95,229,974	\$77,550,919	\$85,623,465
Scotch	\$83,768,320	\$81,997,318	\$67,383,264	\$72,514,440
California Chardonnay	\$77,030,083	\$77,473,548	\$79,244,935	\$78,598,501
Cognac	\$75,049,834	\$100,607,802	\$60,023,269	\$50,480,417
Canadian Whisky	\$69,232,645	\$70,778,414	\$64,813,850	\$75,116,018

**TOP-SELLING WINE IN EACH COUNTY**

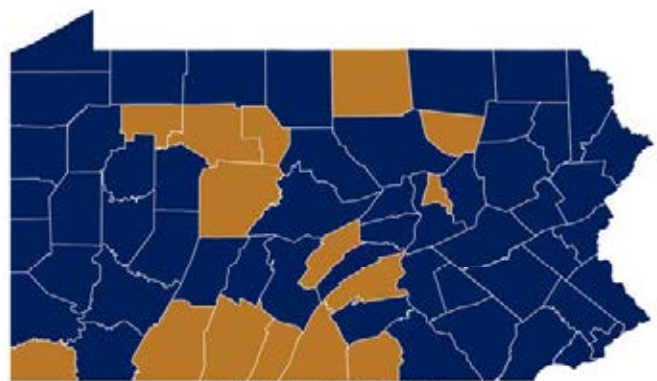
California cabernet sauvignon (34 counties) and box red (24 counties) were the wine categories with the top sales by county, followed by California chardonnay (6 counties) and beverage wine (3 counties). In terms of location, box red is the predominant category in the middle of the state, as well as in many counties along the northern border. California cabernet sauvignon is the predominant category for counties located to the east and west.



- Beverage Wine — 3
- Box Red — 24
- California Chardonnay — 6
- California Cabernet Sauvignon — 34

**TOP-SELLING SPIRIT IN EACH COUNTY**

Unflavored vodka was the top spirits category in 52 counties, while the remaining 15 had American whiskey as the top category. The locations with American whiskey as the dominant category are primarily in the middle of the state, with a strong presence along the southern border.



- American Whiskey — 15
- Unflavored Vodka — 52

**TOP 25 WINE ITEMS BY UNITS**

The wines that exhibited the most unit sales growth in fiscal year 2021-22 included Wycliff Brut (750 mL) (93.4%)\*, Mark West Pinot Noir (750 mL) (17.8%)\*\* and La Marca Prosecco (750 mL) (14.9%)\*. Of the top 25 wine items listed, the majority (58.9%) fell within five categories — California non-varietals (4), California chardonnay (3), Italy pinot grigio (3), New Zealand sauvignon blanc (3) and California cabernet sauvignon (2).

RANK	PRODUCT	SIZE	DOLLAR SALES	UNIT SALES	UNIT SALES — LY	% CHANGE
1	La Marca Prosecco	750 mL	\$11,776,922	778,073	677,355	14.87%
2	Cavit Pinot Grigio	1.5 L	\$6,894,870	536,975	571,637	-6.06%
3	Kendall-Jackson Vintner's Reserve Chardonnay	750 mL	\$7,177,499	518,625	496,081	4.54%
4	Apothic Red Winemaker's Blend	750 mL	\$4,944,105	458,493	492,388	-6.88%
5	Woodbridge by Robert Mondavi Chardonnay	1.5 L	\$5,617,663	434,038	431,642	0.56%
6	Roscato Rosso Dolce	750 mL	\$3,966,132	419,065	480,794	-12.84%
7	Cavit Pinot Grigio	750 mL	\$2,842,131	383,102	349,085	9.74%
8	Barefoot Pink Moscato	750 mL	\$2,676,356	382,846	418,154	-8.44%
9	Josh Cellars Cabernet Sauvignon	750 mL	\$5,475,286	363,725	344,223	5.67%
10	Barefoot Moscato	750 mL	\$2,382,993	335,276	359,318	-6.69%
11	Barefoot Pinot Grigio	1.5 L	\$4,053,011	334,689	407,452	-17.86%
12	Korbel Brut California Champagne	750 mL	\$4,623,085	320,263	319,732	0.17%
13	Woodbridge by Robert Mondavi Cabernet Sauvignon	1.5 L	\$4,004,216	313,181	297,149	5.40%
14	Sutter Home White Zinfandel	1.5 L	\$3,478,963	310,474	309,049	0.46%
15	Nobilo Sauvignon Blanc Marlborough	750 mL	\$3,678,148	304,439	278,989	9.12%
16	Barefoot Moscato	1.5 L	\$3,668,748	301,812	384,594	-21.52%
17	Josh Cellars Chardonnay	750 mL	\$3,997,195	300,931	280,520	7.28%
18	Starborough Sauvignon Blanc Marlborough	750 mL	\$3,579,629	293,029	257,990	13.58%
19	Martini & Rossi Asti	750 mL	\$3,752,324	278,117	271,590	2.40%
20	Sutter Home Chardonnay (4x187 mL)	748 mL	\$1,926,049	267,454	259,146	3.21%
21	Kim Crawford Sauvignon Blanc Marlborough	750 mL	\$4,335,457	265,681	288,655	-7.96%
22	Barefoot Pink Moscato	1.5 L	\$3,184,176	262,255	370,675	-29.25%
23	Mark West Pinot Noir	750 mL	\$2,479,259	250,579	212,725	17.79%
24	Ecco Domani Pinot Grigio delle Venezie	750 mL	\$2,925,071	250,524	223,125	12.28%
25	Wycliff Brut	750 mL	\$1,004,320	229,286	118,558	93.40%

\*Wycliff Brut (750 mL), a Special Order item available to licensees, increased by 110,728 units over the prior year and increased in licensee sales by 92.1% over the prior year.

\*\*Mark West Pinot Noir (750 mL) increased by 37,854 units over the year prior and increased retail sales 24.5% over the prior year.

\*\*\*La Marca Prosecco (750 mL) increased by 100,718 units over the year prior and increased retail sales 20.8% over the prior year.

### TOP 25 SPIRITS ITEMS BY UNITS

The spirits that exhibited the most unit growth during fiscal year 2021-22 included 99 Long Island Iced Tea Liqueur (50 mL) (109.1%)\*, New Amsterdam Vodka (50 mL) (82.5%)\*\* and E&J Apple Brandy (50 mL) (67.8%\*\*\*). Of the top 25 spirits items listed, (11) fell under the vodka category with a share of 44%, followed by liqueur or cordials (5), whiskey (4), rum (3) and brandy/cognac (2). Within the list, 13 of the 25 items listed were 50mL size.

RANK	PRODUCT	SIZE	DOLLAR SALES	UNIT SALES	UNIT SALES — LY	% CHANGE
1	Fireball Cinnamon Whisky	50 mL	\$4,583,117	4,634,009	4,426,383	4.69%
2	New Amsterdam Vodka	50 mL	\$1,511,973	1,626,188	891,068	82.50%
3	Tito's Handmade Vodka	1.75 L	\$50,463,300	1,444,580	1,422,394	1.56%
4	Tito's Handmade Vodka	1 L	\$33,246,606	1,366,255	935,878	45.99%
5	Tito's Handmade Vodka	750 mL	\$24,087,185	1,325,975	1,055,116	25.67%
6	New Amsterdam Pink Whitney Pink Lemonade Vodka	50 mL	\$1,033,444	1,059,103	669,005	58.31%
7	Crown Russe Vodka	1.75 L	\$8,251,911	873,026	833,034	4.80%
8	Jack Daniel's Old No. 7 Black Label Tennessee Whiskey	750 mL	\$19,216,900	834,249	718,009	16.19%
9	99 Long Island Iced Tea Liqueur	50 mL	\$727,438	777,301	371,685	109.13%
10	99 Peaches Liqueur	50 mL	\$696,419	752,764	556,782	35.20%
11	Captain Morgan Original Spiced Rum	1.75 L	\$19,340,147	744,498	719,586	3.46%
12	E&J Apple Brandy	50 mL	\$651,851	703,614	419,283	67.81%
13	99 Bananas Liqueur	50 mL	\$655,995	700,466	522,230	34.13%
14	Hennessy Cognac VS	750 mL	\$27,718,266	690,076	980,775	-29.64%
15	Nikolai Vodka	375 mL	\$2,606,552	653,281	635,963	2.72%
16	99 Apples Liqueur	50 mL	\$584,763	631,733	472,173	33.79%
17	Yukon Jack Liqueur	50 mL	\$587,282	630,580	425,225	48.29%
18	Jameson Irish Whiskey	750 mL	\$18,240,344	628,814	608,937	3.26%
19	New Amsterdam Peach Vodka	50 mL	\$562,818	604,935	459,723	31.59%
20	Captain Morgan Spiced Rum	750 mL	\$9,365,345	584,199	534,783	9.24%
21	Tito's Handmade Vodka	50 mL	\$1,060,050	540,133	543,472	-0.61%
22	Crown Royal Regal Apple Canadian Whisky	750 mL	\$14,732,771	520,619	496,597	4.84%
23	New Amsterdam Apple Vodka	50 mL	\$482,505	520,357	400,773	29.84%
24	Bacardi Superior Rum	1.75 L	\$11,685,241	519,522	563,314	-7.77%
25	New Amsterdam Pineapple Vodka	50 mL	\$480,788	516,722	411,877	25.46%

\*99 Long Island Iced Tea Liqueur (50 mL) was introduced in September 2020. This is the product's first full year of sales.

\*\*New Amsterdam Vodka (50 mL) increased by 735,120 units over the year prior and increased retail sales 81.1% over the prior year.

\*\*\*E&J Apple Brandy (50 mL) increased by 284,331 units over the year prior and increased retail sales 66.5% over the prior year.

## Growing Small-Size Sets in FW&GS Stores

The popularity of smaller-sized products continues to grow with consumers. In fiscal year 2021-22, sales of 50-mL-sized products increased by 10% (+\$5,387,580) over the prior fiscal year as a result of innovative store merchandising.



Throughout fiscal year 2020-21, FW&GS added small size sets featuring 50-mL-sized spirits at the majority of checkout counters in newly renovated stores. In fiscal year 2021-22, with the intent of continuing to grow this small-size category, FW&GS embarked on a pilot study to test performance and expand placement to more stores.

From November 2021 through February 2022, product display fixtures featuring sets of 50mL-sized items were placed in 28 stores. During this four-month period, stores with display fixtures increased sales of 50-mL-sized products 27.4%, compared to an increase of 9.4% for a similar subset of control stores without the fixtures.

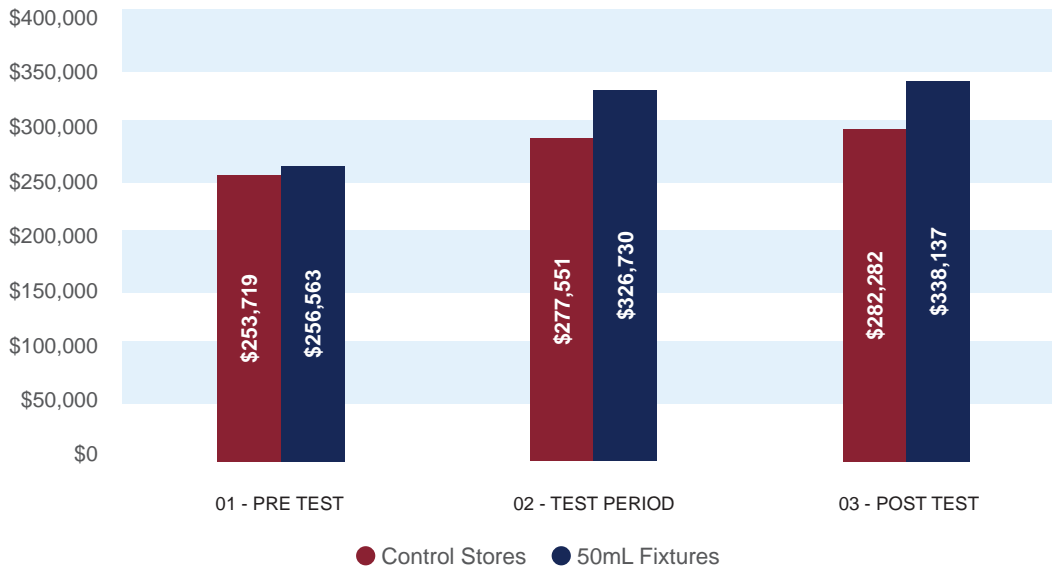
Post-pilot, the 50mL display fixtures remained in place at pilot stores with continued sales growth of 3.5%, while sales in control stores without the fixtures increased 1.7%.

Comparing the post-pilot study period with the pre-pilot study period, dollar sales for display fixture stores were 20.5% higher than control stores with no display fixture.



Small-size display fixture housing 50mL-sized items in select FW&GS stores.

### 50 ML FIXTURE AND CONTROL STORES, DOLLAR SALES





**TOP PENNSYLVANIA WINES BY DOLLAR SALES\***

Below are the top 10 Pennsylvania wines sold by FW&GS in fiscal year 2021-22.

RANK	PRODUCT	SIZE	UNIT SALES	DOLLAR SALES
1	Clover Hill Vineyards & Winery Concord Lehigh Valley	750 mL	46,675	\$509,190
2	The Winery at Wilcox Clarion River Red	1.5 L	32,551	\$488,964
3	Franklin Hill Vineyards Sir Walter's Red	750 mL	22,395	\$278,647
4	Daily's Fireworks Frozen Cocktail Pouch	296 mL	88,497	\$255,223
5	Daily's Margarita Frozen Cocktail Pouch	296 mL	86,489	\$255,202
6	Daily's Wild Berry Margarita Frozen Cocktail Pouch	296 mL	82,005	\$239,902
7	Franklin Hill Vineyards Carnival White Blend	750 mL	17,890	\$222,448
8	Mazza Vineyards Concord	1.5 L	22,377	\$218,490
9	Daily's Blue Hawaiian Frozen Cocktail Pouch	296 mL	66,410	\$194,610
10	Clover Hill Vineyards & Winery Pink Catawba	750 mL	17,466	\$191,696

**TOP PENNSYLVANIA SPIRITS BY DOLLAR SALES\***

Below are the top 10 Pennsylvania spirits sold by FW&GS in fiscal year 2021-22.

RANK	PRODUCT	SIZE	UNIT SALES	DOLLAR SALES
1	Pennsylvania Dutch Egg Nog	1.75 L	103,740	\$1,924,377
2	Bluecoat Dry Gin	750 mL	54,530	\$1,498,698
3	Pennsylvania Dutch Egg Nog	750 mL	149,895	\$1,460,046
4	Stateside Urbancraft Vodka	1.75 L	32,356	\$1,366,361
5	Stateside Urbancraft Vodka	750 mL	48,831	\$1,285,513
6	Stateside Vodka Soda Variety Pack	2.84 L	56,292	\$1,086,198
7	Dad's Hat Rye Whiskey	750 mL	18,519	\$671,892
8	Resurgent Bourbon	750 mL	12,943	\$490,005
9	Bartenders Trading Company I'm Bananas Over You Cocktail	1.75 L	26,205	\$427,186
10	Wigle Organic Bourbon	750 mL	7,973	\$421,995

\*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.

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

While sales through FWGS.com experienced a 19.2% decrease in dollar sales and a 32.4% decrease in transactions as compared to the prior year, the average transaction value increased 19.5%, while the average unit price increased 8.7%, from \$25.01 to \$27.19. Though decreased since fiscal year 2019-20, when FWGS.com experienced unprecedented growth due to COVID-19 and the temporary closure of FW&GS stores, e-commerce dollar sales and transactions remain elevated as compared to pre-pandemic year-over-year growth rates, with sales for 2021-22 up 171.9% and transactions up 160.4% as compared to 2018-19.

At \$133.29, the average transaction value on FWGS.com exceeded the average transaction value in FW&GS stores by \$92.50 or 69.4% for fiscal year 2021-22. E-commerce unit sales for higher price segments such as super- and ultra-premium products also exceeded sales of the same product price segments in FW&GS stores due to online shoppers spending more dollars on higher-priced products and the online-exclusive nature of certain products.

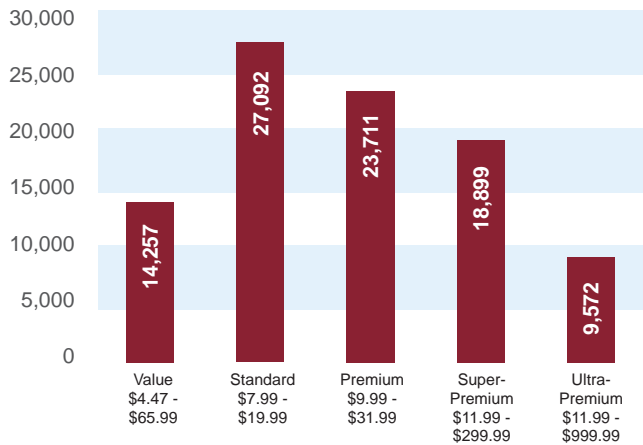
Of the top 25 e-commerce wine and spirits items sold in fiscal year 2021-22, the average price per item was \$13.54 for wine, and \$27.97 for spirits.

FISCAL YEAR	TOTAL FWGS.COM SALES	TOTAL FWGS.COM TRANSACTIONS	YEAR OVER YEAR REVENUE GROWTH	AVERAGE TRANSACTION VALUE
FY 2021-22	\$13,549,420	101,653	-19.23%	\$133.29
FY 2020-21	\$16,775,996	150,360	-37.31%	\$111.57
FY 2019-20	\$26,758,981	288,234	436.90%	\$92.84

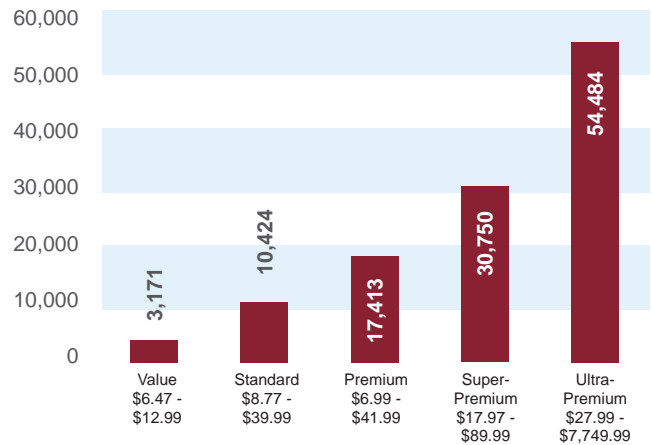
\*Sales data includes Accessories.

**E-COMMERCE SALES PRICE SEGMENTS**

**E-COMMERCE WINE UNITS SOLD BY PRICE SEGMENT FY 2021-22**



**E-COMMERCE SPIRITS UNITS SOLD BY PRICE SEGMENT FY 2021-22\***



\*Spirits reflect sales from limited release lotteries.

**TOP 25 E-COMMERCE WINE ITEMS BY UNITS**

The items that exhibited the most growth in unit sales during fiscal year 2021-22 included Hierogram Old Vine Zinfandel Lodi 2018 (750 mL) (674.3%), Josh Cellars Sauvignon Blanc North Coast (750 mL) (109.3%) and Josh Cellars Chardonnay (750 mL) (91.5%).

RANK	PRODUCT	SIZE	DOLLAR SALES	UNIT SALES	UNIT SALES — LY	% CHANGE
1	Woodbridge by Robert Mondavi Chardonnay	1.5 L	\$33,962	2,493	1,865	33.67%
2	La Marca Prosecco	750 mL	\$30,718	1,963	1,985	-1.11%
3	Cavit Pinot Grigio	1.5 L	\$21,059	1,596	1,811	-11.87%
4	Josh Cellars Cabernet Sauvignon	750 mL	\$20,434	1,291	1,105	16.83%
5	Kendall-Jackson Vintner's Reserve Chardonnay	750 mL	\$16,588	1,141	1,350	-15.48%
6	Josh Cellars Chardonnay	750 mL	\$15,111	1,082	565	91.50%
7	Kim Crawford Sauvignon Blanc Marlborough	750 mL	\$17,726	1,032	1,534	-32.72%
8	Robert Mondavi Winery Cabernet Sauvignon Monterey County Aged in Bourbon Barrels	750 mL	\$13,807	977	1,150	-15.04%
9	Tenuta di Burchino Il Burchino Toscana 2015	750 mL	\$11,403	883	710	24.37%
10	Apothic Red Winemaker's Blend	750 mL	\$9,817	858	1,384	-38.01%
11	Starborough Sauvignon Blanc Marlborough	750 mL	\$10,396	852	1,073	-20.60%
12	Woodbridge by Robert Mondavi Cabernet Sauvignon	1.5 L	\$10,604	774	474	63.29%
13	Josh Cellars Sauvignon Blanc North Coast	750 mL	\$9,889	741	354	109.32%
14	Cavit Pinot Grigio	750 mL	\$5,520	730	801	-8.86%
15	Bodegas Ego Goru Gold Red Blend Jumilla 2017	750 mL	\$7,213	722	1,047	-31.04%
16	Cupcake Vineyards Prosecco	750 mL	\$9,014	711	652	9.05%
17	Bodegas Ego Infinito Jumilla 2017	750 mL	\$11,835	699	--	--
18	Montechiara Prosecco Extra Dry Non Vintage	750 mL	\$6,221	692	699	-1.00%
19	Nobilo Sauvignon Blanc Marlborough	750 mL	\$8,615	680	1,068	-36.33%
20	Santa Margherita Pinot Grigio	750 mL	\$15,536	670	663	1.06%
21	Whitehaven Sauvignon Blanc Marlborough	750 mL	\$11,014	655	901	-27.30%
22	Mark West Pinot Noir	750 mL	\$6,646	640	599	6.84%
23	19 Crimes Hard Chard	750 mL	\$6,794	614	605	1.49%
24	Andre California Champagne Brut	750 mL	\$4,645	591	389	51.93%
25	Hierogram Old Vine Zinfandel Lodi 2018	750 mL	\$5,721	573	74	674.32%

**TOP 25 E-COMMERCE SPIRITS ITEMS BY UNITS**

The items that exhibited the most growth in unit sales during fiscal year 2021-22 included Willett Pot Still Reserve Small Batch Straight Bourbon (750 mL) (13,755.6%%), Willett Pot Still Reserve Small Batch Straight Bourbon (50 mL) (13,510.5%) and Blanton's Single Barrel Straight Bourbon (750 mL) (982.9%).

RANK	PRODUCT	SIZE	DOLLAR SALES	UNIT SALES	UNIT SALES — LY	% CHANGE
1	Blanton's Single Barrel Straight Bourbon	50 mL	\$42,361	7,072	1,080	554.81%
2	Henry McKenna Single Barrel Straight Bourbon Bottled in Bond 10 Year Old	750 mL	\$242,524	4,260	952	347.48%
3	Crown Russe Vodka	1.75 L	\$38,783	4,087	3,604	13.40%
4	Tito's Handmade Vodka	1.75 L	\$141,934	4,039	4,527	-10.78%
5	Buffalo Trace Straight Bourbon	750 mL	\$95,545	3,544	1,001	254.05%
6	John E. Fitzgerald Larceny Straight Bourbon Barrel Proof	750 mL	\$148,890	2,981	497	499.80%
7	Weller Special Reserve Straight Bourbon	750 mL	\$76,214	2,824	359	686.63%
8	Blanton's Single Barrel Straight Bourbon	750 mL	\$155,908	2,599	240	982.92%
9	Willett Pot Still Reserve Small Batch Straight Bourbon	50 mL	\$25,701	2,586	19	13,510.53%
10	Captain Morgan Original Spiced Rum	1.75 L	\$50,768	1,894	1,977	-4.20%
11	Bacardi Superior Rum	1.75 L	\$42,134	1,846	2,006	-7.98%
12	Stagg Jr. Straight Bourbon Barrel Proof	750 mL	\$92,246	1,678	3,314	-49.37%
13	Tito's Handmade Vodka	750 mL	\$30,017	1,620	2,196	-26.23%
14	Nikolai Vodka	1.75 L	\$18,043	1,530	1,349	13.42%
15	Pinnacle Vodka	1.75 L	\$27,022	1,466	1,061	38.17%
16	Buffalo Trace Single Barrel Straight Bourbon FWGS Exclusive Barrel	375 mL	\$23,066	1,358	-	-
17	Platinum 7X Vodka	1.75 L	\$23,017	1,350	1,116	20.97%
18	Blanton's Single Barrel Straight Bourbon FWGS Exclusive Barrel	375 mL	\$47,160	1,348	415	224.82%
19	Jack Daniel's Old No. 7 Black Label Tennessee Whiskey	1.75 L	\$59,769	1,319	1,750	-24.63%
20	Burnett's Vodka	1.75 L	\$17,761	1,283	1,269	1.10%
21	Willett Pot Still Reserve Small Batch Straight Bourbon	750 mL	\$62,268	1,247	9	13,755.56%
22	Smirnoff Vodka	1.75 L	\$28,186	1,177	1,516	-22.36%
23	Eagle Rare Single Barrel Straight Bourbon 10 Year Old	750 mL	\$34,333	1,145	511	124.07%
24	Jack Daniel's Old No. 7 Black Label Tennessee Whiskey	750 mL	\$27,158	1,142	1,682	-32.10%
25	Evan Williams Black Label Straight Bourbon	1.75 L	\$30,138	1,118	1,114	0.36%

**Social Media** July 1, 2021 – June 30, 2022



FACEBOOK



TWITTER



YOUTUBE



PINTEREST



INSTAGRAM

<i>Total Page Likes</i> <b>309,947</b>		<i>Total Followers</i> <b>32,921</b>		<i>Total Subscribers</i> <b>2,600</b>		<i>Total Followers</i> <b>5,720</b>		<i>Total Followers</i> <b>12,324</b>	
New followers	2,560	New followers	1,827	New subscribers	200	New followers	183	New followers	1,132
Impressions	6,732,673	Tweets sent	387	Views	183,400	Pin reach (unique users viewing board pins)	1,400,000	Total post likes	4,659
Avg. daily impressions	18,446	Retweets	339	New videos	26	Avg. monthly impressions	628,230	Avg. likes per post	38
Avg. daily engagements (likes, comments, shares)	147	Impressions (est.)	558,912					Total engagement (likes, comments, shares, saves)	6,525
Total engagements	51,313	Total mentions	1,049						

**Web & Accounts** July 1, 2021 – June 30, 2022

FWGS.COM

FWGS.COM NEW ACCOUNTS

<i>Visits</i> <b>11,851,473</b>	<i>Avg. Monthly Clicks</i> <b>34,098</b>	<i>Total New Accounts</i> <b>71,683</b>
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**Limited-Release Lotteries.** Limited-release lotteries provide Pennsylvania residents and licensees with the opportunity to enter for a chance to purchase limited-availability, high-demand products. In fiscal year 2021-22, FW&GS conducted three limited-release lotteries comprised of 11 separate product drawings. Combined dollar sales for the three lotteries — conducted in November 2021 and January and June of 2022 — totaled \$237,291.82 for 1,816 bottles and garnered more than 1 million eligible entries.



# 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.

Fiscal year 2021-22 saw the consolidation of the PLCB's network of three distribution centers supplying Fine Wine & Good Spirits (FW&GS) stores and licensees down to two, providing greater efficiency and cost savings.

The distribution center consolidation eliminated a facility in northeastern Pennsylvania while expanding the service areas of two modern and optimally located distribution hubs in eastern and western Pennsylvania.

The project commenced in 2019 with the construction of a larger, state-of-the-art distribution center in Philadelphia to replace an aging

and outdated facility in southeastern Pennsylvania.

The new Philadelphia distribution center opened in October 2020, providing optimized service for stores and licensees located in the east and the capacity for the PLCB to expand to a larger service region and deliver to more customers in the future.

Through competitive procurement, a new contract for warehousing and transportation services was awarded in late 2021 to the Pittsburgh-based incumbent third-party logistics provider, allowing for an expanded service base to support western region growth, as well as

improvements to warehousing and delivery efficiencies.

With the initiation of the new western distribution center contract in early 2022, the PLCB dispensed warehousing and delivery duties between its eastern and western facilities, completing the shutdown of its northeastern Pennsylvania distribution center in April.

The consolidation of the PLCB's distribution network has allowed for:

- Expansion of the agency's service base through two optimally located, upgraded facilities in eastern and western Pennsylvania equipped to support future business growth.



- Structural and operational enhancements that enable the PLCB to deliver products more accurately, efficiently and expediently to FW&GS stores, licensee service centers and licensees throughout the state.
- Reduced administrative, operational and service costs associated with the management of fewer distribution facilities.
- Modern automation and integrated technology that result in streamlined packing and shipping processes and increased visibility, inventory control and sustainability.

- More supplies in less space to reduce the risks of shortages.
- Expanded flexibility to receive product from vendors.

Collectively, the PLCB's eastern and western distribution facilities now provide 817,000 square feet of warehouse space, which shipped nearly 54,000 orders and 18.6 million cases of wine and spirits in fiscal year 2021-22 to nearly 600 FW&GS stores and Licensee Service Centers (LSCs), an e-commerce fulfillment center and 652 licensees enrolled in the Licensee Delivery Program (LDP).



# 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.

In fiscal year 2021-22, dollar sales to licensees across the state increased by 33.3% over the prior fiscal year – from \$528.4 million to \$704.2 million – while units sales increased by 23.1%, from 39.2 million to 48.2 million.

A 7% drop in dollar sales to wine-to-go retailers – from \$217.4 million in fiscal year 2020-21 to \$202.2 million in fiscal year 2021-22 – is reflective of a return to pre-pandemic purchasing patterns by mass merchants, grocery stores and convenience stores in line with the full reopening of on-premises retailers for business.

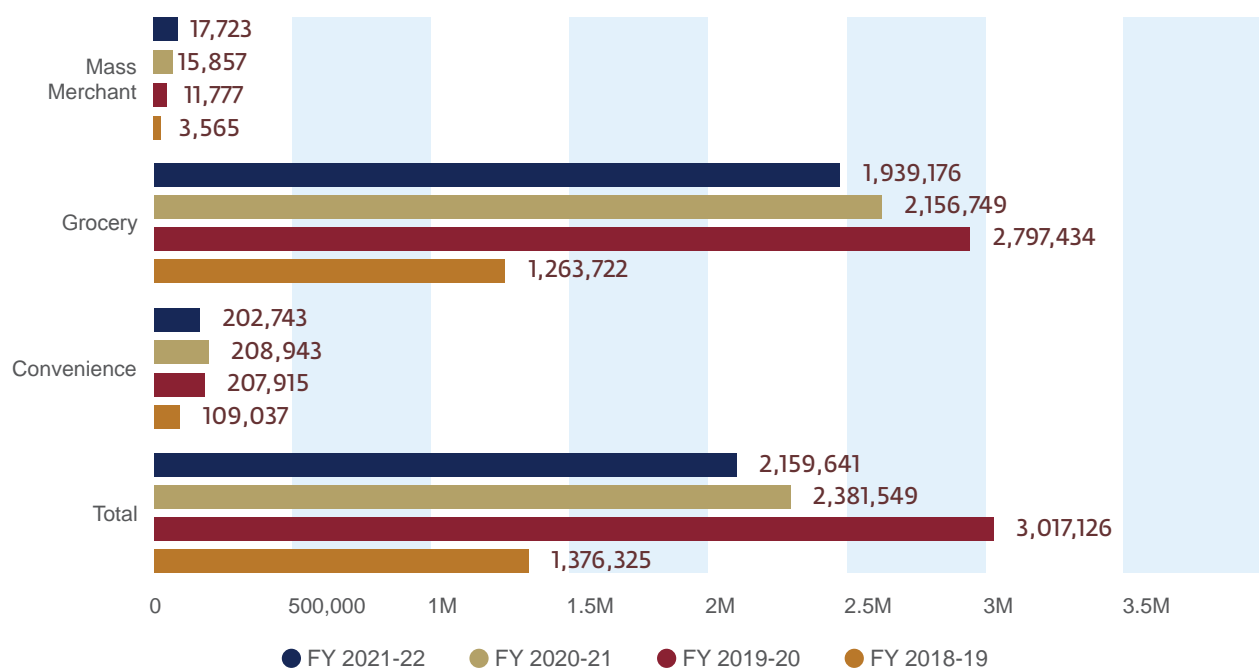
Spurred by the removal of operating restrictions imposed at the onset of the COVID-19 pandemic, dollar sales to on-premises retailers such as bars, restaurants and hotels increased by 61.4% – from \$311 million in fiscal year 2020-21 to \$502.1 million in fiscal year 2021-22.

In June 2022, the PLCB introduced new functionality allowing suppliers to direct deliver Special Orders (SOs) to licensees. The new service allows suppliers to propose direct delivery of SOs to a licensee's place of business or for delivery and pickup from a Fine Wine & Good Spirits store or Licensee

Service Center. The PLCB's Licensee Online Order Portal (LOOP) now provides licensees an order-by-order price comparison for store-delivered versus direct-delivered SOs. For SOs fulfilled through direct delivery, suppliers may opt to impose a delivery fee, while store-delivered orders do not have a delivery fee but do feature a PLCB handling fee known as the logistics, transportation and merchandising factor (LTMF).

Within the first month of SO direct delivery in June 2022, 3.2% of the total 20,956 SOs – accounting for 6.8% of total SO sales – were fulfilled via direct delivery by suppliers to licensees.

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





**TOP 10 WINES SOLD (BY 9L CASE) TO HIGH-VOLUME WINE-TO-GO RETAILERS\***

RANK	PRODUCT	SIZE	TOTAL DOLLARS	TOTAL 9L CASES
1	Cavit Pinot Grigio	1.5 L	\$1,929,080	27,992
2	Black Box Cabernet Sauvignon	3 L	\$1,417,648	24,153
3	Bota Box Pinot Grigio	3 L	\$1,201,069	21,382
4	Franzia White Zinfandel	3 L	\$623,032	20,010
5	Barefoot Pinot Grigio	1.5 L	\$1,310,826	19,377
6	Barefoot Pink Moscato	750 mL	\$1,531,230	19,214
7	Barefoot Pink Moscato	1.5 L	\$1,232,357	18,229
8	La Marca Prosecco	750 mL	\$2,966,590	17,734
9	Black Box Pinot Grigio	3 L	\$1,032,153	17,625
10	Woodbridge by Robert Mondavi Chardonnay	1.5 L	\$1,235,714	17,320

\*Mass merchants, grocery stores and convenience stores

**TOP 10 WINES SOLD (BY 9L CASE) TO TRADITIONAL ON-PREMISES RETAILERS\***

RANK	PRODUCT	SIZE	TOTAL DOLLARS	TOTAL 9L CASES
1	Wycliff Brut	750 mL	\$999,133	19,009
2	Franzia Chablis	5 L	\$519,390	16,406
3	Woodbridge by Robert Mondavi Cabernet Sauvignon	1.5 L	\$952,114	12,815
4	Woodbridge by Robert Mondavi Chardonnay	1.5 L	\$938,871	12,596
5	Woodbridge by Robert Mondavi Pinot Grigio	1.5 L	\$765,200	10,155
6	Peter Vella Chablis	5 L	\$311,867	9,793
7	Franzia Chardonnay	5 L	\$303,963	9,613
8	Kendall-Jackson Vintner Reserve Chardonnay	750 mL	\$1,372,808	8,525
9	Carlo Rossi Chablis	4 L	\$289,783	8,422
10	Sutter Home White Zinfandel	1.5 L	\$523,679	8,105

\*Bars and restaurants

**TOP 10 SPIRITS SOLD (BY 9L CASE) TO TRADITIONAL ON-PREMISES RETAILERS\***

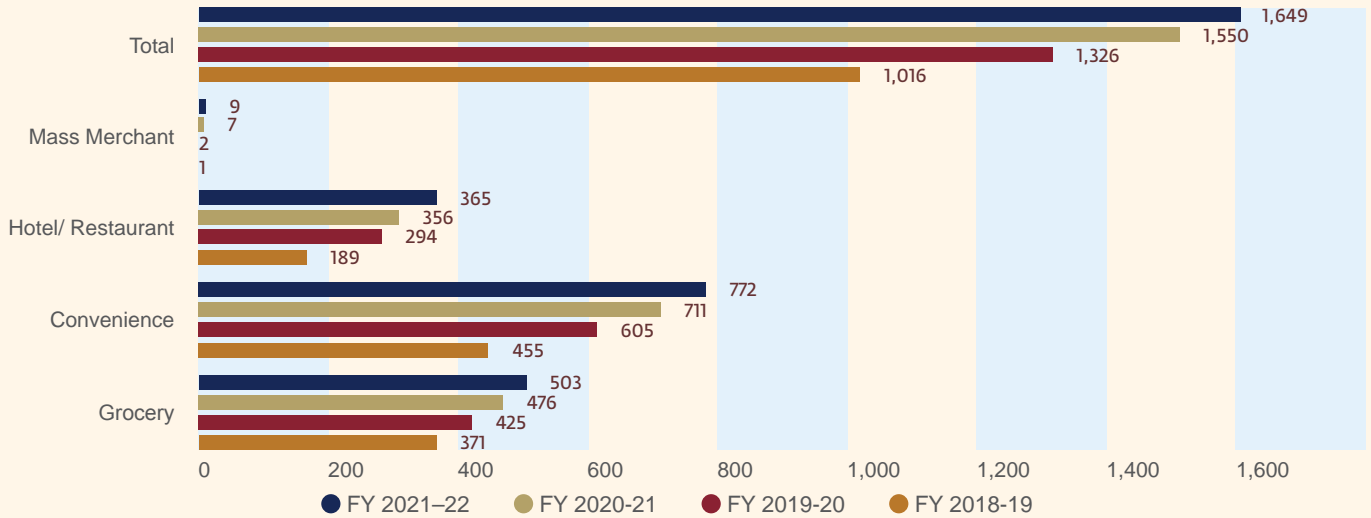
RANK	PRODUCT	SIZE	TOTAL DOLLARS	TOTAL 9L CASES
1	Tito's Handmade Vodka	1 L	\$20,048,114	95,310
2	Tito's Handmade Vodka	750 mL	\$7,678,363	37,630
3	Tito's Handmade Vodka	1.75 L	\$5,652,096	34,494
4	Captain Morgan Original Spiced Rum	1.75 L	\$4,282,376	34,464
5	Jack Daniel's Old No. 7 Black Label Tennessee Whiskey	750 mL	\$7,455,808	28,716
6	Captain Morgan Spiced Rum	750 mL	\$5,319,211	28,606
7	Captain Morgan Original Spiced Rum	1 L	\$4,630,456	25,996
8	High Noon Cocktail Variety Case (12x355 mL)	4.26 L	\$899,866	24,859
9	Jameson Irish Whiskey	750 mL	\$7,727,535	23,420
10	Montezuma Triple Sec	1 L	\$984,708	22,143

\*Bars and restaurants

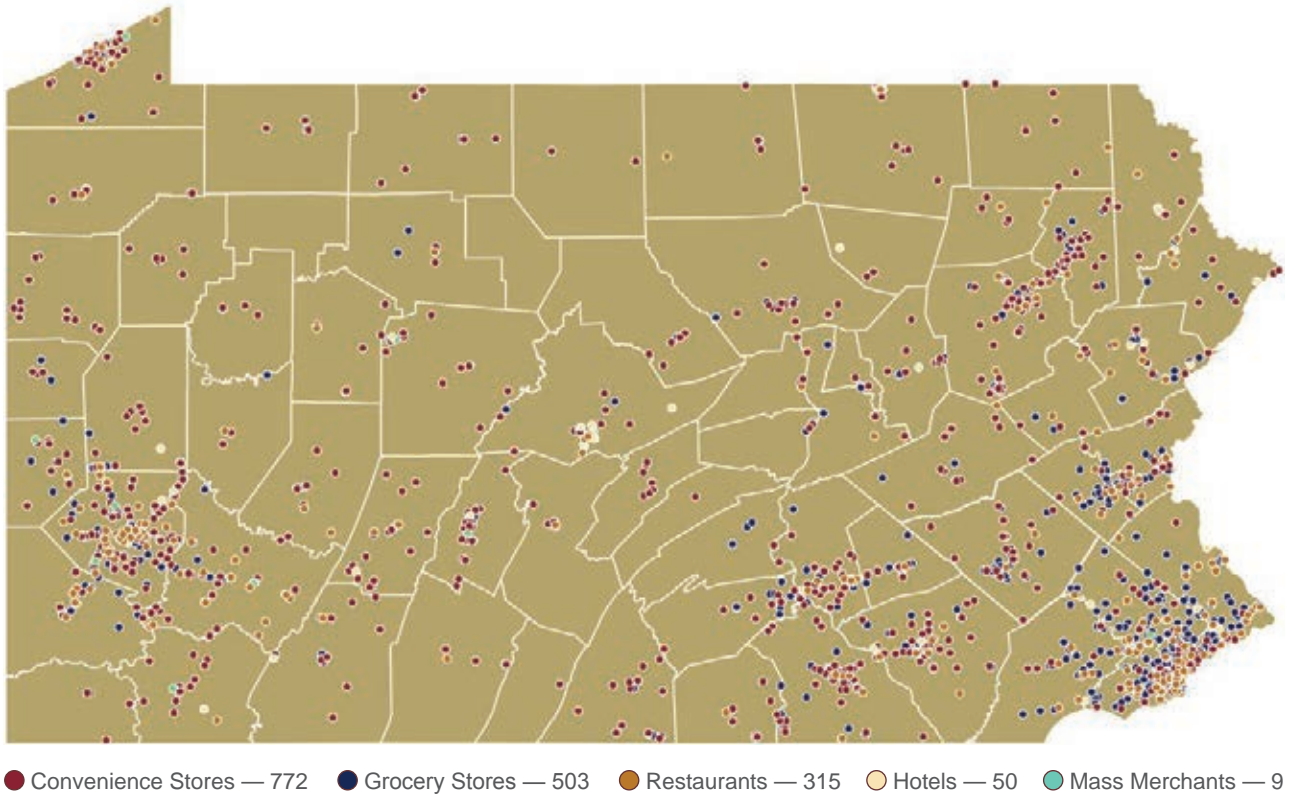
The PLCB's Licensee Delivery Program (LDP), which provides direct delivery of wine and spirits to high-volume licensees, grew the number of enrollees in fiscal year 2021-22 by 3.7% over the prior fiscal year. In fiscal year 2021-22, more than 1.9 million cases were shipped to licensees via the LDP program, with a weekly average of just over 36,000 cases.

The number of licensees holding wine expanded permits totaled 1,649 as of the close of fiscal year 2021-22 – an increase of 6.4% over the prior fiscal year. Accounting for the majority of wine expanded permits, grocery and convenience stores added 88 new locations for a total of 1,275 and a 7.4% increase over fiscal year 2020-21.

**LICENSEES WITH WINE EXPANDED PERMITS**



**WINE EXPANDED PERMITS AS OF JUNE 30, 2022**



# 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 2021-22, ITS focused on the continued planning and implementation of Project New Horizon, a multi-year effort to modernize and transform the PLCB's technology and organizational infrastructure.

Project New Horizon will deliver an entirely new enterprise resource planning (ERP) platform that will enable the agency to more effectively and efficiently manage its separate lines of business including wholesale, retail and e-commerce, through use of integrated cloud-based systems.

In January 2022, Release 1 of the project went live, providing the PLCB with upgraded cloud-based finance and indirect procurement systems. Release 1 of the new ERP:

- Automated tasks related to supplier registration and invoice processing; eliminating the need for manual entry;
- Standardized financial reporting, reducing the time needed to reconcile data between systems and with other state agencies;
- Introduced a new Oracle Supplier Portal, enabling self-service reporting capabilities for suppliers to maintain profile data and view the status of non-merchandise orders, invoices and payments; and
- Enabled goods and services suppliers to respond to procurement opportunities within the new system.

## PROJECT NEW HORIZON

ITS, in conjunction with PLCB business units and project partners, has worked tirelessly throughout fiscal year 2021-22 on project planning, solution design and testing protocols to support both the Release 1 go live and preparation for Release 2, which will be the core of the PLCB's transformation.

Release 2 will change how the PLCB conducts business with wine and spirits suppliers, replenishes Fine Wine & Good Spirits stores and manages inventory and accounting. As part of this release, the PLCB will replace FWGS.com, its current e-commerce retail platform, as well as its Licensee Online Order Portal (LOOP), with new cloud-based solutions for order management that will incorporate functional enhancements and responsive design.



Chief Information Officer Rob McCabe presents at a Project New Horizon workshop held for PLCB employees.

# 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.

## **RAMP Owner/Manager Training – Mandatory Classroom Training for New Managers**

Fiscal year 2021-22 brought regulatory changes to the PLCB's Responsible Alcohol Management Program (RAMP) in the form of a mandatory in-person classroom training requirement for first-time enrollees of the program's Owner/Manager Training.

RAMP provides education and training on legal and responsible alcohol service and management practices to PLCB licensees and their employees. Upon successful completion of the program's four training prerequisites – Owner/Manager Training, Server/Seller Training, New Employee Orientation and Signage – licensees are eligible to apply for RAMP certification of a licensed premises for approval by the PLCB.

Established as a voluntary certification program in 2001, RAMP was later mandated by the state legislature for licensees found guilty of sales to minors or visibly intoxicated patrons; as part of conditional licensing agreements with certain licensees; and for grocery stores, convenience stores, hotels and similar licensees seeking to sell wine to go. Regulations

enacted in July 2021 introduced mandatory classroom training for first-time Owner/Manager Training enrollees as a condition of eligibility to satisfy mandatory training requirements and to apply for RAMP certification.

The new requirement, which took effect Aug. 28, 2021, was enacted based on evidence of a lack of thorough understanding of the RAMP certification process, the next steps following training and how to effectively implement training concepts to promote responsible alcohol service by attendees completing Owner/Manager Training online. By establishing mandatory classroom attendance for first-time owner/managers for this critical RAMP prerequisite, instructors ensure attendees are fully committed to the learning process and free of distractions that may disrupt the learning experience.

With the goal of promoting the responsible service and sale of alcohol throughout Pennsylvania by focusing on those responsible for determining daily operations and policies – the owner and the manager of a licensed establishment – the RAMP Owner/Manager Training prerequisite builds the foundation for establishments to become RAMP-certified and educates attendees about:

- The RAMP certification process
- Liability and the laws for responsible service
- Documentation and the posting of required signage for customers and employees
- Legally acceptable forms of ID
- How to properly check IDs
- Visible intoxication and safe intervention strategies
- How to create house policies and procedures for responsible service

Participants interact with the trainer and their peers to proactively learn required principles to promote safe and responsible alcohol service in their establishments among employees and patrons. While skills are learned, development of a positive attitude toward responsible sales and service and the importance of creating an environment that promotes responsible sales and service is the ultimate goal of the in-person training.

The benefits of classroom (verses online training) as reported by RAMP instructors and trainees have included:

- A more collaborative learning environment that promotes interaction and connectivity.
- The chance to participate in real-time question-and-answer sessions with instructors and peers.

- The opportunity to engage with and learn from the experiences of fellow licensees.
- Hands-on explanation and assistance with the practical application of information covered in training.
- The ability to draw out the learner's own experiences and expertise, thereby solidifying the information in the trainee's mind.
- An expanded in-person training window of four hours (versus 2.5

hours for online tutorials with no instructor and 3-3.5 hours for virtual, instructor-led training).

- A less-distracted, more-focused-learning environment.

RAMP Owner/Manager Training is required every two years. While the initial training must be completed within an in-person, classroom setting, licensees may elect to renew their Owner/Manager Training through online or virtual courses.

From the program effective date through June 30, 2022, 5,492 licensees completed Owner/Manager Training; of that, 2,196 or 40% completed training within the classroom setting, compared to 17.1% that completed in-person classroom Owner/Manager Training during the pre-pandemic period for Aug. 28, 2019, through June 30, 2020. (Note: RAMP in-person classroom training was suspended from April 1, 2020, through Sept. 1, 2021, due to COVID.)

**TOTAL LICENSE APPLICATIONS AND PERMITS RECEIVED AND PROCESSED JULY 1, 2021, THROUGH JUNE 30, 2022**

Renewals/Validations	<b>20,927</b>
Catering Permits	<b>672</b>
Transfers	<b>1,188</b>
Criminal Record Checks	<b>7,967</b>
Tavern Gaming Licenses	<b>44</b>
New Licenses	<b>1,091</b>
Other Applications	<b>8,086</b>
Brand Registration	<b>19,837</b>
Special Occasion Permits	<b>3,185</b>
AP-SS-EHF Permits*	<b>22,752</b>
Wine Expanded Permits	<b>1,620</b>
<b>TOTAL APPLICATIONS</b>	<b>— 87,369</b>

\* Amusement Permit-Sunday Sales-Extended Hours Food

**2021 LICENSE COMPLIANCE PROGRAM INSPECTIONS**

Licensee Compliance	<b>31</b>
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**INVESTIGATIONS PROCESSED**

TYPE OF INVESTIGATION	2021	2020	2019	2018
New License	284	234	324	356
Renewal	39	26	22	39
Transfer – Place	90	82	84	84
Transfer – Person	626	478	572	587
Double Transfer Person-Place	399	322	447	484
Correction	42	33	20	30
Extension	1,584	833	933	978
Manager Change	1,725	1,331	1,775	1,582
Reinvestigation	2,557	1,647	2,082	2,034
Officer Change	552	453	573	517
Reissue Safekeeping	605	477	706	678
Special Occasion Permit	1	0	1	2
Limited Winery	32	40	17	24
Non-Compliance	0	2	12	22
Miscellaneous	391	281	273	244
Nuisance Bars	98	101	186	151
Management Company	89	92	127	84
License Conversions (E to R, D to ID, C to CC, etc.)	28	23	23	23
Additional Location (BAL)	101	167	180	147
<b>TOTAL</b>	<b>9,243</b>	<b>6,622</b>	<b>8,357</b>	<b>8,066</b>

**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**

<b>2021</b> <b>218</b>	<b>2020</b> <b>141</b>
<b>2019</b> <b>91</b>	<b>2018</b> <b>133</b>

RETAIL LICENSES IN EFFECT AS OF DECEMBER 31, 2021

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	Eating Place	Economic Dev. E	Hotel	Club	GOLF COURSE		Total Retail Licenses	Per 3,000 Pop.	Per Square Mile
								Municipal	R	C									Municipal	Private Eat.			
STATE TOTAL	12,702,379	44,740	10,047	1,175	2,670	8	42	36	235	39	47	33	73	104	346	2	2	20	2	4	14,885	3.52	0.33
ADAMS	101,407	519	58	16	16	0	0	0	6	0	0	0	0	1	3	0	0	1	0	0	101	2.99	0.19
ALLEGHENY	1,223,348	730	1,461	101	265	0	10	3	9	1	5	0	11	19	13	0	0	2	0	0	1,900	4.66	2.60
ARMSTRONG	68,941	653	60	7	27	0	0	0	5	0	0	0	1	0	1	0	0	0	0	1	102	4.44	0.16
BEAVER	170,539	435	144	13	61	0	0	0	5	1	0	0	1	0	0	0	0	0	0	0	225	3.96	0.52
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	277	43	110	0	1	1	5	1	2	0	3	2	5	0	0	2	0	0	452	3.30	0.53
BLAIR	127,089	526	99	17	31	0	1	0	3	1	0	0	1	3	6	0	0	0	0	0	162	3.82	0.31
BRADFORD	62,622	1,147	35	17	20	0	0	0	1	0	0	0	0	0	2	0	0	0	0	0	75	3.59	0.07
BUCKS	625,249	604	350	53	42	0	0	4	6	1	5	3	2	0	3	0	0	0	0	0	469	2.25	0.78
BUTLER	183,862	789	109	17	26	0	1	1	7	0	1	1	2	1	2	0	0	0	0	0	168	2.74	0.21
CAMBRIA	143,679	688	142	18	97	0	0	0	2	0	0	0	0	4	2	0	0	0	0	0	265	5.53	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	74	14	30	0	0	0	4	0	0	0	0	0	1	0	0	0	0	0	124	5.70	0.33
CENTRE	153,990	1,110	74	25	27	0	1	0	2	0	1	0	1	4	1	0	0	2	0	0	138	2.69	0.12
CHESTER	498,886	751	207	39	43	0	0	1	12	9	1	11	3	0	4	0	0	0	1	0	331	1.99	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	78	7	37	0	0	0	2	0	0	0	0	0	1	0	1	1	0	0	127	4.67	0.11
CLINTON	39,238	888	31	6	13	0	0	1	0	0	0	0	1	1	5	0	0	0	0	0	58	4.43	0.07
COLUMBIA	67,295	483	50	10	22	0	0	0	3	0	0	0	1	0	0	0	0	0	0	0	86	3.83	0.18
CRAWFORD	88,765	1,012	72	4	29	0	0	0	4	0	0	1	0	0	0	0	0	0	0	0	110	3.72	0.11
CUMBERLAND	235,406	545	88	22	30	0	0	1	5	0	2	2	1	0	0	1	0	0	0	0	153	1.95	0.28
DAUPHIN	268,100	525	220	39	60	0	1	2	5	0	0	0	3	7	7	0	0	0	0	1	345	3.86	0.66
DELAWARE	558,979	184	327	28	49	0	3	2	0	2	5	0	3	3	16	0	0	0	0	0	438	2.35	2.38
ELK	31,946	827	30	9	20	0	1	1	1	0	0	0	0	0	5	0	0	1	0	0	68	6.39	0.08
ERIE	280,566	799	252	16	68	0	1	2	8	0	1	0	2	6	5	0	0	1	1	0	363	3.88	0.45
FAYETTE	136,606	790	156	14	67	0	0	0	2	0	0	0	0	0	3	0	0	0	0	0	242	5.31	0.31
FOREST	7,716	427	8	2	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	49	10	23	0	0	0	2	1	0	0	1	0	0	0	0	0	0	0	86	1.72	0.11
FULTON	14,845	438	2	3	3	0	0	0	0	0	0	0	0	0	2	0	0	0	0	1	11	2.22	0.03



# WHOLESALE LICENSES IN EFFECT AS OF DECEMBER 31, 2021

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
<b>STATE TOTAL</b>	<b>12,702,379</b>	<b>44,740</b>	<b>1,084</b>	<b>147</b>	<b>1,231</b>	<b>2.91</b>	<b>0.03</b>
ADAMS	101,407	519	6	0	6	1.78	0.01
ALLEGHENY	1,223,348	730	129	13	142	3.48	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	4	2	6	2.87	0.01
BUCKS	625,249	604	28	1	29	1.39	0.05
BUTLER	183,862	789	22	1	23	3.75	0.03
CAMBRIA	143,679	688	21	6	27	5.64	0.04
CAMERON	5,085	396	1	0	1	5.90	0.00
CARBON	65,249	381	10	2	12	5.52	0.03
CENTRE	153,990	1,110	3	4	7	1.36	0.01
CHESTER	498,886	751	21	1	22	1.32	0.03
CLARION	39,988	601	4	1	5	3.75	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	38	4	42	4.49	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	7	1	8	1.60	0.01
FULTON	14,845	438	2	1	3	6.06	0.01
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	22	7	29	4.06	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	1	12	2.70	0.03
LEHIGH	349,497	345	29	6	35	3.00	0.10
LUZERNE	320,918	890	31	5	36	3.37	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	55	2	57	2.14	0.12
MONTOUR	18,267	130	4	0	4	6.57	0.03
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	110	12	122	2.40	0.91
PIKE	57,369	545	5	0	5	2.61	0.01
POTTER	17,457	1,081	5	0	5	8.59	0.00
SCHULYKILL	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	5	0	5	3.34	0.02
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	44	6	50	4.11	0.05
WYOMING	28,276	397	5	0	5	5.30	0.01
YORK	434,972	904	25	4	29	2.00	0.03

## Education & Grants Management Division

In fiscal year 2021-22, the Education & Grants Management Division reached citizens in nearly every Pennsylvania county. The Bureau of Alcohol Education:

- **Attended 45 in-person and virtually-led trainings, conferences and webinars.**
- Distributed nearly **130,000 educational materials.**

- **Conducted eight “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 two “Understanding the Liquor Laws and Alcohol Related Offenses” trainings.**

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.

## Collaborating with Partners in Prevention: The Pennsylvania Higher Education Needs Assessment

In line with its mission to reduce and prevent underage and dangerous drinking through its Bureau of Alcohol Education, the PLCB partnered with the Commonwealth Prevention Alliance (CPA) to conduct a needs assessment survey of Pennsylvania higher education institutions to collect data about current alcohol-related issues on campus and initiatives to counter the negative effects of student alcohol use.

The survey – completed by chief college and university student affairs administrators and Alcohol and Other Drugs (AOD) professionals – was published in October 2022. Key survey results from the report showed that:

- 80.8% of administrators report alcohol use contributes to other problems experienced by students, at least some of the time.
- 73.1% of student affairs administrators agreed that “most student alcohol use occurs in off-campus settings.”
- 61.5% of respondents expressed some level of concern about student alcohol use relative to other problem behaviors experienced on campus.
- More than one-third of responding colleges do not have a full-time staff member dedicated to alcohol prevention.

With information gained from the survey, the CPA plans to develop a statewide collaborative to support institutions of higher learning with efforts to address alcohol use and connect them with prevention and intervention resources.

The report is available within the “Resources” section under the “Education” menu at [lcb.pa.gov](http://lcb.pa.gov).

**KNOW WHEN.  
KNOW HOW.<sup>SM</sup>**

Fiscal year 2021-22 marks the fifth year of *Know When. Know How.<sup>SM</sup>*, the PLCB’s statewide education campaign to prevent underage drinking, which continued to reach Pennsylvania parents of children ages 8 through 12 to encourage them to initiate early conversations about the dangers of alcohol with their kids before the trial or use of alcohol begins.

KnowWhenKnowHow.org, the campaign’s website, educates parents of elementary- to middle school-aged kids on the facts surrounding underage drinking and provides them with the tools, resources and confidence required to engage in meaningful and ongoing discussions about alcohol with their kids from an early age.

The website emphasizes the effectiveness of ongoing, age-appropriate conversations that stem from everyday experiences and mature with children over time, as opposed to a single intimidating “talk.” KnowWhenKnowHow.org offers conversation starters and video tips as a guide for parents, as well as an informational campaign video for use by both parents and educators. The website also features a dedicated resource section with

ideas and suggestions for like-minded partners in prevention to help promote the campaign.

Boasting over 40 national and international awards from its launch in January 2018 through June 30, 2022, the advertising campaign has totaled 121.1 million digital impressions, resulting in more

than 259,389 link clicks and 154,237 Pennsylvania-based visitors to the *Know When. Know How.<sup>SM</sup>* website.



TALK WITH YOUR KIDS ABOUT ALCOHOL



**GRANTS**

Alcohol Education grants for reducing underage and dangerous drinking are awarded on a two-year cycle. The amount awarded for the second year of funding in the 2020-22 grant cycle was \$1,388,113, which went to 83 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-two 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 to fund a public service announcement contest featuring local middle- and high-school students that aired on radio and social media, as well as a mock car crash as an educational and prevention tool for students.

At the completion of the first year of funding, grantees made a total of 8,102,485 contacts with the public.



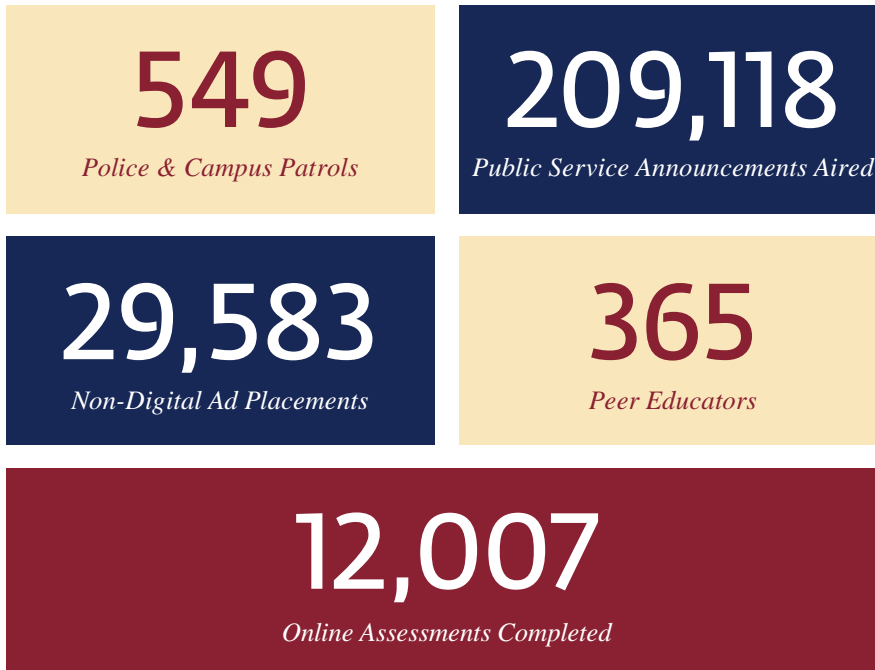
**RESPONSIBLE ALCOHOL MANAGEMENT PROGRAM**

The PLCB’s Responsible Alcohol Management Program (RAMP) was established as a voluntary program in 2001 to provide licensees with the tools they need to serve alcohol responsibly. 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

**SOME OF THE WAYS PEOPLE WERE REACHED**



and implement house policies, responsibilities of licensees and information covered in server/seller training. *This training is required for newly approved managers of certain license types. Effective Aug. 28, 2021, mandatory classroom training for first-time Owner/ Manager Training enrollees is required as a condition of eligibility to satisfy mandatory training requirements and to apply for RAMP certification.*

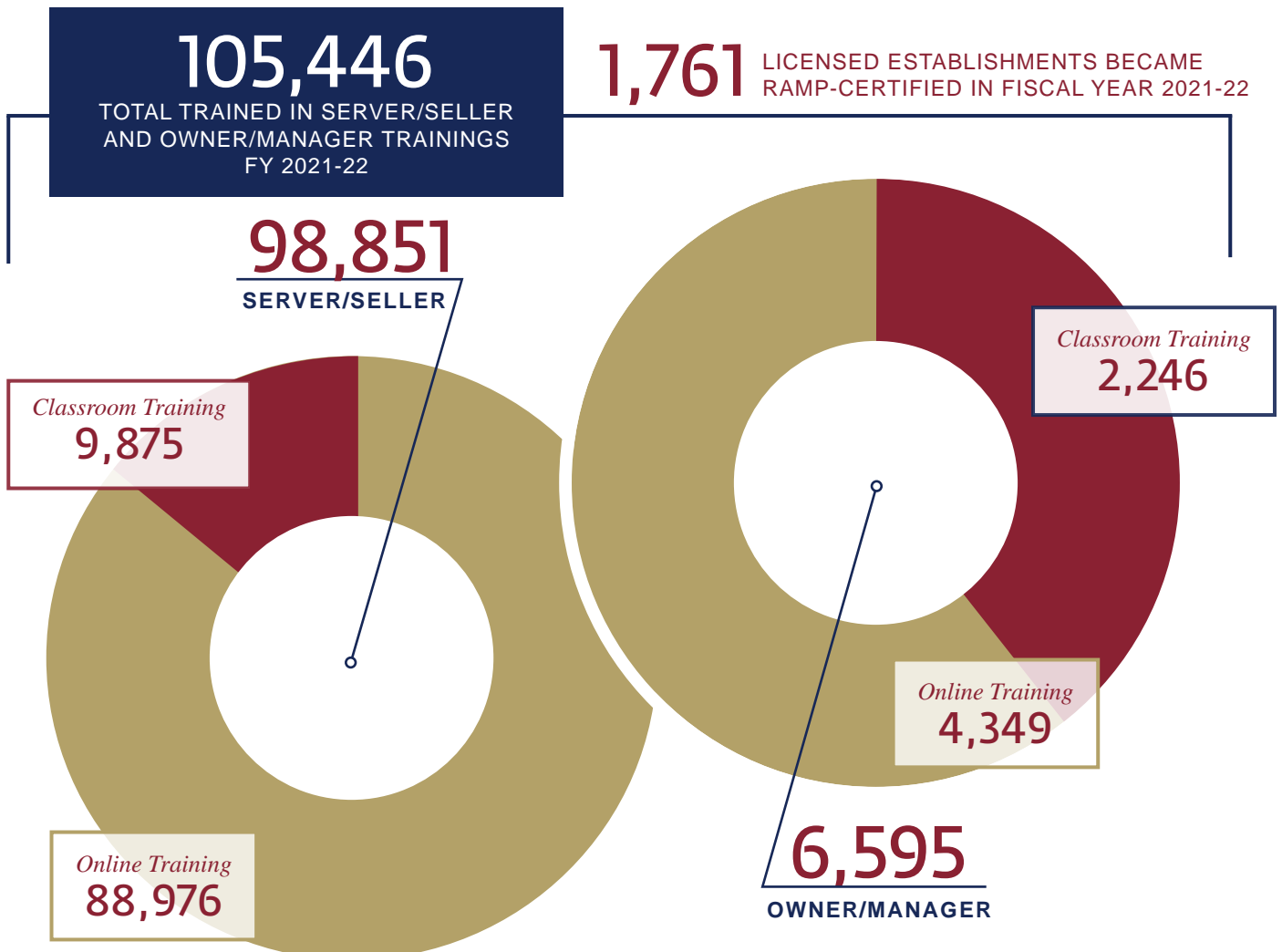
**Server/Seller Training** – At least 50% of the licensee’s alcohol service staff must be trained as part of certification. This includes anyone who serves alcohol and/or checks IDs. Training includes tips on carding and spotting fake IDs, how to spot and

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.



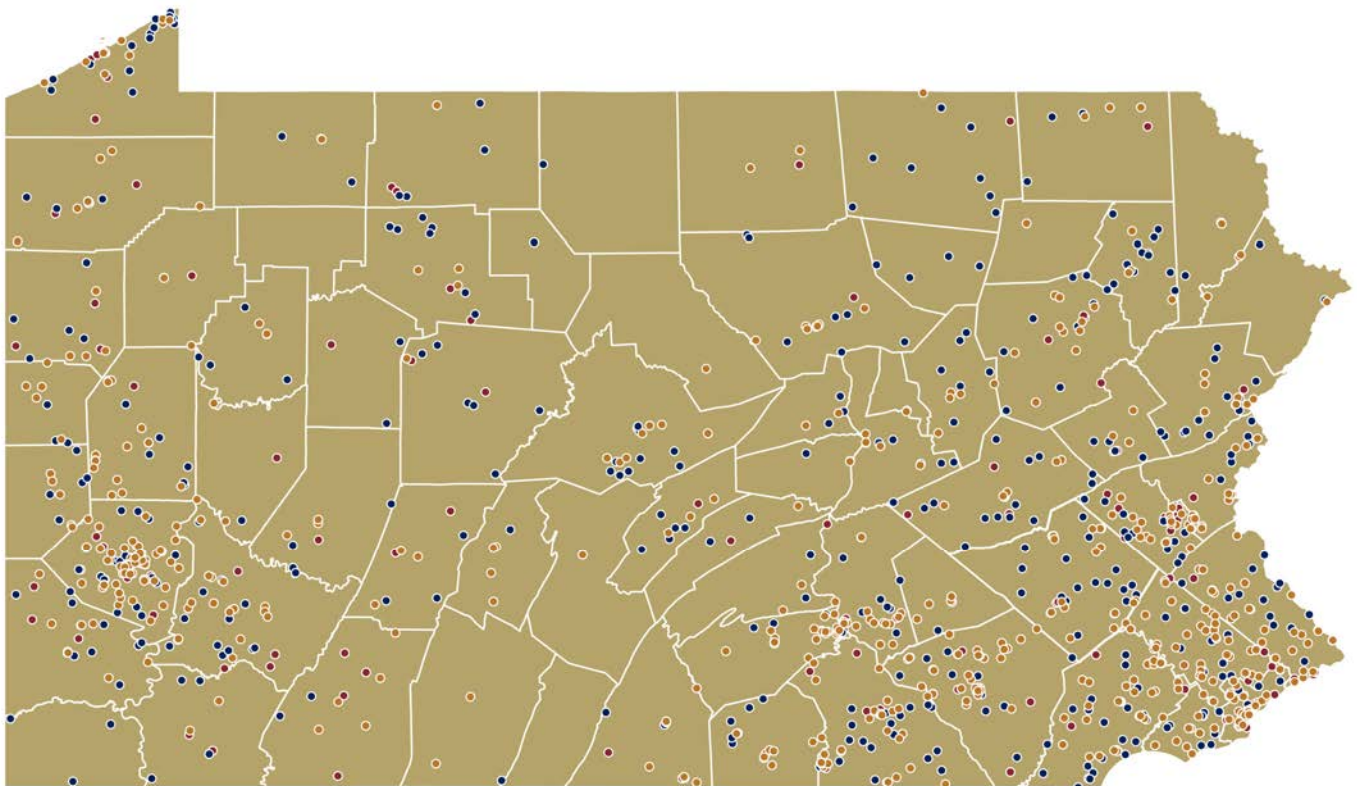
# PENNSYLVANIA PRODUCERS

Pennsylvania has a long-standing history of producing beverage alcohol, with more than 1,200 locations statewide – wineries and limited wineries, breweries and brew pubs, distilleries and limited distilleries – with producer licenses.

The PLCB approves up to \$1 million in grants annually for projects that support the Pennsylvania wine industry and increase production of Pennsylvania-made wines, and another \$1 million in grants for the development and promotion of the Pennsylvania beer industry.

Each year, the Pennsylvania Wine Marketing and Research Board and the Pennsylvania Malt and Brewed Beverages Industry Promotion Board present grant proposals that focus on research, marketing and education initiatives to the PLCB. Through fiscal year 2021-22, the PLCB has awarded nearly \$6 million in wine grants and more than \$4.7 million in beer grants.

## PENNSYLVANIA PRODUCERS HAVING VALID LICENSES AS OF JUNE 30, 2022



● Breweries/Brew Pubs — 606 ● Wineries/Limited Wineries — 451 ● Distilleries/Limited Distilleries — 183

## Wine and Beer Grants

In fiscal year 2021-22, \$1 million was awarded to eight projects to support the Pennsylvania wine industry, and \$925,319 was authorized for seven projects supporting Pennsylvania-made malt and brewed beverages.

### 2021-22 Wine Grant Recipients – \$1,000,000

#### **Pennsylvania Wines Statewide Winery Visitation and Wine Sales Marketing**, \$531,220

*Pennsylvania Winery Association*

The Pennsylvania Winery Association (PWA) will continue its efforts to engage the public and provide support to the wine industry with a focus toward recovery and long-term sustainability. Partnering with the PA Media Group and Momentum Digital, the PWA will engage consumers and industry members in efforts to attract new visitors to wineries and tasting rooms, raise the visibility and reach of Pennsylvania's diverse and high-quality wines and provide useful marketing and engagement tools for the Pennsylvania wine industry and its partners.

#### **Assessment of Economic Decision Levels for Spotted Lanternfly in *Vitis Vinifera***, \$108,161

*The Pennsylvania State University*

A study of spotted lanternfly economic thresholds and impacts on cabernet franc will measure how insect density and number of yearly infestations impact yield losses, plant decline and vine death and inform the usage of insect-suppressing techniques in relation to the management of spotted lanternflies.

#### **Exogenous Acetaldehyde as a Tool for Improving Pennsylvania Red Wine Color and Quality**, \$88,747

*The Pennsylvania State University*

This project will take a novel oxygenation technique demonstrated as effective in a previously completed PLCB-funded project and move this concept to application and industry use to provide wineries with an additional tool to improve wine color and quality as an alternative to barrel aging without the sanitation risks and associated costs.

#### **Assessing and Addressing Vineyard Herbicide Drift Challenges in PA**, \$79,310

*The Pennsylvania State University*

A study of herbicide use, drift and damage on grapevines will inform wine and grape industry stakeholders on the scale of herbicide drift issues in Pennsylvania so that neighboring vineyards, farms and herbicide application industries, such as landscaping and rights-of-way, may increase communication and support of Pennsylvania wineries.

#### **Understanding Vine Declamation to Mitigate Spring Frost Damage Across Pennsylvania**, \$74,003

*The Pennsylvania State University*

Frost damage in late winter and early spring can hamper grape production in Pennsylvania, but the effects of winter and spring temperatures on budbreak timing are not well understood. This project will study and document how temperatures impact phenological development to help growers predict loss of cold hardiness and effectively implement frost protection strategies.

#### **Economic Impact and Model Evaluation for Optimum Management of Grapevine Leafroll-Associated Viruses in Pennsylvania**, \$57,192

*The Pennsylvania State University*

Previous funding from the Pennsylvania Wine Marketing and Research Board and the PLCB enabled Penn State researchers to reveal a significant presence of damaging grapevine leafroll-associated viruses in the state. This project will complete data collection at four commercial vineyards to determine the economic and longevity impact of grapevine leafroll disease, determine the role weather may play in the expression of grapevine leafroll disease and inform recommendations for cost-effective management strategies to strengthen Pennsylvania grape industry production.

#### **Evaluation of a Novel Grid Shoot Positioning System's Impacts on Canopy Management Efficiency, Crop Yield and Fruit Composition**, \$42,492

*The Pennsylvania State University*

A novel vertical and lateral shoot positioning apparatus for canopy management and shoot positioning will be explored to determine if it reduces labor costs and fruit-zone shading to improve fruit composition and decrease bunch rot. Improved canopy health and fruit quality, combined with reduced labor costs, could improve economic sustainability for small vineyards and wineries.

#### **PA Cider Tourism Campaign**, \$18,875

*PA Cider Guild*

In the first project recommended by both the Wine Board and the Beer Board for joint funding, the PA Cider Guild will increase awareness of local cider and craft beverage industries through development of an interactive website, a first-ever PA Cider Trail guide and other educational and marketing materials. The project also aims to grow membership in the PA Cider Guild for greater collective impact in promoting and educating the public about cider.

## 2021-22 Beer Grant Recipients — \$925,319

### **Advertising for Each PA's Breweries in the PA,**

\$498,000

*GK Visual, LLC*

GK Visual will create another 12 episodes of Poured in PA, the award-winning web series that shares Pennsylvania's craft beer story, as well as produce 1- to 2-minute promotional videos for up to 400 Pennsylvania breweries to be used as marketing tools by breweries, tourism organizations and beer trails.

### **Greater Philadelphia Tourism and Marketing Corporation dba Visit Philadelphia,** \$150,000

*Visit Philadelphia*

Grant funds will continue to support promotion of the greater Philadelphia region's craft breweries by branding the region as a premier destination for craft beer and brewery experiences, thereby supporting the economic recovery of Pennsylvania craft brewers by driving more people to visit regional breweries, increasing the number of breweries consumers visit and boosting sales at those businesses.

### **Characterizing the Potential for High Sulfite Producing Yeast Strains to Improve Beer and Hop Thiol Aroma Stability,** \$94,341

*The Pennsylvania State University*

In an effort to explore effective ways to preserve beer quality after packaging and during storage, this project will use a new instrument to quantify thiols, experiment with various yeast strains and resultant sulfur dioxide amounts produced, investigate using yeast strains in conjunction with traditional brewing strains and further evaluate how high sulfur dioxide-producing yeast strains may maintain thiol character, prevent beers from spoilage and minimize aroma and flavor declines over time.

### **Hops Pelletization for Small Hop Growers in Pennsylvania,** \$78,603

*The Pennsylvania State University*

While Pennsylvania is one of the top craft beer producers in the country, its hops industry is just emerging. A study of hop pelletization in a Pennsylvania hop yard will assess pelletization's impact on hop quality, as well as evaluate costs associated with pelletization processes to provide technical and economic information about on-farm hop pelletization to Pennsylvania growers.

### **Opportunity Scan and Acceleration Strategy Plan for Post-Pandemic Recovery, Resilience and Growth for the PA Wine and Beer Industries,** \$45,000

*Temple University*

Fox Management Consulting, at the Fox School of Business at Temple University, will work with the PLCB to identify and implement strategies to allow the state's beer and malt beverage industry to successfully emerge from the disruption of the COVID-19 pandemic and accelerate opportunities for three key segments: producers and sellers, distributors and tourism. The grant-funded project will deliver strategic initiatives for long-term growth for each segment, a financial model that fully supports the initiatives and a detailed timeline for implementation of the recommendations.

### **Visit Luzerne County,** \$40,500

*Visit Luzerne County*

Luzerne County, home to about 10 local breweries, will promote county breweries by producing an enhanced beer trail guide and distributing 20,000 copies to area businesses, tourism partners and adjoining states, as well as engage two local television stations to promote the breweries.

### **PA Cider Tourism Campaign,** \$18,875

*PA Cider Guild*

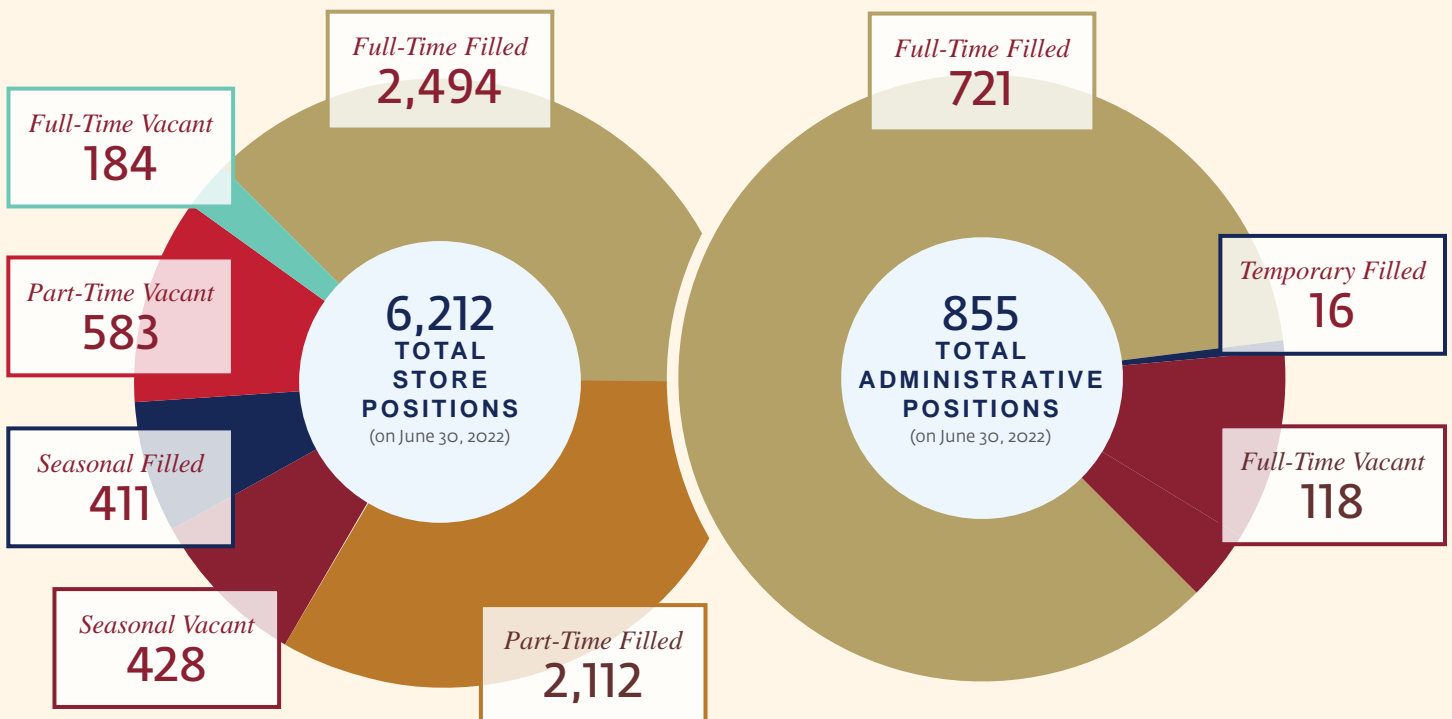
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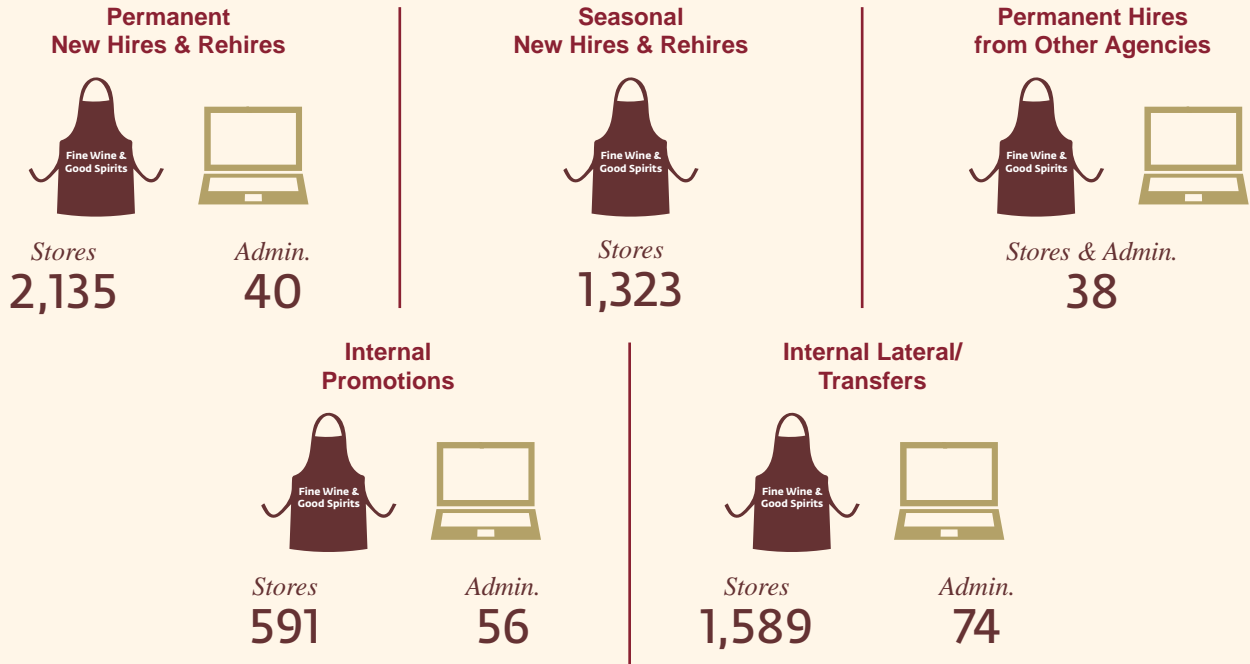
# ADMINISTRATION

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.

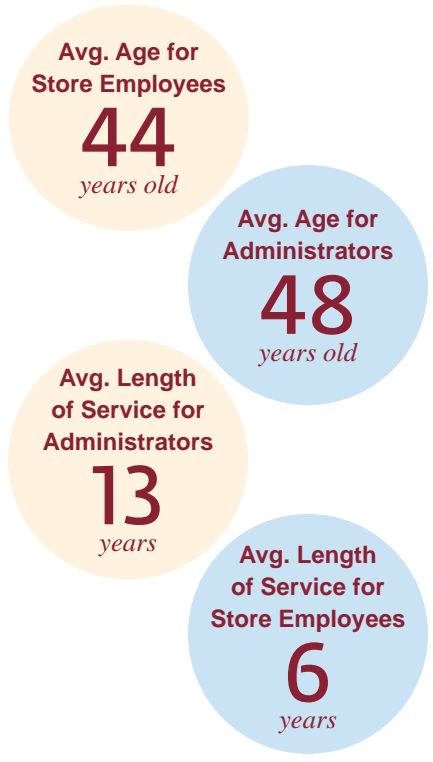
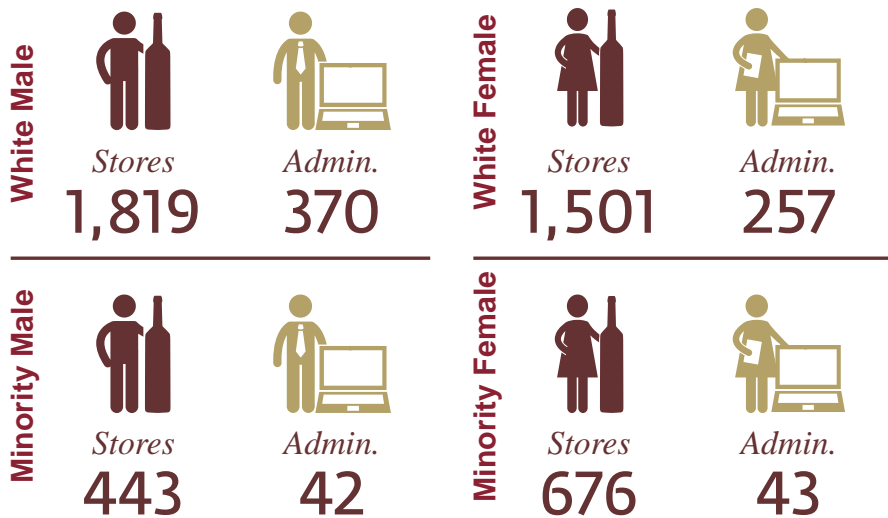
## EMPLOYMENT DEMOGRAPHICS



EMPLOYMENT ACTIONS FY 2021-22



EMPLOYMENT STATISTICS FY 2021-22



Agency Turnover Rates



# 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 U.S. 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, 2022 and 2021; State Stores Fund Comparative Statements of Revenues, Expenses and Changes in Net Position for the fiscal years ended June 30, 2022 and 2021; State Stores Fund Comparative Statements of Cash Flows for the fiscal years ended June 30, 2022 and 2021; the Liquor License Fund Balance Sheet as of June 30, 2022 and 2021; and the Liquor License Fund Statements of Revenues, Expenditures and Changes in Fund Balance for the fiscal years ended June 30, 2022 and 2021.

The State Stores Fund Comparative Statements of Net Position provide information about assets and liabilities and reflect the net financial position of the State Stores Fund at the end of each fiscal year. The Comparative Statements of Revenues, Expenses and Changes in Net Position report the operating revenue activity, expenses related to such activity and operating

transfers out for each fiscal year. The Comparative Statements of Cash Flows outline 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 Liquor License Fund Statements of Revenues, Expenditures and Changes in Fund Balance illustrate 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.

## Executive Summary & Highlights

In 2020, the PLCB embarked on Project New Horizon, a multi-year effort to upgrade and replace its enterprise resource planning (ERP) platform. In January 2022, the PLCB implemented the first of four phases (Release 1) of its new cloud-based solution, which replaced its on premises Oracle financials platform (EBS) with Oracle cloud financials (CFIN).

In fiscal year 2021-22, the PLCB achieved record sales net of taxes of \$2.4 billion. This was an increase of \$87.7 million, or 3.8% over fiscal year 2020-21. The PLCB's net income for fiscal year 2021-22 was a record \$330.9 million, a \$66 million or 24.9% increase over the prior year. The increase in net income was substantially due to reduced operating expenses related to workers compensation, pensions and other post-employment benefits (OPEB).

Other financial highlights include:

- Gross profit from sales of \$752 million increased \$8.5 million, or 1.1%. The gross profit percentage was 31.3%, down 0.8% from June 2021.
- Operating income increased \$65.9 million, or 22%, to \$365.9 million.
- Net cash flow from operating activities generated \$200.5 million (a decrease of \$195.7 million from the prior year), which was the primary source used to fund the \$185.1 million cash transfer to the General Fund, \$30.7 million to fund the Pennsylvania State Police's Liquor Code enforcement efforts and \$3.9 million (\$2.5 million from the fiscal year 2019-20 obligation and \$1.4 million from

the fiscal year 2020-21 obligation) in transfers to the Department of Drug & Alcohol Programs.

- The \$95.6 million for capital and related financing expenditures includes cash outflows of \$60.7 million for reduction of right to use (RTU) lease liabilities and interest as required under Governmental Accounting Standards Board Statement No. 87, Leases, (GASB 87) and \$34.9 million for acquisition and construction of capital assets.
- Year-end cash and investments decreased \$114.5 million (33%) to \$232.1 million.
- Trade accounts payable decreased \$110.9 million (33.7%) to \$218.1 million.
- Net position improved \$139.1 million (13.8%), primarily due to reductions in the non-current liabilities for pensions, OPEB and workers compensation.

## Revenues and Costs

### SALES

Sales and tax revenue in fiscal year 2021-22 totaled \$3.02 billion, an increase of \$109.9 million or 3.8% over fiscal year 2021-22. Excluding liquor and sales taxes, net sales of \$2.4 billion were up \$87.7 million or 3.8% over the prior year. By product category, spirit sales increased 6.3% and wine sales were flat. Overall unit sales increased 3.7%, with spirit unit sales increasing 8.3% and wine unit sales decreasing 1.2% from prior year.

With COVID-19's operational restrictions on bars and restaurants lifting in the spring of 2021, the PLCB saw its mix of retail and licensee sales revert to pre-COVID levels in 2021-22, with retail sales comprising 75.1% of spirit/wine sales and sales

to licensees comprising 24.9% as compared to 80.6% and 19.4%, respectively, in 2020-21. In 2021-22, the PLCB's retail sales shrank 3.4%, while licensee sales increased 33.3%.

The PLCB's 2021-22 gross profit margin decreased 0.8% to 31.3%, as compared to 32.1% the prior year. The decrease in the gross profit margin was a result of the aforementioned increase in the proportion of licensee sales (with their statutory 10% discount off retail prices) and an \$18 million or 12% decrease in vendor-funded promotions credited against cost of goods sold.

## OPERATING INCOME & EXPENSE

Operating income for the fiscal year ended June 30, 2022, was \$365.9 million, up \$65.9 million or 22% from the \$300 million reported the prior year. The increase was mostly attributable to a \$49.7 million decrease in total operating expenses. Increases in gross profit from sales (\$8.5 million) and other operating revenues (\$7.6 million) also contributed to the operating income increase.

The decrease in operating expenses was primarily due to a \$63.5 million decrease in the actuarial valuation expenses for workers compensation (\$29.4 million), pension (\$18 million) and OPEB (\$16.1 million). As a result of reductions in the long-term liabilities for these items, total personnel costs decreased \$57.4 million or 21% from last year. This decrease was partially offset by a \$9.1 million or 4.7% increase in employee compensation for salaries, wages and overtime from contractual increases and the implementation of the Commonwealth's \$15 per hour minimum wage rate.

Total depreciation and other operational expenses/services increased \$7.8 million or 3.9% over the prior year. This is primarily due to Project New Horizon expenses increasing \$10.7 million over the prior year, with increases for cloud software as a service (\$5.5 million), depreciation (\$3.4 million), IT consulting and other services (\$1.8 million). Debit and credit cards services increased \$3.8 million or 10.7% over the prior year due to increased sales and card usage. Charges for Commonwealth provided services increased \$3.7 million or 24.7%, due to increases for information technology (IT) shared services (\$2.4 million), human resources shared services (\$0.6 million), Integrated Enterprise System services (\$0.4 million) and purchasing services (\$0.2 million). These increases were partially offset by a \$6.1 million decrease in consulting services in the information technology services area, mostly due to a \$4.7 million reclassification of capitalized expenses for the e-commerce project to expenses in June 2021. There were also decreases in various areas for non-IT contracted maintenance and repair costs (\$1 million), liquor storage/handling/etc. services (\$1 million), leased property costs (\$0.8 million) and advertising costs (\$0.7 million).

Other operating revenues (expenses) increased \$7.6 million or 32.5% due to:

- A net increase of \$4.2 million for license fees, as the PLCB's waiver of most license renewal fees for calendar 2021 ended. Increases in surcharge fees (\$4 million), permit fees (\$2.7 million), application fees (\$0.5 million) and administrative fees (\$0.5 million) occurred. These

were partially offset by decreases in license auction fees (\$2.3 million) and fees for wine expanded permits (\$1.4 million).

- Miscellaneous income increasing \$2.5 million, mostly due to the re-institution of bailment penalty fees (\$2.2 million).
- Enforcement revenues increasing \$0.9 million, mostly due to \$0.8 million received from a Pennsylvania State Police Bureau of Liquor Control Enforcement forfeiture case.

Non-operating revenues (expenses) increased \$1.6 million or 27.3% due to:

- Other revenues improved by \$1.7 million, as a \$1.7 million loss was recognized last year for the remaining undepreciated cost of equipment determined to have no useful life following the closure of a Philadelphia-area warehouse.
- Interest income from Pennsylvania Treasury Department Pool 99 investments decreased \$0.1 million due to the \$120 million reduction in the pool investment balances as of June 30, 2022.

## TRANSFERS OUT

The Bureau of Liquor Control Enforcement within the Pennsylvania State Police received \$30.7 million in funding in fiscal year 2021-22, an increase of \$1.5 million (5.1%) over the previous year. A \$6.6 million Department of Drug & Alcohol Programs liability was accrued in June 2022 for the fiscal year 2021-22 statutory obligation [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 2021-22 generated by the PLCB's operations – but not reflected as revenues, expenses or cash flows in the State Stores Fund's financial statements – included \$431.3 million in liquor tax and \$169.7 million in state sales tax, an overall 3.7% increase. Additionally, the PLCB remitted \$10.7 million in local sales taxes to Philadelphia and Allegheny counties.

License fees returnable to local municipalities from the Liquor License Fund totaled \$2.7 million for fiscal year 2021-22, compared to \$1.8 million in the prior year. The \$0.9 million increase was due to the aforementioned waiving of many license fees for calendar 2021.



October 6, 2022

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, 2022.

Information presented in the unaudited financial statements cannot be considered final until receipt of the independent auditors' opinion on the FYE 6-30-22 Pennsylvania Liquor Control Board Financial Statements.

A handwritten signature in black ink, appearing to read "Michael J. Burns". The signature is stylized and cursive.

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 2021-2022**

**Month Ending June 30, 2022**

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

**For the Period Ending June 30, 2022**

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FINANCIAL STATEMENTS

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

	<u>June 30, 2022</u>	<u>June 30, 2021*</u>
<b><u>ASSETS</u></b>		
Current assets:		
Cash	\$ 33,708,656	\$ 28,209,507
Investments - short term	198,354,076	318,346,788
Accounts and claims receivable, net	8,430,957	6,629,034
Due from other funds - Note 9	-	2,048
Merchandise inventories, net	209,229,245	216,042,411
Operating supplies	416,740	470,245
Prepaid expenses	968,922	91,991
Total current assets	451,108,596	569,792,024
Non-current assets:		
Non-depreciable capital assets:		
Land	322,973	322,973
Depreciable capital assets:		
Building	10,762,508	10,583,822
Leasehold improvements	209,134	209,134
Machinery and equipment	48,581,156	47,337,828
Intangible - internally generated software	54,994,168	22,330,818
Intangible - right to use leases - Note 10	363,584,227	322,265,989
Less: accumulated depreciation	179,359,578	113,523,578
Net depreciable capital assets	298,771,615	289,204,013
Total non-current capital assets	299,094,588	289,526,986
Total assets	\$ 750,203,184	\$ 859,319,010
Total deferred outflows of resources - Notes 5, 6	\$ 184,355,005	\$ 210,418,847
<b><u>LIABILITIES</u></b>		
Current liabilities:		
Trade accounts payable	\$ 218,092,423	\$ 328,795,530
Other accounts payable	21,313,123	29,492,530
Accrued expenses	23,730,090	18,643,728
OPEB - Note 6	-	-
Self-insurance, workers' compensation - Note 7	5,038,908	6,298,715
Due to other funds - Note 9	11,455,997	8,503,838
Due to fiduciary funds - Note 9	3,370,405	2,776,737
Due to other governments - Note 9	995,975	787,416
Right to use liabilities - Note 10	55,609,020	52,835,345
Total current liabilities	339,605,941	448,133,839
Non-current liabilities:		
OPEB - Note 6	432,155,000	512,371,000
Self-insurance, workers' compensation - Note 7	42,346,197	58,900,983
Net pension liability - Note 5	369,045,963	462,618,628
Compensated absences - Note 1	26,865,598	25,995,401
Right to use liabilities - Note 10	199,900,422	216,838,680
Total non-current liabilities	1,070,313,181	1,276,724,692
Total liabilities	\$ 1,409,919,122	\$ 1,724,858,531
Total deferred inflows of resources - Notes 5, 6	\$ 396,793,486	\$ 356,167,664
<b><u>NET POSITION</u></b>		
Net investment in capital assets	\$ 43,585,146	\$ 19,852,961
Deficit	(915,739,564)	(1,031,141,299)
Total net position - Note 12	\$ (872,154,418)	\$ (1,011,288,338)

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

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, 2022 and June 30, 2021**  
**(Unaudited)**

	2021-22	2020-21
Sales net of taxes	\$ 2,405,547,154	\$ 2,317,842,844
Cost of goods sold	(1,653,534,004)	(1,574,366,426)
Gross profit from sales	752,013,150	743,476,418
Operating (expenses):		
Retail operations	(319,217,203)	(361,343,135)
Marketing & merchandising	(13,980,900)	(15,324,884)
Supply chain	(3,665,335)	(7,047,839)
Wholesale operations	(1,095,957)	(1,520,220)
Information technology services	(21,993,029)	(31,422,993)
Regulatory affairs	(12,291,990)	(15,869,386)
Administration	(7,739,381)	(9,359,624)
Finance	(2,015,953)	(2,577,206)
Board & secretary	(12,023,736)	(3,821,345)
Legal	(4,348,101)	(3,524,128)
Commonwealth provided services - Note 2	(18,624,348)	(14,932,983)
Total	(416,995,933)	(466,743,743)
Operating profit/(loss)	335,017,217	276,732,675
Other operating revenues (expenses):		
Enforcement fines	1,927,326	987,585
License fees	26,128,051	21,889,007
Miscellaneous income	5,697,148	3,156,831
Administrative law judge	(2,857,558)	(2,723,139)
Total	30,894,967	23,310,284
Total operating income/(loss)	365,912,184	300,042,959
Miscellaneous revenues (expenses):		
Interest income (expense)	(4,376,215)	(4,277,530)
Other	49,085	(1,671,143)
Total	(4,327,130)	(5,948,673)
Income/(Loss) before operating transfers	361,585,054	294,094,286
Operating transfers out:		
PSP enforcement - Note 3	(30,734,115)	(29,236,001)
<b>Net Income/(Loss) from operations</b>	<b>330,850,939</b>	<b>264,858,285</b>
Statutory Transfers:		
General fund - Note 4	(185,100,000)	(185,100,000)
Drug and alcohol programs - Note 4	(6,617,019)	(5,297,166)
Total	(191,717,019)	(190,397,166)
Change in net position	139,133,920	74,461,119
Total net position - beginning - Note 12	(1,011,288,338)	(1,085,749,457)
Total net position - ending	\$ (872,154,418)	\$ (1,011,288,338)

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

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, 2022 and June 30, 2021  
(Unaudited)**

	2021-22	2020-21
Sales net of taxes	\$ 195,982,960	\$ 192,233,631
Cost of goods sold	(130,631,293)	(132,932,094)
Gross profit from sales	65,351,667	59,301,537
Operating (expenses):		
Retail operations	(5,499,628)	(29,953,430)
Marketing & merchandising	(3,008,576)	(4,642,645)
Supply chain	344,717	(346,469)
Wholesale operations	132,730	(109,204)
Information technology services	(33,741)	(6,417,850)
Regulatory affairs	1,389,921	(1,025,290)
Administration	663,822	(676,534)
Finance	256,510	(167,729)
Board & secretary	(467,341)	(435,387)
Legal	(389,249)	(306,318)
Commonwealth provided services - Note 2	(2,292,164)	(1,671,398)
Total	(8,902,999)	(45,752,254)
Operating profit/(loss)	56,448,668	13,549,283
Other operating revenues (expenses):		
Enforcement fines	150,067	75,073
License fees	2,020,982	981,510
Miscellaneous income	263,589	232,915
Administrative law judge	(250,372)	(229,390)
Total	2,184,266	1,060,108
Total operating income/(loss)	58,632,934	14,609,391
Miscellaneous revenues (expenses):		
Interest income (expense)	(281,950)	(388,442)
Other	-	(1,686,559)
Total	(281,950)	(2,075,001)
Income/(Loss) before operating transfers	58,350,984	12,534,390
Operating transfers out:		
PSP enforcement - Note 3	(2,501,541)	(2,225,621)
<b>Net Income/(Loss) from operations</b>	<b>55,849,443</b>	<b>10,308,769</b>
Statutory Transfers:		
General fund - Note 4	-	(42,500,000)
Drug and alcohol programs - Note 4	(6,617,019)	(5,297,166)
Total	(6,617,019)	(47,797,166)
Change in net position	49,232,424	(37,488,397)
Total net position - beginning	(921,386,842)	(973,799,941)
Total net position - ending	\$ (872,154,418)	\$ (1,011,288,338)

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

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, 2022 and June 30, 2021  
 (Unaudited)

	FY21	FY20*
Cash flows from operating activities:		
Receipts from customers	\$ 2,437,499,804	\$ 2,344,860,579
Payments to suppliers	<u>(2,237,003,452)</u>	<u>(1,948,644,716)</u>
Net cash provided by operating activities	200,496,352	396,215,863
Cash flows from noncapital financing activities:		
PSP expenses	(30,734,115)	(29,236,001)
General fund transfer	(185,100,000)	(185,100,000)
DDAP transfer	<u>(3,932,680)</u>	<u>(3,164,645)</u>
Net cash used for noncapital financing activities	(219,766,795)	(217,500,646)
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(34,926,203)	(3,523,149)
Proceeds from capital assets	-	14,020
Right to use lease principal	(55,920,702)	(53,132,077)
Right to use lease interest	<u>(4,728,559)</u>	<u>(4,786,523)</u>
Net cash used for capital and related financing activities	(95,575,464)	(61,427,729)
Cash flows from investing activities:		
Purchase of investments	(1,641,742,334)	(1,816,491,108)
Proceeds from sale and maturities of investments	1,761,735,046	1,680,262,542
Investment income	<u>352,344</u>	<u>508,993</u>
Net cash provided by/(used for) investing activities	120,345,056	(135,719,574)
Net increase/(decrease) in cash	5,499,149	(18,432,086)
Cash - July 1	<u>28,209,507</u>	<u>46,641,593</u>
Cash - June 30	<u>\$ 33,708,656</u>	<u>\$ 28,209,507</u>
Reconciliation of operating income/(loss) to net cash provided by/(used for) operating activities:		
Operating income/(loss)	\$ 365,912,184	\$ 300,042,959
Depreciation	67,163,805	63,961,397
Change in assets and liabilities		
Accounts receivable	(1,801,923)	597,587
Inventory	6,866,671	10,759,475
Due from other funds	2,048	386,725
Other operating net assets	(876,931)	1,298,257
Deferred outflows - pension and OPEB related	26,063,842	(92,896,378)
Accounts payable and accrued liabilities	(113,796,152)	79,167,101
Due to other funds	267,820	20,802
Due to pension trust funds	593,668	151,301
Net pension liability	(93,572,665)	3,932,508
Due to other governments	208,559	56,026
Other post-employment benefit obligations	(80,216,000)	82,802,000
Self-insurance liabilities	(17,814,593)	11,609,219
Compensated Absences	870,197	1,186,358
Deferred inflows - pension and OPEB related	<u>40,625,822</u>	<u>(66,859,474)</u>
Total adjustments	<u>(165,415,832)</u>	<u>96,172,904</u>
Net cash provided by operating activities:	<u>\$ 200,496,352</u>	<u>\$ 396,215,863</u>

Noncash investing, capital and financing activities:

A \$6,617,019 Department of Drug and Alcohol Programs (DDAP) liability was accrued in June 2022 for the FY 21-22 statutory obligation. In addition, \$3,926,216 of the FY 20-21 obligation remains to be withdrawn at June 30, 2022.

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

The accompanying notes are an integral part of these statements.

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

<b><u>ASSETS</u></b>	<b><u>June 30, 2022</u></b>	<b><u>June 30, 2021</u></b>
Current assets:		
Cash in transit	\$ 85,200	\$ 14,500
Investments - short term	<u>2,141,048</u>	<u>402,748</u>
Total assets	<u>\$ 2,226,248</u>	<u>\$ 417,248</u>
 <b><u>LIABILITIES AND FUND BALANCE</u></b>		
Current liabilities:		
License fees due to municipalities	\$ 2,226,248	\$ 402,748
License fees due to licensees - Note 11	<u>-</u>	<u>14,500</u>
Total current liabilities	<u>\$ 2,226,248</u>	<u>\$ 417,248</u>
Fund balance:		
Restricted	-	-
Total Fund Balance	<u>-</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ 2,226,248</u>	<u>\$ 417,248</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 Twelve Months Ending June 30, 2022 and June 30, 2021**

	<u>2022</u>	<u>2021</u>
<b>REVENUES</b>		
Liquor license application fees collected, net of refunds - Note 11	\$ 2,697,275	\$ 1,812,175
<b>TOTAL REVENUES</b>	<u>2,697,275</u>	<u>1,812,175</u>
<b>EXPENDITURES</b>		
Liquor license fees for return to municipalities	2,697,275	1,812,175
<b>TOTAL EXPENDITURES</b>	<u>2,697,275</u>	<u>1,812,175</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-
<b>FUND BALANCE, JULY 1</b>	-	-
<b>FUND BALANCE, JUNE 30</b>	<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, 2022 and June 30, 2021**

	<u>2022</u>	<u>2021</u>
<b>REVENUES</b>		
Liquor license application fees collected, net of refunds - Note 11	\$ 261,950	\$ 11,900
<b>TOTAL REVENUES</b>	<u>261,950</u>	<u>11,900</u>
<b>EXPENDITURES</b>		
Liquor license fees for return to municipalities	261,950	11,900
<b>TOTAL EXPENDITURES</b>	<u>261,950</u>	<u>11,900</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-
<b>FUND BALANCE, JUN 1</b>	-	-
<b>FUND BALANCE, JUN 30</b>	<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, 2022

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, 2022, and June 30, 2021.

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, 2022, and June 30, 2021.

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 current and prior fiscal year-to-date are as follows:

	<b>FY 2021-22</b>	<b>FY 2020-21</b>
Liquor tax	\$ 431,264,479	\$ 415,839,371
State Sales Tax	169,651,110	163,877,596
Local Tax	10,668,624	9,642,553
Total	<u>\$ 611,584,213</u>	<u>\$ 589,359,520</u>

New Accounting Pronouncements – To Be Adopted:

Effective July 1, 2022, the PLCB will be implementing the Governmental Accounting Standards Board (GASB) Statement No. 96, Subscription-Based Information Technology (IT) Arrangements. Under GASB 96, certain right-to-use IT subscriptions previously expensed are reported as assets with associated liabilities for future subscription payments.

Comparative Data:

The fiscal year 2020-21 comparative information recognizes retroactive application of the following prior-period adjustments:

- 1). The Comparative Statement of Net Position is adjusted to report the Right to use liabilities associated with Intangibles - right to use leases as part of Net investment in capital assets and excluding these liabilities from Deficit.
- 2). The Comparative Statement of Cash Flows is adjusted to report Right to use liability lease related payments as part of Cash flows from capital and related financing activities (Right to use lease principal).

Such adjustments 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 current and prior fiscal year-to-date charges for interagency billings for services provided by the following agencies:

	FY 2021-22	FY 2020-21
Comptroller	\$ 6,015,226	\$ 6,025,007
Auditor General Services	2,760,460	2,651,065
Treasury Department Services	176,824	155,105
Civil Service Commission Services	292,942	274,884
Payroll Operations Services	137,423	311,068
Office of Performance Through Excellence	52,726	47,565
<b>Office of Administration</b>		
HR Shared Services	2,114,000	1,505,225
Strategic Services	149,354	7,429
IES -Contracted Main Services	1,916,563	1,463,810
IT Shared Services	3,742,366	1,317,049
<b>Dept of General Services</b>		
Real Estate & Shared Services	954,229	766,513
Employee Self & Tort Insurance	82,882	96,260
Capital Complex / EnergyCAP Services	229,352	312,003
	<u>\$ 18,624,348</u>	<u>\$ 14,932,983</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 \$6.6 million liability for the amount due to DDAP for the fiscal year ended June 30, 2022, to be transferred in fiscal year ending June 30, 2023.

## 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 \$54.3 million and \$54.5 million for the fiscal years ended June 30, 2022, and June 30, 2021, respectively.

The PLCB reported a liability of \$369.0 million and \$462.6 million for its proportionate share of the SERS net pension liability as of June 30, 2022, and 2021, respectively. The net pension liabilities attributed to participation in the SERS were measured as of December 31, 2022, and December 31, 2021, 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, 2022, PLCB's total Pension deferred outflows of resources, and total Pension deferred inflows of resources totaled \$85.3 million and \$122.3 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, 2022, and June 30, 2021, the PLCB recognized pension expense of \$26.8 million and \$45.1 million, respectively, as follows:

	FYE June 30, 2022	FYE June 30, 2021
A. Employer Contributions	\$ 54,322,684	\$ 54,545,398
B. Change in Net Pension Liability	(93,572,665)	3,932,508
C. Total Change in Deferred Outflows		
Contributions Subsequent to Measurement Date	(2,897,904)	448,148
Difference between Projected and Actual Investment Earnings	-	-
Change in Proportion	3,684,846	8,060,002
Difference Between Employer Contributions and Proportionate Share	224,575	(131,750)
Difference between Expected and Actual Experience	(1,906,720)	(1,375,700)
Difference in Change in Assumptions	(13,458,641)	33,765,679
Total Change in Deferred Outflows	(14,353,843)	40,766,379
D. Total Change in Deferred Inflows		
Change in Proportion	2,273,630	3,319,301
Difference Between Employer Contributions and Proportionate Share	238,907	132,475
Difference between Expected and Actual Experience	1,605,347	(2,587,909)
Difference between Projected and Actual Investment Earnings	47,584,938	26,476,659
Total Change in Deferred Inflows	51,702,822	27,340,526
<b>Total Pension Expense (A+B-C+D)</b>	<b>\$ 26,806,683</b>	<b>\$ 45,052,054</b>

## 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's contractually required contribution rate is \$120 for each current REHP eligible active employee per biweekly pay period during fiscal year ending June 30, 2022. 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 \$11.0 million and \$10.8 million for the fiscal years ended June 30, 2022, and June 30, 2021, respectively.

The PLCB reported a liability of \$432.2 million and \$512.4 million for its proportionate share of the REHP net OPEB liability as of June 30, 2021, and 2020, respectively. The net OPEB liabilities for the REHP were measured as of June 30, 2021, and June 30, 2020, 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, 2022, PLCB's total OPEB deferred outflows of resources, and total OPEB deferred inflows of resources totaled \$99.1 million and \$274.5 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, 2022, and June 30, 2021, the PLCB recognized OPEB expense of \$(68.6) million and \$(52.7) million, respectively, as follows:

	FYE June 30, 2022	FYE June 30, 2021
A. Employer Contributions	\$ 11,008,471	\$ 10,800,064
B. Change in Net OPEB Liability	(80,217,000)	82,802,000
C. Total Change in Deferred Outflows		
Contributions Subsequent to Measurement Date	622,000	(267,000)
Change of Assumptions	(13,837,000)	52,731,000
Differences between expected and actual experience	(88,299)	444,000
Change in Allocation and Differences between Employer Contributions and Allocated Share	1,775,000	(960,000)
Difference Between Projected and Actual Investment Earnings	(182,000)	182,000
Total Change in Deferred Outflows	(11,710,299)	52,130,000
D. Total Change in Deferred Inflows		
Change of Assumptions	20,907,000	(19,793,000)
Differences between expected and actual experience	(36,159,000)	(73,646,000)
Difference Between Projected and Actual Investment Earnings	4,176,000	(761,000)
Total Change in Deferred Inflows	(11,076,000)	(94,200,000)
<b>Total OPEB Expense (A+B-C+D)</b>	<b>\$ (68,574,230)</b>	<b>\$ (52,727,936)</b>

## 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 \$47.4 million and \$65.2 million as of June 30, 2022, and June 30, 2021, 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. Fees for the licensing term going into effect in 2022 began to be received in late October 2021.

#### 12. RESTATEMENT

Restatement Due to Change in Accounting Principle:

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, 2022 and June 30, 2021**

	<u>2021-22</u>	<u>2020-21*</u>
SALES NET OF TAXES	\$ 2,405,547,154.47	\$ 2,317,842,844.27
LESS: COST OF SALES	1,653,534,004.54	1,574,366,425.89
GROSS INCOME FROM SALES	752,013,149.93	743,476,418.38
LESS: OPERATING EXPENSES		
Salaries	153,401,332.35	146,788,244.04
Overtime	5,613,356.93	5,031,846.22
Shift Differential Pay	538,983.96	572,246.94
Higher Classification Pay	697,337.66	644,063.61
Wages	43,442,369.21	40,631,837.05
Negotiated Office and Subsistence Payments	24,810.50	29,529.50
Wages - Shift Differential	22,390.71	23,489.28
Wages - Higher Class Pay	390,086.84	350,952.87
Employees' Health Benefits - State Share	43,991,505.00	42,539,847.26
Employees' Health & Welfare Fund - State Share	85,618.59	115,611.25
OPEB Employer Contributions	11,008,470.61	10,800,064.14
OPEB Other Components	(79,583,000.00)	(63,528,000.00)
Social Security Contributions - State Share	15,225,178.39	14,676,337.69
Pension Employer Contributions	54,322,683.57	54,545,398.34
Pension Other Components	(27,516,001.43)	(9,493,343.44)
Workers' Compensation Employer Contributions	5,874,583.64	7,968,486.25
Workers' Compensation Other Components	(17,814,593.20)	11,609,219.04
Employees' Group Life Insurance - State Share	311,475.70	308,254.40
Out-Service Training	32,289.38	35,919.35
Unemployment Compensation - State Share	650,613.33	195,367.88
General Pay Increase - Cash Payment	3,391.00	952,483.00
Sick Leave Payout	(38,839.36)	(258,737.63)
Conference Registrations	17,241.08	1,426.30
In-Service Training	1,994.00	(900.00)
Management Performance Rewards	222.58	2,993,162.88
Annual Leave Payout	1,898,969.09	2,207,502.48
Stipend for Active Duty Military Reservist	(66,006.85)	(13,192.11)
Personnel SrvcS-SERS DC Plan	170,613.56	424,000.29
Litigation/Arbitration Payouts	-	-
Employer Leave Payout Assessment	3,030,771.04	2,980,435.06
ER QTBA Admin Fee	-	-
Comptroller Operations Services	6,015,226.49	6,025,007.00
Performance Through Excellence	52,726.00	47,565.00
Auditor General Services	2,760,459.99	2,651,064.99
Civil Service Commission Services	292,941.84	274,883.78
Contract Personnel Services	-	-
Contracted Repairs	191,164.71	329,938.18
HR Shared Services	2,114,000.00	1,505,225.00
Purchasing Services	954,228.90	766,513.03
IT Shared Services	3,742,366.05	1,301,700.00
Specialized Services	701,446.60	450,582.20
OA Temporary Clerical Pool Charges	-	-
Payroll Services - Commonwealth Provided	137,422.98	311,067.69
Liquor Storage and Handling	286,210.89	840,791.58
Liquor Reconditioning	(367,481.29)	40,832.78

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

FINANCIAL STATEMENTS

	<u>2021-22</u>	<u>2020-21*</u>
Professional Fees	641,641.07	81,432.74
Bank Service Charges	4,685,585.22	4,634,473.61
Armored Collection Service	(5,775.54)	5,058.95
Alarm Monitoring Services	114,273.34	72,162.14
Counterfeits	13,320.00	9,775.66
Strategic Services	149,354.30	7,429.37
Security Guard Service	7,412,703.88	7,242,161.17
Credit/Debit Card Services	38,833,070.28	35,069,591.72
Credit card chargebacks	47,500.00	330,000.00
Public Relations	-	-
Treasury Department Services	176,824.32	155,104.52
Legal Fees	838,098.39	587,403.85
Clinic Services, Medical, Mental, and Dental	-	-
Conference Expenses	5,714.21	13,153.43
Printing Purchased Outside	103,845.38	161,063.05
Advertising - Media Buys	9,304,521.32	9,961,138.85
Advertising - Design	1,682,299.38	1,764,274.74
Telecommunications Toll Free Inbound Services	-	-
Interest/Utility Late Charge Penalties	12,641.38	6,897.24
Postage	3,372.79	3,542.40
Postage Metered	21,410.00	11,310.00
Freight - Liquor Into Warehouses	13,608.24	1,902.70
Freight - LDP Shipments	-	-
Freight - Miscellaneous	313,660.12	1,290,503.47
Freight Upcharge	-	-
Telecommunications Recurring Fixed Charges	3,206,604.21	2,993,375.46
Telecomm. Recurring Fixed Charges - Credit Card Line	-	-
Telecommunications Usage Charges	202,372.37	153,913.23
Telecommunications Usage Charges - Credit Card Line	-	-
Telecommunications Nonrecurring Charges	173,286.79	203,013.95
Telecom-Voice-Services	207,126.22	740,926.76
Telecomm. Nonrecurring Charges - Credit Card Line	-	-
Travel	315,194.77	212,773.54
Telecommunications Purchasing Fund Reimbursement	-	-
Water and Sewage	349,136.34	354,392.22
Electricity	4,540,798.06	4,378,719.51
Heating Fuel	1,321,626.29	1,117,435.66
Consultant Services - EDP/Non-EDP	13,704,983.66	13,165,354.71
Purchasing Card Purchases	-	70.59
EDP Contractual Services - Vendor Provided	6,412,751.79	5,994,363.48
EDP Equipment Rental - Data Circuits and Modems	-	-
EDP Software - Vendor Provided	-	-
Hardware Maintenance	1,750,252.62	1,589,272.72
Subscriptions	80,273.41	100,671.14
Membership Dues	11,350.00	7,470.00
Insurance, Surety and Fidelity Bonds	96,883.43	114,048.64
Motorized Equipment Supplies	-	-
Gasoline	393,291.05	265,801.16
Motorized Equipment Supplies - Miscellaneous	52,695.30	137,806.22
Motorized Equipment Repairs	129,206.28	184,630.67
Contracted Maint. Services - Data Processing	1,916,563.31	1,463,810.35
Contracted Maint. Services - Telephone Equip.	892.17	-
Contracted Maint. Services - Bldgs & Grounds	405,308.28	806,259.24
Contracted Maint. Services - Office Equipment	12,928.27	7,094.23
Contracted Maint. Services - Other	1,856,647.14	2,469,024.19

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

FINANCIAL STATEMENTS

	<u>2021-22</u>	<u>2020-21*</u>
Rent of Real Estate	41,588.17	52,056.00
Store Rent	3,317,625.47	3,931,311.57
District Office Rent	68,629.55	102,954.00
Real Estate Taxes on Leased Property	1,446,586.09	1,702,455.96
Motorized Equipment Rentals	459,458.71	590,008.50
Other Equipment Rentals	233,972.28	73,694.34
Price Variance - Non-Merchandise	-	-
Medical Supplies Issued from Inventory	27.60	58,542.81
Wearing Apparel	59,671.31	85,098.60
Food	20,971.98	1,487.28
Housekeeping Supplies Issued from Inventory	4,651,981.17	3,513,590.30
Housekeeping Supplies	453,346.14	859,075.06
Printed Forms	-	-
Inside Duplicating	-	-
Office Supplies Issued from Inventory	-	-
Office Supplies	934,877.12	1,362,142.80
EDP Software	157,907.68	135,715.41
Other IT Equipment	824,445.83	852,273.81
Educational Supplies	-	153.06
Agricultural Services	-	-
Agricultural Supplies	-	-
Recreational Supplies and Services	-	-
Maintenance Supplies Issued from Inventory	-	-
Maintenance Supplies	995,351.62	1,482,237.07
Marketing Promotion Expenses	-	52.55
Store Water/Fire Damage	61,506.92	27,240.07
Over/Short Store Expense Account	25,602.11	2,638.25
Store Breakage Expenses	511,978.52	531,206.43
Transfers-Lab or Wine Tasting	68,950.89	(44,056.47)
Lottery Cash Over/Short Expense	(10.00)	63.00
Lottery Till Replenishment Expense	-	-
Other Inventory Adjustments	629,615.56	1,261,986.66
Other Services and Supplies	1,006,223.66	664,164.29
Grants and Payments to Individuals	(50,000.00)	-
State Payments to For Profit Entities	10,015.69	4,330.00
State Pmts. to Inst. of Higher Ed. - State Owned	105,587.29	51,108.19
State Payments to Governmental Subrecipients	293,349.43	222,770.20
State Payments to Non-State Institutions of Higher Ed. and Non-Profits	519,110.35	314,654.41
State Payments to Wine Marketing and Research Board	756,995.53	799,886.77
State Payments to Malt and Brewed Beverage Industry Board	920,815.30	1,249,780.33
Amortization of Leasehold Improvements	26,328.12	24,813.00
Amortization of Computer Software-Internally Generated	5,673,891.30	3,643,474.39
Depreciation of Equipment & Machinery	1,590,023.79	1,785,838.09
Amortization - RTU - Mach and Equip	74,142.53	72,539.28
Depreciation of Buildings	356,391.69	865,943.24
Amortization - RTU - Buildings and Improvements	58,633,941.74	56,716,200.49
Depreciation-Computers and Peripherals	809,085.92	852,588.58
Bad Debt Expense - Misc Receivables	37,102.93	71,533.15
<b>TOTAL OPERATING EXPENSES</b>	<u>419,853,490.87</u>	<u>469,466,881.92</u>
<b>MERCHANDISING INCOME</b>	<u>\$ 332,159,659.06</u>	<u>\$ 274,009,536.46</u>

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

FINANCIAL STATEMENTS

	<u>2021-22</u>	<u>2020-21*</u>
ADD: OTHER INCOME/(LOSS)		
Miscellaneous	894,450.00	(704,432.67)
Lottery Gross Commission Proceeds	2,092,181.76	1,607,622.36
Misc Rev - Bailment Penalties	2,759,602.00	582,499.00
Interest income	352,344.07	508,992.71
Right to use lease interest	(4,728,559.22)	(4,786,523.20)
Licensing:		
License Auction Proceeds	89,015.00	2,432,359.00
E to R License Conversion Fees	630,500.00	510,000.00
Direct Wine Shipper Fees	409,593.00	390,373.00
Wine Expanded Permit (WEP) Application Fees	292,000.00	532,000.00
Wine Expanded Permit (WEP) Renewal Fees	4,574,613.20	5,704,864.75
Surcharge Fees	8,389,500.00	4,378,500.00
Application Fees	3,961,815.00	3,422,485.00
Transfer Fees	-	-
Permit Fees	6,564,039.50	3,827,990.75
Entertainment Fees	-	(700.00)
Administrative Fees	1,216,975.00	691,134.64
	27,498,069.31	19,097,165.34
TOTAL OTHER INCOME		
	27,498,069.31	19,097,165.34
NET INCOME BEFORE PSP ENFORCEMENT	359,657,728.37	293,106,701.80
PSP ENFORCEMENT:		
Income	1,927,325.80	987,584.93
LESS: Expenses	30,734,115.50	29,236,001.45
Net PSP Enforcement	(28,806,789.70)	(28,248,416.52)
NET INCOME	\$ 330,850,938.67	\$ 264,858,285.28

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

**State Stores Fund**  
**Comparative Operating Statement**  
**For the Month Ending June 30, 2022 and June 30, 2021**

	<u>2021-22</u>	<u>2020-21*</u>
SALES NET OF TAXES	\$ 195,982,960.18	\$ 192,233,631.25
LESS: COST OF SALES	130,631,293.10	132,932,094.03
GROSS INCOME FROM SALES	65,351,667.08	59,301,537.22
LESS: OPERATING EXPENSES		
Salaries	13,602,096.59	12,341,201.29
Overtime	687,979.05	496,986.02
Shift Differential Pay	39,973.24	44,672.57
Higher Classification Pay	73,406.63	52,177.52
Wages	4,544,340.16	3,545,043.11
Negotiated Office and Subsistence Payments	2,365.00	5,439.50
Wages - Shift Differential	2,011.96	2,120.31
Wages - Higher Class Pay	44,041.77	30,866.05
Employees' Health Benefits - State Share	3,728,759.01	3,520,781.73
Employees' Health & Welfare Fund - State Share	7,336.38	21,195.00
OPEB Employer Contributions	1,336,059.75	-
OPEB Other Components	(7,467,000.00)	(4,480,000.00)
Social Security Contributions - State Share	1,443,066.93	1,242,371.02
Pension Employer Contributions	4,708,055.55	4,522,107.07
Pension Other Components	(15,981,401.43)	(9,868,443.44)
Workers' Compensation Employer Contributions	521,621.64	668,627.18
Workers' Compensation Other Components	(23,314,593.20)	6,109,219.04
Employees' Group Life Insurance - State Share	26,132.09	25,758.70
Out-Service Training	526.90	6,600.00
Unemployment Compensation - State Share	(4,937.18)	(112,859.82)
General Pay Increase - Cash Payment	-	-
Sick Leave Payout	125,204.63	(268,533.06)
Conference Registrations	-	-
In-Service Training	1,174.00	-
Management Performance Rewards	-	(3.89)
Annual Leave Payout	1,977,637.20	2,180,032.02
Stipend for Active Duty Military Reservist	(32,816.94)	(14,288.27)
Personnel Svcs-SERS DC Plan	14,217.80	35,333.36
Litigation/Arbitration Payouts	-	-
Employer Leave Payout Assessment	332,617.32	245,974.35
ER QTB Admin Fee	-	-
Comptroller Operations Services	1,009,524.83	1,040,158.90
Performance Through Excellence	-	-
Auditor General Services	228,272.88	245,728.37
Civil Service Commission Services	33,728.67	25,302.93
Contract Personnel Services	-	-
Contracted Repairs	15,057.23	17,534.93
HR Shared Services	287,900.00	133,941.66
Purchasing Services	84,732.10	15,208.14
IT Shared Services	261,820.32	112,488.39
Specialized Services	377,054.28	15,038.82
OA Temporary Clerical Pool Charges	-	-
Payroll Services - Commonwealth Provided	-	41,139.23
Liquor Storage and Handling	-	44,427.27
Liquor Reconditioning	(15,476.06)	(1,480.61)

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

FINANCIAL STATEMENTS

	<u>2021-22</u>	<u>2020-21*</u>
Professional Fees	285,230.08	17,890.41
Bank Service Charges	442,242.12	381,777.14
Armored Collection Service	-	-
Alarm Monitoring Services	5,857.00	12,176.09
Counterfeits	1,500.00	1,075.00
Strategic Services	-	7,429.37
Security Guard Service	2,205,561.27	1,290,044.96
Credit/Debit Card Services	3,161,158.53	2,917,142.70
Credit card chargebacks	7,500.00	15,000.00
Public Relations	-	-
Treasury Department Services	17,455.00	14,769.20
Legal Fees	193,142.96	71,600.84
Clinic Services, Medical, Mental, and Dental	-	-
Conference Expenses	217.00	-
Printing Purchased Outside	27,353.11	16,238.65
Advertising - Media Buys	3,148,460.45	2,483,556.86
Advertising - Design	307,710.64	1,764,274.74
Telecommunications Toll Free Inbound Services	-	-
Interest/Utility Late Charge Penalties	1,205.30	78.98
Postage	390.49	204.85
Postage Metered	-	-
Freight - Liquor Into Warehouses	-	-
Freight - LDP Shipments	-	-
Freight - Miscellaneous	27,376.57	14,254.29
Freight Upcharge	-	-
Telecommunications Recurring Fixed Charges	460,171.25	275,527.89
Telecomm. Recurring Fixed Charges - Credit Card Line	-	-
Telecommunications Usage Charges	36,494.47	4,217.82
Telecommunications Usage Charges - Credit Card Line	-	-
Telecommunications Nonrecurring Charges	14,720.59	16,543.67
Telecom-Voice-Services	13,656.64	29,143.40
Telecomm. Nonrecurring Charges - Credit Card Line	-	-
Travel	40,841.51	20,868.06
Telecommunications Purchasing Fund Reimbursement	-	-
Water and Sewage	25,446.74	23,039.54
Electricity	407,364.97	369,231.45
Heating Fuel	32,165.11	25,043.40
Consultant Services - EDP/Non-EDP	867,416.90	5,439,373.47
Purchasing Card Purchases	-	-
EDP Contractual Services - Vendor Provided	298,802.65	211,150.39
EDP Equipment Rental - Data Circuits and Modems	-	-
EDP Software - Vendor Provided	-	-
Hardware Maintenance	231,521.69	130,610.86
Subscriptions	10,072.00	1,611.73
Membership Dues	2,000.00	-
Insurance, Surety and Fidelity Bonds	6,704.16	8,076.17
Insurance, Surety and Fidelity Bonds	-	-
Gasoline	43,852.63	28,350.74
Motorized Equipment Supplies - Miscellaneous	47.72	(1,218.00)
Motorized Equipment Repairs	27,721.25	14,157.68
Contracted Maint. Services - Data Processing	352,581.65	-
Contracted Maint. Services - Telephone Equip.	-	-
Contracted Maint. Services - Bldgs & Grounds	22,104.30	5,136.22
Contracted Maint. Services - Office Equipment	345.00	-
Contracted Maint. Services - Other	117,000.01	179,545.71

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

FINANCIAL STATEMENTS

	<u>2021-22</u>	<u>2020-21*</u>
Rent of Real Estate	5,325.00	(35,562.00)
Store Rent	151,189.31	445,607.73
District Office Rent	2,103.50	(4,522.93)
Real Estate Taxes on Leased Property	74,577.73	67,153.25
Motorized Equipment Rentals	91,530.93	44,827.17
Other Equipment Rentals	5,823.52	10,200.61
Price Variance - Non-Merchandise	-	-
Medical Supplies Issued from Inventory	27.60	-
Wearing Apparel	291.88	-
Food	284.17	88.52
Housekeeping Supplies Issued from Inventory	365,361.39	452,872.19
Housekeeping Supplies	24,194.48	36,929.42
Printed Forms	-	-
Inside Duplicating	-	-
Office Supplies Issued from Inventory	-	-
Office Supplies	83,303.92	123,135.15
EDP Software	3,475.00	437.50
Other IT Equipment	47,672.81	70,814.65
Educational Supplies	-	88.00
Agricultural Services	-	-
Agricultural Supplies	-	-
Recreational Supplies and Services	-	-
Maintenance Supplies Issued from Inventory	-	-
Maintenance Supplies	86,587.75	152,625.28
Marketing Promotion Expenses	-	-
Store Water/Fire Damage	4,765.50	1,216.56
Over/Short Store Expense Account	2,304.98	(1,136.36)
Store Breakage Expenses	43,519.90	33,863.67
Transfers-Lab or Wine Tasting	24,470.13	(17.06)
Lottery Cash Over/Short Expense	-	-
Lottery Till Replenishment Expense	-	-
Other Inventory Adjustments	574,265.79	1,105,099.15
Other Services and Supplies	58,400.88	(68,407.23)
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	24,460.85	33,513.77
State Payments to Malt and Brewed Beverage Industry Board	83,333.33	162,603.99
Amortization of Leasehold Improvements	2,194.01	2,194.01
Amortization of Computer Software-Internally Generated	591,922.17	354,706.89
Depreciation of Equipment & Machinery	124,762.16	144,979.34
Amortization - RTU - Mach and Equip	6,178.54	6,178.54
Depreciation of Buildings	30,016.31	73,215.37
Amortization - RTU - Buildings and Improvements	5,029,727.50	4,824,805.65
Depreciation-Computers and Peripherals	66,450.56	71,016.82
Bad Debt Expense - Misc Receivables	969.13	43,327.14
<b>TOTAL OPERATING EXPENSES</b>	<u>9,153,371.59</u>	<u>45,981,644.46</u>
<b>MERCHANDISING INCOME</b>	<u>\$ 56,198,295.49</u>	<u>\$ 13,319,892.76</u>

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

FINANCIAL STATEMENTS

	<u>2021-22</u>	<u>2020-21*</u>
ADD: OTHER INCOME/(LOSS)		
Miscellaneous	45,373.79	(1,666,247.51)
Lottery Gross Commission Proceeds	218,215.15	212,604.24
Misc Rev - Bailment Penalties	-	-
Interest income	109,744.76	18,976.75
Right to use lease interest	(391,695.22)	(407,419.07)
Licensing:		
License Auction Proceeds	-	121,900.00
E to R License Conversion Fees	90,000.00	90,000.00
Direct Wine Shipper Fees	6,635.00	4,750.00
Wine Expanded Permit (WEP) Application Fees	32,000.00	52,000.00
Wine Expanded Permit (WEP) Renewal Fees	191,697.43	224,183.88
Surcharge Fees	856,800.00	85,400.00
Application Fees	271,305.00	227,455.00
Transfer Fees	-	-
Permit Fees	443,420.00	171,636.25
Entertainment Fees	-	-
Administrative Fees	129,125.00	4,185.00
	2,002,620.91	(860,575.46)
TOTAL OTHER INCOME		
	58,200,916.40	12,459,317.30
NET INCOME BEFORE PSP ENFORCEMENT		
PSP ENFORCEMENT:		
Income	150,067.19	75,073.12
LESS: Expenses	2,501,541.31	2,225,621.47
Net PSP Enforcement	(2,351,474.12)	(2,150,548.35)
NET INCOME	\$ 55,849,442.28	\$ 10,308,768.95

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



## STORES RANKED BY TOTAL DOLLAR SALES FY 2021-22

RANK	STORE	ADDRESS	CITY	ZIP CODE	TRANSACTION COUNT	AVG VALUE OF TRANSACTION	DOLLAR SALES
1	5103*	2238 Washington Avenue	Philadelphia	19146	26,820	\$1,577.97	\$42,321,080
2	0940*	855B Pennsylvania Boulevard	Feasterville	19053	18,258	\$1,653.50	\$30,189,672
3	0247**†	5956 Centre Avenue	Pittsburgh	15206	371,177	\$62.76	\$23,295,632
4	0215*	1601 Liberty Avenue	Pittsburgh	15222	15,189	\$1,315.75	\$19,984,901
5	2301*	Lawrence Park Industrial Center, 629 Parkway Drive	Broomall	19008	10,766	\$1,775.39	\$19,113,815
6	1532*	100 Willowbrook Lane	West Chester	19382	13,563	\$1,389.36	\$18,843,891
7	5185**†	180 West Girard Avenue	Philadelphia	19123	310,272	\$57.37	\$17,799,529
8	0934**†	132 Veterans Lane	Doylestown	18901	264,075	\$65.10	\$17,192,279
9	1007**†1	Cranberry Mall, 20111 Route 19	Cranberry Twp.	16066	242,117	\$69.23	\$16,761,210
10	4650^	East Greenville Business Center, 668 Gravel Pike	East Greenville	18041	116,335	\$134.19	\$15,610,601
11	9211**†	Village Square, 5000 Oxford Drive	Bethel Park	15102	229,839	\$67.09	\$15,419,132
12	0621**†	Berkshire West, 1101 Woodland Road	Wyomissing	19610	242,522	\$61.77	\$14,981,418
13	0214†	The Waterworks, 974 Freeport Road	Pittsburgh	15238	217,938	\$68.63	\$14,956,316
14	3616*	1190 Dillerville Road	Lancaster	17601	14,801	\$1,005.51	\$14,882,537
15	9208**†	125 Towne Centre Drive	Wexford	15090	205,107	\$71.85	\$14,736,865
16	4623**†	1440 Bethlehem Pike	Flourtown	19031	209,100	\$70.09	\$14,655,811
17	0231**†1	Robinson Plaza Town Ctr., 1106 Park Manor Boulevard	Pittsburgh	15205	241,914	\$60.12	\$14,544,892
18	4646**†	Ardmore Shopping Center, 62 Greenfield Avenue	Ardmore	19003	192,127	\$74.94	\$14,398,258
19	6717**†	York Marketplace, 2547 East Market Street	York	17402	253,919	\$52.02	\$13,208,796
20	0943**†	212 South State Street	Newtown	18940	200,304	\$64.83	\$12,985,734
21	3627**†	Shoppes at Belmont, 1565 Fruitville Pike	Lancaster	17601	243,487	\$52.22	\$12,713,696
22	4817*	3084 Emrick Boulevard	Bethlehem	18020	9,901	\$1,277.34	\$12,646,915
23	5104**†	Columbus Commons, 1940 South Christopher Columbus Boulevard	Philadelphia	19148	214,077	\$58.17	\$12,453,861
24	5154**†	1112 Chestnut Street	Philadelphia	19107	255,233	\$47.88	\$12,220,957
25	0222*	98 Vanadium Road	Bridgeville	15017	8,814	\$1,383.72	\$12,196,135
26	0260**†	1955 Wharton Street	Pittsburgh	15203	239,229	\$50.37	\$12,050,361
27	3901†	Crest Plaza, 1516 North Cedar Crest Boulevard	Allentown	18104	187,176	\$64.25	\$12,026,877
28	4657**†1	Metroplex Mall, 2426 Chemical Road	Plymouth Meeting	19462	215,917	\$54.52	\$11,772,439
29	4655*	900 Forge Avenue	Norristown	19403	9,320	\$1,259.99	\$11,743,109
30	6317**	Trinity Point Shopping Center, 50 Trinity Point Drive	Washington	15301	253,253	\$46.36	\$11,741,683
31	2210**†1	5070 Jonestown Road	Harrisburg	17112	236,158	\$49.54	\$11,700,369
32	1405†	1682 North Atherton Street	State College	16803	204,418	\$57.22	\$11,696,740
33	4624**†	125 West Dekalb Pike	King of Prussia	19406	217,926	\$53.32	\$11,619,188
34	2211**†	1158 Mae Street	Hummelstown	17036	163,841	\$70.76	\$11,593,884
35	4641**†	1839 East Ridge Pike	Royersford	19468	229,847	\$49.87	\$11,462,588
36	2102**†	West Shore Plaza, 1200 Market Street	Lemoyne	17043	227,711	\$50.33	\$11,460,527
37	3516†	222 Northern Boulevard	Clarks Summit	18411	168,010	\$66.80	\$11,222,504
38	2514**†	Yorktown Centre, 2501 West 12th Street	Erie	16505	172,297	\$63.89	\$11,008,277
39	0227**†	3845 Northern Pike	Monroeville	15146	231,436	\$46.75	\$10,819,504
40	6315**†	Donaldson's Crossroads Shopping Ctr., 3929 Washington Rd.	McMurray	15317	192,119	\$56.00	\$10,759,123
41	9101**†	2040 Market Street	Philadelphia	19103	251,304	\$42.22	\$10,609,156

\* 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
42	4653**†	Centre Square Commons, 984 Dekalb Pike	Blue Bell	19422	145,820	\$69.70	\$10,164,365
43	6716**†	West Manchester Town Center, 880 Town Center Drive	York	17408	236,379	\$42.95	\$10,152,968
44	0245**†	330 East Waterfront Drive	Homestead	15120	228,885	\$44.22	\$10,121,657
45	0284**†	Bill Green's Shopping Center, 10 Old Clairton Road	Pittsburgh	15236	212,518	\$47.26	\$10,044,165
46	4613**†	935 Old York Road	Jenkintown	19046	182,083	\$55.15	\$10,042,229
47	4632**†	Gwynedd Crossing, 1210 Bethlehem Pike	North Wales	19454	175,065	\$56.04	\$9,810,830
48	4658**†1	Ralphs Corner Shopping Center, 2333 Welsh Road	Lansdale	19446	210,185	\$46.63	\$9,801,408
49	4659**†1	The Promenade at Upper Dublin, 204 Concourse Blvd.	Dresher	19025	177,158	\$54.95	\$9,734,043
50	0232**†	McIntyre Square, 3080 McIntyre Square Drive	Pittsburgh	15237	190,745	\$50.60	\$9,651,609
51	6518**†	Norwin Hills Shopping Center, 8775 Norwin Avenue	Irwin	15642	200,010	\$48.23	\$9,645,611
52	1501**†	132 Woodcutter Street	Exton	19341	177,597	\$54.12	\$9,611,276
53	0625**†	Town Square Plaza, 4110 North Fifth Street Highway	Temple	19560	181,772	\$52.55	\$9,551,757
54	4814†	Northampton Crossings, 3718 Easton-Nazareth Highway	Easton	18045	185,064	\$50.57	\$9,358,614
55	9205†	1602 Cochran Road	Pittsburgh	15220	179,160	\$52.14	\$9,341,934
56	1529**†	Shoppes at Longwood Village, 855 East Baltimore Pike	Kennett Square	19348	154,543	\$60.07	\$9,283,664
57	0912**†	Logan Square, 6542-J Lower York Road	New Hope	18938	102,250	\$90.78	\$9,282,395
58	5146**	3903 Aramingo Avenue	Philadelphia	19137	246,887	\$36.56	\$9,027,396
59	3925**†	2560 MacArthur Road	Whitehall	18052	200,517	\$45.01	\$9,026,187
60	3622**†	Shoppes at Kissel Village, 1036 Lititz Pike	Lititz	17543	182,406	\$49.10	\$8,955,520
61	0929**†	4275 County Line Road	Chalfont	18914	185,580	\$48.12	\$8,930,702
62	4654**†	15 West Germantown Pike	Norristown	19401	179,063	\$49.82	\$8,921,744
63	3918†	Promenade Shops at Saucon Valley, 3060 Ctr. Valley Pkwy	Center Valley	18034	129,681	\$68.56	\$8,891,007
64	6711**†	Hanover Crossing, 431 Eisenhower Drive	Hanover	17331	185,853	\$47.69	\$8,863,823
65	1533**†	Phoenixville Plaza, 700 Nutt Road	Phoenixville	19460	197,133	\$44.92	\$8,855,539
66	0920†	Quakertown Plaza, 1465 West Broad Street	Quakertown	18951	219,008	\$40.40	\$8,848,013
67	1528**†	Paoli Shopping Center, 17-19 Leopard Road	Paoli	19301	150,653	\$57.55	\$8,669,991
68	2101**†	Carlisle Marketplace, 281 South Spring Garden Street	Carlisle	17013	211,975	\$40.88	\$8,665,386
69	1516†	933 Paoli Pike	West Chester	19380	210,752	\$41.03	\$8,646,446
70	4306**	Hermitage Towne Plaza, 2321 East State Street	Hermitage	16148	185,202	\$46.35	\$8,583,390
71	4502†	Pocono Village Mall, 3430 Route 940	Mount Pocono	18344	215,673	\$39.74	\$8,571,804
72	1527**†	821 West Lancaster Avenue	Wayne	19087	129,074	\$65.78	\$8,490,438
73	6517†	Westmoreland Mall, 5280 Route 30	Greensburg	15601	143,468	\$58.29	\$8,362,897
74	4647**	237 Harleysville Pike, Route 113	Harleysville	19438	179,290	\$46.64	\$8,361,765
75	4648**†	160 Market Street	Collegeville	19426	145,819	\$57.03	\$8,315,788
76	2324**	MacDade Plaza, 2143 MacDade Boulevard	Holmes	19043	235,161	\$34.91	\$8,210,431
77	3924**†	750 North Krocks Road	Allentown	18106	149,956	\$54.46	\$8,166,399
78	4110**†	Loyal Plaza, 1939 East Third Street	Williamsport	17701	161,268	\$50.36	\$8,120,995
79	5170†1	The Granary, 411 North 20th Street	Philadelphia	19130	195,535	\$41.03	\$8,022,735
80	9118**	Ivyridge Shopping Center, 7146 Ridge Avenue	Philadelphia	19128	202,050	\$39.53	\$7,987,539
81	0286**†	Pines Plaza, 1130 Perry Highway	Pittsburgh	15237	139,408	\$57.29	\$7,985,990
82	2341**†	3735 West Chester Pike	Newtown Square	19073	135,297	\$58.98	\$7,979,285

\*\* Remodeled † Premium Collection † Taste & Learn Center

APPENDIX

RANK	STORE	ADDRESS	CITY	ZIP CODE	TRANSACTION COUNT	AVG VALUE OF TRANSACTION	DOLLAR SALES
83	0945**†	Addisville Commons, 890 Second Street Pike	Richboro	18954	159,556	\$49.26	\$7,859,129
84	4501**†1	Pocono Plaza, 310 Lincoln Avenue	East Stroudsburg	18301	203,119	\$38.63	\$7,845,732
85	0604**	4721 Perkiomen Avenue	Reading	19606	179,864	\$43.60	\$7,841,484
86	4614**†	119 West City Avenue	Bala Cynwyd	19004	199,096	\$39.32	\$7,828,703
87	4652**	Upland Square, 260 Upland Square Drive	Pottstown	19464	214,337	\$36.45	\$7,812,416
88	2106**†	6560 Carlisle Pike	Mechanicsburg	17050	164,417	\$47.47	\$7,805,125
89	3625**†	Centerville Square, 558 Centerville Road	Lancaster	17601	186,147	\$41.81	\$7,783,672
90	5161**†	1515 Locust Street	Philadelphia	19102	205,857	\$37.67	\$7,755,110
91	5133**†	401 Franklin Mills Circle	Philadelphia	19154	203,116	\$38.16	\$7,751,569
92	0709**†	Pleasant Valley Shopping Ctr., 3415 Pleasant Valley Blvd.	Altoona	16602	169,973	\$45.53	\$7,739,350
93	4819**†	Madison Farms Retail Ctr., 4817 Freemansburg Avenue	Easton	18045	169,805	\$45.12	\$7,660,882
94	4001**	Wilkes-Barre Township Marketplace, 2136 Wilkes-Barre Boulevard	Wilkes-Barre	18702	173,424	\$44.08	\$7,645,107
95	2801†	Wayne Plaza, 987 Wayne Avenue	Chambersburg	17201	186,197	\$40.99	\$7,632,901
96	5112**†	2550 Grant Avenue	Philadelphia	19114	197,397	\$38.66	\$7,630,574
97	1010	206 Seven Fields Boulevard	Seven Fields	16046	156,278	\$48.78	\$7,623,671
98	0298**†	Chartiers Valley Shopping Ctr., 1025 Washington Pike	Bridgeville	15017	158,261	\$47.90	\$7,579,950
99	1514**†	161 East Swedesford Road	Wayne	19087	162,393	\$46.36	\$7,529,351
100	0101**†	Marshalls Plaza, 1275 York Road	Gettysburg	17325	151,466	\$49.48	\$7,495,020
101	5174**	Baker's Centre, 3413 Fox Street	Philadelphia	19129	228,319	\$32.73	\$7,472,222
102	1530**†	Bradford Plaza, 692 Downingtown Pike	West Chester	19380	170,796	\$42.86	\$7,321,107
103	2516**	Liberty Plaza, 3702 Liberty Street	Erie	16508	205,044	\$35.68	\$7,315,107
104	0211**	354 North Towne Square, 5600 Route 8	Gibsonia	15044	159,411	\$45.76	\$7,295,281
105	0266**†	521 Beaver Street	Sewickley	15143	110,950	\$65.14	\$7,227,505
106	0941**	532 South Oxford Valley Road	Fairless Hills	19030	195,422	\$36.98	\$7,226,358
107	2305**†	315 West Baltimore Avenue	Media	19063	140,871	\$49.50	\$6,972,632
108	2115**†	3725 Capital City Mall Drive	Camp Hill	17011	138,095	\$50.38	\$6,956,991
109	3922**	Lehigh Shopping Center, 2154 West Union Boulevard	Bethlehem	18018	167,089	\$41.42	\$6,920,641
110	4003**†	2161 Memorial Highway	Dallas	18612	131,179	\$52.71	\$6,914,017
111	1903**	1005 Scott Town Center	Bloomsburg	17815	151,230	\$45.48	\$6,877,290
112	5157**†	1237 South 11th Street	Philadelphia	19147	162,501	\$42.14	\$6,847,048
113	6526**†	109 Blue Spruce Way	Murrysville	15668	121,117	\$56.26	\$6,813,878
114	0910**	Hilltown Plaza 766, Route 113	Souderton	18964	166,713	\$40.66	\$6,778,137
115	1510**	Barley Station, 2715 East Lincoln Highway	Coatesville	19320	204,757	\$32.97	\$6,749,829
116	2320**	1305 West Chester Pike	Havertown	19083	161,384	\$41.79	\$6,743,578
117	6401†	74 Welwood Avenue	Hawley	18428	112,072	\$60.00	\$6,724,427
118	3801**	102 North Eighth Avenue	Lebanon	17046	171,949	\$39.01	\$6,707,503
119	6705**	Queensgate Towne Center, 2075 Springwood Road	York	17403	165,467	\$40.22	\$6,655,574
120	6714†	Shrewsbury Commons Shopping Center, 802 Shrewsbury Commons Avenue	Shrewsbury	17361	139,207	\$47.67	\$6,635,544
121	2343**†1	127 West Lancaster Avenue	Wayne	19087	101,981	\$64.86	\$6,614,516
122	2215**	The Point Shopping Center, 4227 Union Deposit Road	Harrisburg	17111	185,834	\$35.55	\$6,605,701

\*\* Remodeled † Premium Collection † Taste & Learn Center

APPENDIX

RANK	STORE	ADDRESS	CITY	ZIP CODE	TRANSACTION COUNT	AVG VALUE OF TRANSACTION	DOLLAR SALES
123	5160**	Hendrix Center, 11685 Bustleton Avenue	Philadelphia	19116	190,877	\$34.60	\$6,603,480
124	2344**†1	Springfield Sq. N. Shopping Ctr., 1014 Baltimore Pike	Springfield	19064	158,920	\$41.36	\$6,573,255
125	2334**†	Brandywine Mills, 1751 Wilmington Pike	Glen Mills	19342	113,647	\$57.65	\$6,551,295
126	2221*	990 Briarsdale Road	Harrisburg	17109	6,101	\$1,058.64	\$6,458,753
127	4639**	Gilbertsville Shopping Ctr., 1050 East Philadelphia Ave.	Gilbertsville	19525	148,506	\$42.99	\$6,384,403
128	5191**	2401 Vare Avenue	Philadelphia	19145	199,792	\$31.92	\$6,377,658
129	5193**	Penrose Plaza, 2900 Island Avenue	Philadelphia	19153	205,373	\$30.86	\$6,337,922
130	1404**	Hamilton Square Shopping Ctr., 230 W. Hamilton Avenue	State College	16801	100,640	\$62.82	\$6,322,502
131	4511**	Kinsley Plaza, 107 Kinsley Drive	Brodheadsville	18322	176,724	\$35.70	\$6,309,603
132	2612**	New Hope Commons, 99 Matthew Drive	Uniontown	15401	113,184	\$55.47	\$6,278,776
133	5201**	106 West Harford Street	Milford	18337	139,920	\$44.82	\$6,271,597
134	2501**	Summit Towne Center, 7200 Peach Street	Erie	16509	130,718	\$47.76	\$6,243,523
135	3206**†	Townfair Plaza, 475 Ben Franklin South	Indiana	15701	145,645	\$42.68	\$6,216,400
136	5167**	Lincoln Square, 1403 Washington Avenue	Philadelphia	19146	186,339	\$33.33	\$6,210,228
137	1525**†	Lionville Shopping Center, 162 Eagleview Boulevard	Exton	19341	144,821	\$42.73	\$6,188,694
138	4638**	123 South Easton Road	Glenside	19038	152,282	\$40.19	\$6,119,529
139	0267**	Moon Plaza, 5990 University Boulevard	Coraopolis	15108	150,047	\$40.71	\$6,108,679
140	1003**	608 Moraine Pointe Plaza	Butler	16001	154,421	\$39.55	\$6,106,857
141	0299**	Penn Hills Center, 11685 Penn Hills Drive	Pittsburgh	15235	181,372	\$33.36	\$6,051,101
142	4622**	404 Huntingdon Pike	Rockledge	19046	159,638	\$37.90	\$6,049,515
143	0932**†	1115 North Main Street	Warrington	18976	105,694	\$56.90	\$6,014,088
144	0919**	2223 Galloway Road	Bensalem	19020	158,864	\$37.71	\$5,991,453
145	0415**	Rochester Plaza, 730 Ohio River Boulevard	Rochester	15074	147,350	\$40.61	\$5,984,496
146	1506**	Ashbridge Square, 861 East Lancaster Avenue	Downingtown	19335	134,339	\$44.53	\$5,981,782
147	0939**	306 Easton Road	Warrington	18976	143,396	\$41.70	\$5,979,228
148	3522**	210 Meadow Avenue	Scranton	18505	166,364	\$35.90	\$5,972,195
149	1412**†	127 Southridge Plaza	State College	16801	120,794	\$49.04	\$5,924,250
150	6003**†	Penn House Commons, 310 North 10th Street	Lewisburg	17837	130,543	\$44.90	\$5,860,763
151	4033**	Church Hill Mall, 1089 North Church Street	Hazleton	18201	134,542	\$43.49	\$5,851,755
152	5137**	5159 Lancaster Avenue	Philadelphia	19131	226,629	\$25.80	\$5,847,417
153	0237**†1	339 Fifth Avenue	Pittsburgh	15222	176,284	\$33.16	\$5,845,939
154	2220**†	Blue Mountain Commons, 2310 Linglestown Road	Harrisburg	17110	150,640	\$38.64	\$5,820,876
155	0228**	Edgewood Towne Centre, 1749 South Braddock Ave.	Pittsburgh	15218	180,088	\$32.20	\$5,799,604
156	0914**	Lower Southampton Village, 162 East Street Road	Feasterville	19053	147,212	\$38.76	\$5,706,132
157	0915**	3920 New Falls Road	Bristol	19007	182,533	\$31.10	\$5,676,400
158	0928**	The Shoppes at Flowers Mill, 118 North Flowers Mill Rd.	Langhorne	19047	146,613	\$38.69	\$5,672,937
159	5126**	The Shops at Brewerytown, 3101 West Girard Avenue	Philadelphia	19130	188,078	\$30.16	\$5,672,161
160	5119**†	724 South Street	Philadelphia	19147	141,070	\$40.19	\$5,669,754
161	3615**	Bridgeport Shopping Ctr., 1622 Lincoln Highway East	Lancaster	17602	165,198	\$34.22	\$5,653,465
162	4508*	Jay Park Plaza, Route 209 288 Dartmouth Drive	Marshalls Creek	18335	3,471	\$1,626.17	\$5,644,421
163	4804**	Stefko Center, 1844A Stefko Boulevard	Bethlehem	18017	163,771	\$34.09	\$5,583,137

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

APPENDIX

RANK	STORE	ADDRESS	CITY	ZIP CODE	TRANSACTION COUNT	AVG VALUE OF TRANSACTION	DOLLAR SALES
164	5134**	32 South Second Street	Philadelphia	19106	108,449	\$51.37	\$5,571,185
165	3914**	Mountainville Plaza, 1620 South Fourth Street	Allentown	18103	159,830	\$34.64	\$5,535,744
166	4004*	1492 Highway 315	Wilkes-Barre	18702	4,141	\$1,336.67	\$5,535,158
167	6523**	1038 Latrobe 30 Plaza	Latrobe	15650	131,813	\$41.71	\$5,498,457
168	4627**	Hillcrest Shopping Center, 644 East Main Street	Lansdale	19446	158,184	\$34.72	\$5,492,293
169	0290**	Noble Manor Shopping Center, 2350 Noblestown Road	Pittsburgh	15205	156,750	\$34.97	\$5,481,325
170	0296**	5249 Library Road	Bethel Park	15102	145,260	\$36.96	\$5,368,696
171	5116**	101 East Olney Avenue	Philadelphia	19120	190,462	\$27.92	\$5,318,034
172	5111**	3720 Main Street	Philadelphia	19127	126,865	\$41.60	\$5,277,522
173	2331**†	5035 Township Line Road	Drexel Hill	19026	134,029	\$39.29	\$5,266,099
174	0938**	Center Point Plaza, 748 West Street Road	Warminster	18974	147,291	\$35.07	\$5,165,205
175	6404**	1199 Texas Palmyra Highway	Honesdale	18431	119,638	\$43.05	\$5,150,275
176	4607**	132 East Butler Avenue	Ambler	19002	116,463	\$43.98	\$5,121,712
177	3915	Westgate Mall, 2289 Schoenersville Road	Bethlehem	18017	131,872	\$38.67	\$5,099,134
178	4636†	1 Station Circle	Narberth	19072	101,905	\$49.96	\$5,090,925
179	4626**	2501 Main Street	Norristown	19403	139,152	\$36.53	\$5,083,635
180	0292**	North Hills Village Mall, 4801 Mcknight Road	Pittsburgh	15237	134,543	\$37.58	\$5,056,343
181	6524**	321 Tri-County Lane	Belle Vernon	15012	147,769	\$33.88	\$5,005,814
182	1702**†	5720 Shaffer Road	Dubois	15801	114,947	\$43.54	\$5,004,562
183	4509	Tannersville Plaza, 2838 Route 611	Tannersville	18372	135,033	\$36.99	\$4,995,086
184	2110**	Stonehedge Square, 950 Walnut Bottom Road	Carlisle	17013	124,280	\$40.15	\$4,989,335
185	5141**	4906-4908 Baltimore Avenue	Philadelphia	19143	192,963	\$25.83	\$4,984,335
186	4507	Blakeslee Plaza, 248 Route 940	Blakeslee	18610	110,436	\$44.91	\$4,959,992
187	0409**	Chippewa Center, 2580 Constitution Boulevard	Beaver Falls	15010	120,509	\$41.06	\$4,947,811
188	1512**	Lincoln Court, 215 Lancaster Avenue	Malvern	19355	119,350	\$41.44	\$4,945,873
189	4642**	The Marketplace at Huntingdon Valley, 2080 County Line Rd.	Huntingdon Valley	19006	123,760	\$39.75	\$4,919,902
190	6519**	Crossroads Plaza, 2501 Leechburg Road	Lower Burrell	15068	126,051	\$38.96	\$4,911,232
191	0249**	519 Towne Square Way	Pittsburgh	15227	138,833	\$35.37	\$4,911,011
192	4635**	Regency Square, 1029 North Easton Road	Willow Grove	19090	128,383	\$38.23	\$4,908,669
193	2342**†	1083 West Baltimore Pike	Media	19063	122,560	\$40.04	\$4,907,051
194	2327†	789 East Lancaster Avenue	Villanova	19085	81,264	\$60.25	\$4,896,055
195	5190**	7161 Ogontz Avenue	Philadelphia	19138	185,747	\$26.01	\$4,831,689
196	0274**	Lebanon Shops, 300 Mount Lebanon Boulevard	Pittsburgh	15234	128,955	\$37.46	\$4,831,223
197	3904**	3300 Lehigh Street	Allentown	18103	119,157	\$40.34	\$4,806,672
198	4608†	922 West Lancaster Avenue	Bryn Mawr	19010	94,688	\$50.70	\$4,801,042
199	4605**	Melrose Shopping Center, 103 West Cheltenham Ave.	Cheltenham	19012	155,418	\$30.87	\$4,798,380
200	5121**†	Top of the Hill Plaza, 8705 Germantown Avenue	Philadelphia	19118	101,738	\$47.13	\$4,794,644
201	2001**†	Downtown Mall, 900 Water Street	Meadville	16335	122,728	\$38.92	\$4,776,002
202	5132**	4229 North Broad Street	Philadelphia	19140	203,091	\$23.43	\$4,758,287
203	0235†	2001 Smallman Street	Pittsburgh	15222	69,540	\$68.41	\$4,757,116
204	4637**	Audubon Village Shopping Ctr., 2860 Audubon Village Dr.	Audubon	19403	126,686	\$37.23	\$4,716,342

\* Licensee Service Center \*\* Remodeled † Premium Collection

APPENDIX

RANK	STORE	ADDRESS	CITY	ZIP CODE	TRANSACTION COUNT	AVG VALUE OF TRANSACTION	DOLLAR SALES
205	1508**	West Sadsbury Commons, 324 Commons Drive	Parkesburg	19365	135,076	\$34.69	\$4,685,206
206	0615**	Douglassville Shopping Center, 180 Old Swede Road	Douglassville	19518	123,308	\$37.81	\$4,661,868
207	5502**	244 Marketplace Boulevard	Selinsgrove	17870	107,701	\$43.18	\$4,650,234
208	5173**	Woodland Village Plaza, 6036 Woodland Avenue	Philadelphia	19142	197,926	\$23.48	\$4,646,612
209	2333**	Barclay Square, 1500 Garrett Road	Upper Darby	19082	152,735	\$30.02	\$4,585,594
210	2105**	Mechanicsburg Plaza, 5301 Simpson Ferry Road	Mechanicsburg	17050	135,243	\$33.90	\$4,584,631
211	2329**	Eddystone Crossings, 1562 Chester Pike	Eddystone	19022	160,865	\$28.48	\$4,581,424
212	0226**	132 Ben Avon Heights Road	Pittsburgh	15237	126,752	\$36.03	\$4,566,536
213	0937**	Oxford Oaks Shopping Center, 1601 Big Oak Road	Yardley	19067	124,876	\$36.37	\$4,541,801
214	2332†	Lawrence Park, 1991 Sproul Road	Broomall	19008	113,411	\$40.00	\$4,536,790
215	6710**	Windsor Commons, 3159 Cape Horn Road	Red Lion	17356	138,422	\$32.48	\$4,495,418
216	2339**	4934 Edgmont Avenue	Brookhaven	19015	150,717	\$29.66	\$4,469,683
217	2503**	Asbury Square, 2421 Asbury Road	Erie	16506	122,948	\$36.25	\$4,457,180
218	2302	128 South 69th Street	Upper Darby	19082	178,950	\$24.68	\$4,416,120
219	4656**	Pennsburg Square Shopping Ctr., 456 Pottstown Ave.	Pennsburg	18073	114,717	\$38.49	\$4,415,973
220	4640**	8156 Ogontz Avenue	Wyncote	19095	165,674	\$26.38	\$4,369,709
221	2519**	Giant Eagle Plaza, 4058 Buffalo Road	Erie	16510	118,233	\$36.95	\$4,369,071
222	4506**	1060 North Ninth Street	Stroudsburg	18360	122,408	\$35.65	\$4,363,801
223	0703**	202 Hollidaysburg Plaza	Duncansville	16635	107,073	\$40.71	\$4,359,467
224	4611**	Park Towne Plaza Shopping Ctr., 301 North Lewis Rd.	Royersford	19468	139,708	\$31.07	\$4,340,348
225	3923**	7801 Glenlivet West Drive	Fogelsville	18051	94,215	\$45.88	\$4,322,510
226	3508**	70 Keystone Industrial Park Road	Dunmore	18512	120,403	\$35.88	\$4,320,117
227	6709**	The Crossroads, 351 Loucks Road	York	17404	118,387	\$36.46	\$4,316,594
228	0906**	Pennsbury Plaza Shopping Center, 229 Plaza Blvd.	Morrisville	19067	136,328	\$31.51	\$4,295,483
229	5142	Plaza Americana, 2717 North American Street	Philadelphia	19133	167,995	\$25.51	\$4,285,056
230	6201	44 Market Street	Warren	16365	110,854	\$38.61	\$4,279,588
231	0607**	1772 Tilden Ridge Drive	Hamburg	19526	97,912	\$43.68	\$4,276,466
232	4027**	Pittston Crossing, 320 Route 315 Highway	Pittston	18640	120,958	\$35.28	\$4,267,516
233	0602**	Rockland Plaza, 1100 Rockland Street	Reading	19604	127,466	\$33.42	\$4,259,448
234	6720**	406 North US 15	Dillsburg	17019	100,132	\$42.45	\$4,250,879
235	0280**	2800 Robinson Boulevard	Pittsburgh	15235	151,603	\$28.03	\$4,250,017
236	0272**	233 Shiloh Street	Pittsburgh	15211	97,805	\$43.20	\$4,224,722
237	5195**	7702 City Avenue	Philadelphia	19151	138,082	\$30.53	\$4,215,733
238	0942**	Levittown Town Center, 179B Levittown Parkway	Levittown	19055	131,066	\$32.03	\$4,197,399
239	9111**	Roosevelt Plaza, 6577 Roosevelt Boulevard	Philadelphia	19149	141,435	\$29.48	\$4,169,086
240	4510	Fox Run Plaza, 232 Fox Run Lane	East Stroudsburg	18302	122,935	\$33.89	\$4,166,279
241	4006**	Luzerne Shopping Center, 472 Union Street	Luzerne	18709	113,191	\$36.74	\$4,158,563
242	5150**	4301 Chestnut Street	Philadelphia	19104	130,971	\$31.72	\$4,154,916
243	3619**	2600 Willow Street Pike North	Willow Street	17584	113,448	\$36.58	\$4,150,064
244	6527**	Hollywood Square, 6750 Hollywood Boulevard	Delmont	15626	107,961	\$38.39	\$4,145,090
245	4629**	Fairway Shopping Center, 1825 Limekiln Pike	Dresher	19025	110,845	\$37.37	\$4,141,812

\*\* Remodeled † Premium Collection

APPENDIX

RANK	STORE	ADDRESS	CITY	ZIP CODE	TRANSACTION COUNT	AVG VALUE OF TRANSACTION	DOLLAR SALES
246	1002**	Northgate Plaza, 115 Perry Highway	Harmony	16037	102,930	\$40.12	\$4,129,755
247	3608**	Manor Shopping Center, 1234 Millersville Pike	Lancaster	17603	142,120	\$29.02	\$4,124,420
248	2103**	109 South Conestoga Drive	Shippensburg	17257	117,766	\$35.01	\$4,122,762
249	5602**	Somerset Commons, 1534 North Center Avenue	Somerset	15501	96,230	\$42.57	\$4,096,502
250	3903	1918 West Allen Street	Allentown	18104	120,368	\$33.96	\$4,088,095
251	0256**	1020 Village Center Drive	Tarentum	15084	101,469	\$40.27	\$4,085,985
252	0503**	9613 Lincoln Highway	Bedford	15522	85,728	\$47.17	\$4,043,635
253	3916**	The Shoppes at Trexler, 6900 Hamilton Boulevard	Trexletown	18087	107,358	\$37.43	\$4,018,048
254	0608**	Springtown Shopping Center, 2671 Shillington Road	Sinking Spring	19608	105,198	\$38.10	\$4,007,587
255	6403**	Hamlin Shopping Plaza, 569 Route 590	Hamlin	18427	102,083	\$39.18	\$4,000,116
256	1118**	Geistown Shopping Center, 2451 Bedford Street	Johnstown	15904	104,437	\$38.01	\$3,969,134
257	5114**	8844 Frankford Avenue	Philadelphia	19136	140,120	\$28.32	\$3,968,641
258	4651**	Village Mall, 200 Blair Mill Road	Horsham	19044	130,490	\$30.33	\$3,958,351
259	4401**	129 South Main Street	Lewistown	17044	112,756	\$34.91	\$3,936,781
260	4032**	12 Diana Lane	West Hazleton	18202	83,025	\$47.31	\$3,928,029
261	4807**	Creekside Market Place, 1848 Leithsville Road	Hellertown	18055	103,260	\$37.99	\$3,922,558
262	6715**	Newberry Pointe, 180 Newberry Parkway	Etters	17319	107,861	\$36.14	\$3,898,550
263	0944**†	Buttonwood Park Place, 7 Buttonwood Drive	Yardley	19067	74,351	\$52.10	\$3,873,364
264	3711**	Union Square Shopping Center, 2507 West State St.	New Castle	16101	104,221	\$37.13	\$3,869,632
265	3611**	1575 South Market Street	Elizabethtown	17022	112,889	\$34.27	\$3,868,193
266	1523**	Shoppes at Dilworthtown Crossing, 1363 Dilworthtown Rd.	West Chester	19382	78,621	\$48.88	\$3,843,089
267	3520**	Green Ridge Plaza, 1610 Nay Aug Avenue	Scranton	18509	119,280	\$32.08	\$3,826,114
268	1120**	1910 Minno Drive	Johnstown	15905	98,553	\$38.78	\$3,822,034
269	0605**	Village Square Plaza, 45 Constitution Boulevard	Kutztown	19530	98,621	\$38.70	\$3,817,034
270	2511**	737 East 38th Street	Erie	16504	121,730	\$31.22	\$3,800,256
271	3803**	Palmyra Shopping Center, 901 East Main Street	Palmyra	17078	102,803	\$36.95	\$3,798,315
272	1518**	Marketplace at Westtown, 1502 West Chester Pike	West Chester	19382	104,708	\$36.19	\$3,789,495
273	5101**	135 West Cheltenham Avenue	Philadelphia	19144	187,153	\$20.22	\$3,784,956
274	2502**	105 West 18th Street	Erie	16501	109,715	\$34.41	\$3,774,916
275	0202**	River Town Shops, 90 Allegheny River Boulevard	Verona	15147	84,981	\$44.27	\$3,762,489
276	6308*	102 Four Coins Drive	Canonsburg	15317	4,405	\$852.57	\$3,755,571
277	2606**	140 Walnut Hill Road	Uniontown	15401	105,375	\$35.56	\$3,746,710
278	2107	3760 Market Street	Camp Hill	17011	84,393	\$44.14	\$3,725,449
279	3802**	1737 Quentin Road	Lebanon	17042	87,936	\$41.76	\$3,672,524
280	1522**	Suburbia Shopping Center, 76 Glocker Way	Pottstown	19465	89,353	\$41.08	\$3,670,211
281	0414**	1476 Old Brodhead Road	Monaca	15061	81,525	\$44.65	\$3,639,907
282	1108**	300 Walmart Drive	Ebensburg	15931	91,442	\$39.72	\$3,632,450
283	3503**	1520 South Main Avenue	Scranton	18504	114,708	\$31.63	\$3,628,600
284	4701	144 Continental Boulevard	Danville	17821	88,643	\$40.71	\$3,608,339
285	5158**	McKeown's Plaza, 6824 Rising Sun Avenue	Philadelphia	19111	134,451	\$26.79	\$3,602,095
286	9213**	2356 Golden Mile Highway	Pittsburgh	15239	106,217	\$33.55	\$3,564,070

\* Licensee Service Center \*\* Remodeled † Premium Collection

APPENDIX

RANK	STORE	ADDRESS	CITY	ZIP CODE	TRANSACTION COUNT	AVG VALUE OF TRANSACTION	DOLLAR SALES
287	3610**	Muddy Creek Shoppes, 2350 North Reading Road	Denver	17517	84,650	\$42.04	\$3,558,411
288	4035**	223 South Mountain Boulevard	Mountain Top	18707	83,531	\$42.37	\$3,539,040
289	0282**	Oak Park Mall, 2001 Lincoln Way	White Oak	15131	100,658	\$35.14	\$3,537,614
290	0946**	Marketplace at Neshaminy, 680 Rockhill Drive	Bensalem	19020	104,767	\$33.72	\$3,533,219
291	1521**	Brandywine Village, 1239 Horseshoe Pike Route 322	Downingtown	19335	90,051	\$39.10	\$3,520,839
292	3710**	3326 Wilmington Road	New Castle	16105	97,270	\$36.19	\$3,520,370
293	4308**	41 Pine Grove Square Drive	Grove City	16127	90,417	\$38.40	\$3,472,409
294	0927**	Plumstead Square, 5837 Easton Road	Pipersville	18947	93,798	\$36.95	\$3,465,835
295	6601**	600 Hunter Highway	Tunkhannock	18657	90,344	\$38.36	\$3,465,147
296	0288**	Caste Village Shopping Center, 5301 Grove Road	Pittsburgh	15236	93,358	\$37.11	\$3,464,237
297	0410**	Aliquippa Shopping Center, 2719 Brodhead Road	Aliquippa	15001	84,061	\$41.05	\$3,451,005
298	0224**	1824 Murray Avenue	Pittsburgh	15217	105,804	\$32.54	\$3,442,434
299	2201**	Kline Plaza, 29 Kline Village	Harrisburg	17104	132,636	\$25.89	\$3,433,349
300	0263**	418 East Ohio Street	Pittsburgh	15212	133,957	\$25.61	\$3,431,012
301	4815**	Forks Town Center, 341 Town Center Boulevard	Easton	18040	106,627	\$32.15	\$3,427,779
302	0623**	100 Kenhorst Plaza, 1895 New Holland Road	Reading	19607	87,700	\$39.02	\$3,421,740
303	5105	5 North 12th Street	Philadelphia	19107	166,333	\$20.51	\$3,410,967
304	0917**	500 South Second Street Pike	Southampton	18966	86,433	\$39.27	\$3,394,446
305	3620**	Main Street Center, 763 East Main Street	Mount Joy	17552	90,424	\$37.46	\$3,387,734
306	1407**	Weis Market Shopping Center, 178 Buckaroo Lane	Bellefonte	16823	84,797	\$39.80	\$3,375,134
307	6507**	613 West Main Street	Ligonier	15658	51,495	\$65.23	\$3,358,936
308	3510**	Plaza 1500, 1531 Main Street	Peckville	18452	90,387	\$36.96	\$3,340,940
309	2217**	Swatara Square, 6301 Grayson Road	Harrisburg	17111	100,100	\$33.36	\$3,339,661
310	3617	Wheatland Center, 1761A Columbia Avenue	Lancaster	17603	99,342	\$33.56	\$3,334,364
311	0308**	Franklin Village, 13 Franklin Village Mall	Kittanning	16201	86,388	\$38.55	\$3,330,570
312	0285	Hampton Home Center, 4706 William Flynn Highway	Allison Park	15101	77,717	\$42.73	\$3,321,017
313	3926**	Airport Point Shopping Center, 934 Airport Center Road	Allentown	18109	79,601	\$41.57	\$3,309,240
314	2006**	19017 Park Avenue Plaza	Meadville	16335	68,652	\$48.09	\$3,301,341
315	2518**	Washington Towne Plaza, 140 Washington Towne Blvd.	Edinboro	16412	88,480	\$37.22	\$3,293,566
316	3920**	East Penn Plaza, 1325 Chestnut Street	Emmaus	18049	83,752	\$39.25	\$3,287,150
317	0907**	Edgewood Village Shopping Center, 635 Heacock Rd.	Yardley	19067	98,683	\$33.04	\$3,260,004
318	5153**	2115 North 22nd Street	Philadelphia	19121	143,805	\$22.59	\$3,249,153
319	1509**	Shoppes at Jenners Village, 853 West Baltimore Pike	West Grove	19390	90,726	\$35.50	\$3,221,115
320	0203**	Braddock Hills Shopping Center, 230 Yost Boulevard	Pittsburgh	15221	108,586	\$29.60	\$3,214,038
321	0250**	56 Highlands Mall	Natrona Heights	15065	90,861	\$35.28	\$3,205,423
322	0238	Shady Hill Center, 6320 Shakespeare Street	Pittsburgh	15206	131,532	\$24.32	\$3,198,498
323	4013**	South Main Plaza, 379 South Main Street	Wilkes-Barre	18701	118,556	\$26.97	\$3,197,086
324	6302**	43 East Pike Street	Canonsburg	15317	90,044	\$35.44	\$3,191,098
325	2312**	920 East Baltimore Avenue	Lansdowne	19050	116,309	\$27.43	\$3,190,580
326	1406**	The Benner Pike Shops, 323 Benner Pike	State College	16801	81,019	\$39.37	\$3,189,812
327	5145**	5235 Frankford Avenue	Philadelphia	19124	175,113	\$18.14	\$3,177,121

\*\* Remodeled



APPENDIX

RANK	STORE	ADDRESS	CITY	ZIP CODE	TRANSACTION COUNT	AVG VALUE OF TRANSACTION	DOLLAR SALES
328	4805**	1910 Center Street	Northampton	18067	92,995	\$34.08	\$3,169,422
329	2206**	Mid-Town Plaza, 430 East Main Street	Middletown	17057	107,106	\$29.43	\$3,152,010
330	6525**	6041 Route 30	Greensburg	15601	90,497	\$34.78	\$3,147,861
331	1520**	Ludwig's Village, 2910 Conestoga Road	Glenmoore	19343	64,530	\$48.76	\$3,146,618
332	3908	199 West Main Street	Macungie	18062	78,028	\$40.28	\$3,143,076
333	2805**	Lincoln Way East, 1660 Lincoln Way East	Chambersburg	17201	98,967	\$31.55	\$3,122,047
334	3621**	Shoppes at Landis Valley, 2347 Oregon Pike	Lancaster	17601	76,919	\$40.32	\$3,101,163
335	5168**	2201 Cottman Avenue	Philadelphia	19149	90,805	\$34.10	\$3,096,485
336	3902**	5041 Route 873	Schnecksville	18078	89,671	\$34.42	\$3,086,264
337	4201**	38 Davis Street	Bradford	16701	83,989	\$36.55	\$3,069,870
338	0294	Olympia Shopping Center, 4313 Walnut Street	Mckeesport	15132	95,027	\$32.30	\$3,069,497
339	0264**	Shaler Plaza, 880 Butler Street	Pittsburgh	15223	82,764	\$37.05	\$3,066,793
340	5401**	530 Pottsville Park Plaza, Route 61 North	Pottsville	17901	87,537	\$34.98	\$3,062,420
341	1531**†	London Grove Village, 775 Gap Newport Pike	Avondale	19311	76,922	\$39.64	\$3,049,540
342	3603**	Columbia Shopping Center, 36 South 18th Street	Columbia	17512	98,122	\$30.91	\$3,032,618
343	0234**	West View Park Shopping Ctr., 1012 West View Park Dr.	Pittsburgh	15229	87,233	\$34.50	\$3,009,166
344	5138**	7204 Germantown Avenue	Philadelphia	19119	101,020	\$29.75	\$3,005,328
345	6703**	Grandview, 1446 Baltimore Street,	Hanover	17331	82,867	\$36.18	\$2,998,401
346	9114**	Adams and Tabor Center, 730 Adams Avenue	Philadelphia	19124	95,558	\$31.29	\$2,989,684
347	9108**	Pennypack Circle Shopping Center, 8204 East Roosevelt Boulevard	Philadelphia	19152	109,222	\$27.23	\$2,974,599
348	3521**	921 Drinker Turnpike	Covington Twp.	18444	78,984	\$37.58	\$2,968,192
349	9206**	Kenmawr Plaza, 510 Pine Hollow Road	McKees Rocks	15136	86,028	\$34.47	\$2,965,689
350	0278**	4065 Butler Street	Pittsburgh	15201	76,153	\$38.90	\$2,961,991
351	0901**	Hilltown Crossings, 1547 Bethlehem Pike	Hatfield	19440	88,257	\$33.46	\$2,953,217
352	0242**	Haymaker Village Shops, 4524 Broadway Boulevard	Monroeville	15146	86,412	\$33.96	\$2,934,625
353	3525**	63 South Main Street	Carbondale	18407	80,373	\$36.51	\$2,934,088
354	0801**	2323 North Elmira Street	Sayre	18840	80,393	\$36.43	\$2,928,685
355	9210	Community Plaza, 1103 Milltown Road	Verona	15147	92,597	\$31.60	\$2,926,002
356	5189**	2807 South Front Street	Philadelphia	19148	76,716	\$37.96	\$2,912,212
357	0931**	341 Dublin Pike	Perkasie	18944	73,240	\$39.76	\$2,911,737
358	0933**	Buckingham Green, 4950 Old York Road	Holicong	18928	55,610	\$52.12	\$2,898,458
359	2806**	Waynesboro Shopping Center, 642 East Main Street	Waynesboro	17268	79,823	\$36.13	\$2,884,301
360	3101**	7657 Lake Raystown Shopping Center	Huntingdon	16652	74,822	\$38.07	\$2,848,202
361	9212**	Penn Lincoln Center, 440 Penn Lincoln Drive	Imperial	15126	67,418	\$41.80	\$2,817,844
362	0916	Bristol Park, 238 Commerce Circle	Bristol	19007	91,273	\$30.78	\$2,809,187
363	0603**	Sinking Spring Plaza, 4880 Penn Avenue	Sinking Spring	19608	69,315	\$40.08	\$2,778,275
364	0201**	3239 Washington Pike	Bridgeville	15017	82,254	\$33.71	\$2,772,679
365	4007**	13 Weis Plaza	Nanticoke	18634	92,001	\$29.96	\$2,756,767
366	1005**	110 Bon Aire Plaza	Butler	16001	70,799	\$38.88	\$2,752,489
367	2603**	808 Vanderbilt Road	Connellsville	15425	72,306	\$38.00	\$2,747,697
368	0624**	528 East Lancaster Avenue	Reading	19607	78,393	\$34.84	\$2,731,001

\*\* Remodeled † Premium Collection

APPENDIX

RANK	STORE	ADDRESS	CITY	ZIP CODE	TRANSACTION COUNT	AVG VALUE OF TRANSACTION	DOLLAR SALES
369	2208**	Uptown Plaza, 2943 North Seventh Street	Harrisburg	17110	109,804	\$24.65	\$2,707,131
370	1308**	2 River Street	Jim Thorpe	18229	63,465	\$42.63	\$2,705,317
371	3618	Clock Tower Plaza, 2846 Main Street,	Morgantown	19543	73,941	\$36.43	\$2,693,312
372	0904**	Perkasie Square, 511 Constitution Avenue	Perkasie	18944	81,588	\$32.91	\$2,685,100
373	6509	208 Countryside Plaza	Mount Pleasant	15666	80,057	\$33.48	\$2,679,984
374	1901**	35 Briar Creek Plaza	Berwick	18603	68,585	\$38.59	\$2,646,637
375	4816**	Wind Gap Plaza, 813 Male Road	Wind Gap	18091	80,919	\$32.70	\$2,645,993
376	4902**	The Plaza at Coal Township, 9345 State Route 61	Coal Township	17866	72,209	\$36.51	\$2,636,361
377	4104	1274 East Penn Street	Muncy	17756	73,764	\$35.64	\$2,628,643
378	4801**	Walnutport Shopping Center, 200C South Best Avenue	Walnutport	18088	70,725	\$36.79	\$2,601,710
379	0273**	3202 Brighton Road	Pittsburgh	15212	92,421	\$28.04	\$2,591,468
380	3907	The Shops at Cedar Point, 333 South Cedar Crest Blvd.	Allentown	18103	72,343	\$35.76	\$2,586,903
381	4813**	30 East Fourth Street	Bethlehem	18015	93,293	\$27.69	\$2,583,044
382	5202**	Village Center at Lords Valley, 123 Village Center Drive	Lords Valley	18428	73,102	\$35.32	\$2,582,254
383	0210	The Bavarian Village, 2550 Brownsville Road	South Park	15129	66,120	\$39.05	\$2,581,706
384	0218**	2947 West Liberty Avenue	Pittsburgh	15216	84,106	\$30.65	\$2,577,996
385	0617**	Tulpehocken Village, 430 North Third Street	Womelsdorf	19567	69,346	\$37.08	\$2,571,402
386	6528**	250 South Third Street	Youngwood	15697	72,540	\$35.33	\$2,562,947
387	5165**	2118 Cottman Avenue	Philadelphia	19149	74,970	\$33.63	\$2,520,964
388	5152**	Erie Plaza, 3772 L Street	Philadelphia	19124	97,037	\$25.97	\$2,520,425
389	0935**	Warwick Square, 2395 Old York Road	Jamison	18929	62,797	\$40.04	\$2,514,357
390	3601**	New Holland Shopping Center, 681 West Main Street	New Holland	17557	72,829	\$34.30	\$2,498,240
391	1102	East Hills Plaza, 1513 Scalp Avenue	Johnstown	15904	74,319	\$33.44	\$2,485,362
392	6102**	541 Allegheny Boulevard	Franklin	16323	64,856	\$38.27	\$2,482,068
393	4303	Greenville Plaza, 100 Hadley Road	Greenville	16125	60,199	\$41.20	\$2,480,200
394	4017**	Plains Plaza, 217 Plains Plaza	Plains	18705	67,770	\$36.57	\$2,478,238
395	3604**	31 West Main Street	Ephrata	17522	71,467	\$34.42	\$2,459,998
396	5108**	3250 North Broad Street	Philadelphia	19140	118,534	\$20.73	\$2,456,849
397	0213**	217 Atwood Street	Pittsburgh	15213	92,614	\$26.50	\$2,453,930
398	3505**	305 South Main Street	Old Forge	18518	61,317	\$40.01	\$2,453,413
399	4810	Bethlehem Square, 3926 Nazareth Pike	Bethlehem	18020	74,315	\$32.97	\$2,449,964
400	5120**	Academy Plaza, 3246 Red Lion Road	Philadelphia	19114	83,712	\$29.25	\$2,448,849
401	0236**	820 McKeesport Road	Elizabeth	15037	67,132	\$36.46	\$2,447,831
402	5415**	210 Cedar Street	Tamaqua	18252	71,596	\$34.06	\$2,438,399
403	4025**	Valley Plaza, 653 State Route 93	Conyngham	18219	61,699	\$39.25	\$2,421,386
404	4034	1008 Wyoming Avenue	Wyoming	18644	66,280	\$36.44	\$2,414,936
405	4026	26 Gateway Shopping Center	Edwardsville	18704	75,807	\$31.84	\$2,413,939
406	1006**	340 Greater Butler Mart	Butler	16001	59,304	\$40.55	\$2,405,040
407	4102	Hepburn Center, 449 Hepburn Street	Williamsport	17701	79,150	\$30.36	\$2,403,351
408	1304**	143 South Street	Lehighton	18235	62,164	\$38.49	\$2,392,391
409	1515**	Marchwood Center, 23 Marchwood Road	Exton	19341	63,507	\$37.66	\$2,391,734

\*\* Remodeled

APPENDIX

RANK	STORE	ADDRESS	CITY	ZIP CODE	TRANSACTION COUNT	AVG VALUE OF TRANSACTION	DOLLAR SALES
410	0206**	136 McKees Rocks Plaza, 409 Chartiers Avenue	McKees Rocks	15136	90,781	\$26.30	\$2,387,377
411	0295**	Great Valley Mart, 355 Lincoln Highway	North Versailles	15137	84,350	\$28.16	\$2,375,600
412	3626**	2350 Lincoln Highway East	Lancaster	17602	64,330	\$36.85	\$2,370,296
413	0220**	624 Allegheny River Boulevard	Oakmont	15139	50,521	\$46.72	\$2,360,382
414	3919**	Towne Center, 4777 Tilghman Street	Allentown	18104	70,287	\$33.47	\$2,352,193
415	0216**	102 East Main Street	Carnegie	15106	74,377	\$31.58	\$2,349,074
416	6708**	Fairview Center, 128 Old York Road	New Cumberland	17070	71,669	\$32.67	\$2,341,334
417	6704**	East Manchester Village Center, 205 Glen Drive	Manchester	17345	70,047	\$33.26	\$2,329,513
418	4028**	850 Sans Souci Parkway	Wilkes-Barre	18706	69,993	\$33.07	\$2,314,678
419	6516**	Penn Crossing Shopping Center, 2014 Penny Lane	Jeannette	15644	54,366	\$41.98	\$2,282,294
420	4803**	1375 Blue Valley Drive	Pen Argyl	18072	68,054	\$33.12	\$2,254,090
421	3518**	Keyser Oak Plaza, 1762 North Keyser Avenue	Scranton	18508	71,741	\$31.35	\$2,248,962
422	2402**	St. Marys Plaza, 832 South St. Marys Road	St. Marys	15857	58,711	\$38.18	\$2,241,824
423	6511**	Willowbrook Plaza, 4627 Route 51	Rostraver Twp.	15012	60,398	\$37.08	\$2,239,281
424	1705**	Clearfield Mall, 1824 Daisy Street	Clearfield	16830	65,867	\$33.88	\$2,231,408
425	2317**	12 East Hinckley Avenue	Ridley Park	19078	74,343	\$29.97	\$2,227,710
426	4809**	Bath Shopping Center, 362 South Walnut Street	Bath	18014	62,512	\$35.52	\$2,220,265
427	2108**	Summerdale Plaza, 443 North Enola Road	Enola	17025	62,706	\$35.28	\$2,212,051
428	5163**	Gray's Ferry Shopping Center, 3007 Gray's Ferry Ave.	Philadelphia	19146	69,641	\$31.68	\$2,206,150
429	0217**	1110 Fourth Avenue	Coraopolis	15108	67,383	\$32.73	\$2,205,225
430	0705**	Chestnut Plaza, 220 East Chestnut Avenue	Altoona	16601	77,651	\$28.39	\$2,204,734
431	0261**	2629 Brownsville Road	Pittsburgh	15227	79,695	\$27.62	\$2,201,227
432	4903**	Sunbury Plaza, 1135 North Fourth Street	Sunbury	17801	63,733	\$34.53	\$2,200,732
433	5408**	888 Gordon Nagle Trail	Pottsville	17901	60,104	\$36.46	\$2,191,386
434	6514**	147 Columbia Avenue	Vandergrift	15690	58,523	\$37.30	\$2,182,949
435	3605**	Manheim Shopping Center, 97 Doe Run Road	Manheim	17545	57,963	\$37.53	\$2,175,337
436	1801	137 East Main Street	Lock Haven	17745	49,762	\$43.65	\$2,172,203
437	3502	1512 Scranton Carbondale Highway	Dickson City	18508	52,755	\$40.53	\$2,138,311
438	1009**	240 Buffalo Plaza	Sarver	16055	49,831	\$42.78	\$2,131,613
439	0707**	Valley View Shopping Ctr., 613 Pleasant Valley Blvd.	Altoona	16602	60,647	\$35.03	\$2,124,750
440	3701**	Lawrence Village Plaza, 2656 Ellwood Road	New Castle	16101	62,100	\$34.04	\$2,114,015
441	3702	729 Lawrence Avenue	Ellwood City	16117	55,741	\$37.92	\$2,113,480
442	5903**	16 Crafton Street	Wellsboro	16901	56,005	\$37.26	\$2,086,744
443	1603**	78 Clarion Plaza	Clarion	16214	52,258	\$39.79	\$2,079,581
444	2325**	Village Green Shopping Center, 3486 Concord Road	Aston	19014	64,945	\$31.93	\$2,073,640
445	5402**	9 Gold Star Plaza	Shenandoah	17976	61,234	\$33.59	\$2,057,050
446	0281**	1706 Mount Royal Boulevard	Glenshaw	15116	63,905	\$32.18	\$2,056,435
447	3001**	Widewaters Commons, 55 Sugar Run Road	Waynesburg	15370	61,357	\$33.44	\$2,051,956
448	3806**	Cleona Square, 475 West Penn Avenue	Cleona	17042	53,931	\$37.90	\$2,044,238
449	2520**	Imperial Point, 9135 Ridge Road	Girard	16417	58,317	\$34.76	\$2,026,846
450	2111**	East Penn Center, 736 Wertzville Road	Enola	17025	58,205	\$34.74	\$2,022,079

\*\* Remodeled

APPENDIX

RANK	STORE	ADDRESS	CITY	ZIP CODE	TRANSACTION COUNT	AVG VALUE OF TRANSACTION	DOLLAR SALES
451	4023**	801 Wyoming Avenue	West Pittston	18643	57,369	\$34.94	\$2,004,697
452	5156**	4233 Chestnut Street	Philadelphia	19104	63,696	\$31.30	\$1,993,686
453	1008**	Slippery Rock Plaza, 223 Grove City Road	Slippery Rock	16057	59,028	\$33.62	\$1,984,670
454	3523**	Hillside Plaza, 771 Scranton Carbondale Highway	Eynon	18403	53,137	\$37.32	\$1,983,259
455	6501	105 Harrison Avenue	Greensburg	15601	50,642	\$39.03	\$1,976,785
456	0402**	Green Garden Shopping Center, 3113 Green Garden Rd.	Hopewell Township	15001	60,423	\$32.69	\$1,975,220
457	4806**	34 South Broad Street	Nazareth	18064	54,677	\$35.42	\$1,936,892
458	6506	656 West Main Street	Mount Pleasant	15666	25,172	\$76.52	\$1,926,037
459	0297	The Village Shopping Center, 1874 Homeville Road	West Mifflin	15122	57,411	\$33.54	\$1,925,722
460	6510**	Hillcrest Shopping Center, 3220 Leechburg Road	Lower Burrell	15068	50,208	\$38.11	\$1,913,598
461	2504**	10720 West Main Street	North East	16428	53,815	\$35.14	\$1,890,862
462	4107	803 North Loyalsock Avenue	Montoursville	17754	57,134	\$33.05	\$1,888,470
463	0223**	129 Lincoln Avenue	Pittsburgh	15209	57,897	\$32.62	\$1,888,467
464	5412**	515 Dock Street	Schuylkill Haven	17972	52,159	\$36.17	\$1,886,665
465	4106**	2067 Lycoming Creek Road	Williamsport	17701	65,229	\$28.89	\$1,884,215
466	5409**	Federal Square, 705 West Market Street	Orwigsburg	17961	40,450	\$46.54	\$1,882,396
467	5802**	16750 State Route 706	Montrose	18801	44,728	\$41.96	\$1,876,638
468	0802**	Colonial Plaza, 85 Reuter Boulevard	Towanda	18848	49,661	\$36.63	\$1,818,855
469	0279	722 Brookline Boulevard	Pittsburgh	15226	65,062	\$27.91	\$1,815,655
470	4301**	Sharon Ctr. City Shopping Ctr., 120 South Water Avenue	Sharon	16146	66,973	\$26.96	\$1,805,578
471	5198**	Freedom Square, 5113 Germantown Avenue	Philadelphia	19144	83,979	\$21.49	\$1,805,061
472	2506**	Corry Plaza, 350 West Columbus Avenue	Corry	16407	46,992	\$38.36	\$1,802,572
473	0930**	Doylestown Pointe Plaza, 1661 Easton Road	Warrington	18976	49,554	\$36.32	\$1,799,659
474	2515**	Perry Plaza, 2208 Broad Street	Erie	16503	69,805	\$25.77	\$1,799,210
475	6304**	105 Third Street	Charleroi	15022	50,273	\$35.58	\$1,788,924
476	2513**	East Erie Plaza, 828 East Sixth Street	Erie	16507	70,828	\$25.22	\$1,786,594
477	2204**	325 North Front Street	Steelton	17113	68,767	\$25.93	\$1,783,280
478	3602**	252 North Queen Street	Lancaster	17603	76,181	\$23.33	\$1,777,506
479	2517	3412 West Lake Road	Erie	16505	47,192	\$37.64	\$1,776,294
480	2304**	Edgemont Square, 4839 West Chester Pike	Newtown Square	19073	43,625	\$40.65	\$1,773,565
481	2002**	126 South Martin Street	Titusville	16354	53,778	\$32.88	\$1,768,100
482	0408	816 Third Avenue	New Brighton	15066	54,287	\$32.46	\$1,762,070
483	3524**	Shoppes at Montage, 2571 Shoppes Boulevard	Moosic	18507	34,015	\$51.18	\$1,740,970
484	1706**	Peebles Plaza, 1067 North Front Street	Philipsburg	16866	51,450	\$33.35	\$1,715,803
485	4634**	2014 Old Arch Road	Norristown	19401	58,349	\$29.23	\$1,705,638
486	4904**	Weis Market Shopping Center, 551 Mahoning Street	Milton	17847	50,959	\$33.25	\$1,694,375
487	5905	187 North Main Street	Mansfield	16933	44,323	\$38.19	\$1,692,851
488	2213**	3775 Peters Mountain Road	Halifax	17032	43,227	\$38.77	\$1,675,832
489	0219**	Kennywood Shops, 1326 Hoffman Boulevard	West Mifflin	15122	66,079	\$24.79	\$1,638,204
490	3302**	567 West Mahoning Street	Punxsutawney	15767	45,253	\$35.82	\$1,621,062
491	6306	245 West Main Street	Monongahela	15063	51,631	\$30.77	\$1,588,811

\*\* Remodeled

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RANK	STORE	ADDRESS	CITY	ZIP CODE	TRANSACTION COUNT	AVG VALUE OF TRANSACTION	DOLLAR SALES
492	5003**	Crestview Plaza, 201 Fickes Lane	Newport	17074	39,205	\$40.32	\$1,580,620
493	6103	17 Kimberly Lane	Cranberry	16319	48,530	\$32.05	\$1,555,355
494	4103**	354 Allegheny Street	Jersey Shore	17740	45,021	\$34.26	\$1,542,517
495	2803**	Greencastle Market Place, 512 North Antrim Way	Greencastle	17225	49,033	\$31.44	\$1,541,687
496	4304**	535 Greenville Road	Mercer	16137	40,939	\$37.46	\$1,533,678
497	0212**	959 Liberty Avenue	Pittsburgh	15222	38,775	\$38.83	\$1,505,623
498	6311	327 Third Street	California	15419	41,122	\$36.58	\$1,504,420
499	4503**	1152 Route 390	Cresco	18326	43,615	\$34.31	\$1,496,246
500	0403	999 Merchant Street	Ambridge	15003	44,178	\$33.86	\$1,495,672
501	0244**	739 Monongahela Avenue	Glassport	15045	51,358	\$29.04	\$1,491,401
502	4802**	111 Northampton Street	Easton	18042	46,483	\$32.06	\$1,490,074
503	3202	575 Philadelphia Street	Indiana	15701	41,430	\$35.94	\$1,489,143
504	1524**	Oxford Square, 449 North Third Street	Oxford	19363	44,733	\$33.10	\$1,480,766
505	9203**	3 Quaker Village Shopping Center	Leetsdale	15056	38,856	\$37.45	\$1,455,031
506	2218	731 Cherry Drive	Hershey	17033	40,800	\$35.62	\$1,453,419
507	3201**	215 East Market Street	Blairsville	15717	40,464	\$34.99	\$1,416,014
508	6002**	30 East Chestnut Street	Mifflinburg	17844	41,163	\$34.17	\$1,406,337
509	5603**	1607 Jefferson Avenue	Windber	15963	35,368	\$39.65	\$1,402,347
510	1601**	800 Center, 845 Main Street	Clarion	16214	35,722	\$38.88	\$1,388,770
511	6305**	McDonald Plaza, 301 West Barr Street	McDonald	15057	40,504	\$33.91	\$1,373,368
512	4002**	7 George Avenue	Wilkes-Barre	18705	47,922	\$28.55	\$1,368,297
513	2202**	1200 NorthThird Street	Harrisburg	17102	49,357	\$27.66	\$1,365,349
514	6101**	Seneca Street Plaza, 50 Seneca Street	Oil City	16301	38,695	\$35.18	\$1,361,179
515	5143	2429 South Street	Philadelphia	19146	36,846	\$36.80	\$1,356,079
516	0252	4643 Centre Avenue	Pittsburgh	15213	48,880	\$27.66	\$1,351,988
517	6504**	114 South Fifth Street	Jeannette	15644	35,212	\$38.31	\$1,348,955
518	5413**	16 Tremont Road	Pine Grove	17963	34,665	\$38.68	\$1,340,871
519	4109**	510 West Southern Avenue	South Williamsport	17702	41,889	\$31.54	\$1,321,219
520	0205	149 Fifth Avenue	McKeesport	15132	57,409	\$22.93	\$1,316,376
521	0704**	1260 Pennsylvania Avenue	Tyrone	16686	38,284	\$34.19	\$1,309,004
522	4020**	White Haven Shopping Center, 501 Main Street	White Haven	18661	36,669	\$34.94	\$1,281,351
523	3401**	4093 William Penn Highway	Mifflintown	17059	39,290	\$32.12	\$1,262,156
524	0271	3408 Main Street	Munhall	15120	45,587	\$26.80	\$1,221,701
525	0616**	200 West First Street	Birdsboro	19508	39,710	\$30.66	\$1,217,323
526	6505**	328 Central City Plaza	New Kensington	15068	47,776	\$25.32	\$1,209,454
527	0601	537 Penn Street	Reading	19601	57,727	\$20.77	\$1,198,842
528	3612**	Village at Gap, 5360 Lincoln Highway	Gap	17527	39,590	\$30.27	\$1,198,269
529	0412	Northern Lights Shoppers City, 1603 State Street West	Baden	15005	37,122	\$31.28	\$1,161,207
530	6721**	One West, 9 West Market Street	York	17401	52,373	\$22.00	\$1,152,437
531	1804**	Clinton Plaza, 120 East Walnut Street	Lock Haven	17745	22,906	\$46.55	\$1,066,359
532	3301	160 Main Street	Brookville	15825	28,824	\$36.41	\$1,049,469

\*\* Remodeled

APPENDIX

RANK	STORE	ADDRESS	CITY	ZIP CODE	TRANSACTION COUNT	AVG VALUE OF TRANSACTION	DOLLAR SALES
533	0903**	8794 Easton Road	Ottsville	18942	24,965	\$41.82	\$1,044,052
534	5129**	1446 Point Breeze Avenue	Philadelphia	19146	49,215	\$20.58	\$1,012,646
535	2205**	529 Market Street	Lykens	17048	25,005	\$39.77	\$994,396
536	1104**	101 Park Avenue	Cresson	16630	33,130	\$29.77	\$986,175
537	1103**	910 Philadelphia Avenue	Northern Cambria	15714	24,179	\$40.73	\$984,744
538	2004**	211 East Erie Street	Linesville	16424	22,318	\$43.66	\$974,453
539	1101	426 Main Street	Johnstown	15901	36,095	\$26.95	\$972,829
540	4616**	100 Main Street	Schwenksville	19473	30,950	\$31.10	\$962,468
541	0265**	Deer Lakes Plaza, 908 Little Deer Creek Valley Road	Russellton	15076	23,144	\$40.72	\$942,410
542	4202	124 North Fraley Street	Kane	16735	24,202	\$38.70	\$936,713
543	0804**	41871 Route 6	Wyalusing	18853	26,761	\$33.49	\$896,343
544	2219**	333 Market Street	Harrisburg	17101	50,684	\$17.54	\$889,155
545	5002	53 South Main Street	Duncannon	17020	25,373	\$34.68	\$879,867
546	4618**	504 West Marshall Street	Norristown	19401	35,629	\$24.54	\$874,345
547	3002**	Brodak Commons, 554 South 88 Road	Carmichaels	15320	29,644	\$29.32	\$869,071
548	0302	137 South Jefferson Street	Kittanning	16201	18,714	\$44.36	\$830,121
549	2401**	305 North Broad Street	Ridgway	15853	19,063	\$43.23	\$824,185
550	2901**	Ayr Town Center, 362 South Second Street	McConnellsburg	17233	23,091	\$34.69	\$801,129
551	1303	221 Delaware Avenue	Palmerton	18071	23,802	\$33.24	\$791,067
552	2310†	149 Baltimore Pike	Springfield	19064	22,785	\$34.17	\$778,549
553	4204	66 West Mill Street	Port Allegany	16743	19,599	\$39.16	\$767,535
554	2512**	66 North Main Street	Union City	16438	20,992	\$36.11	\$757,927
555	6502**	313 Depot Street	Latrobe	15650	21,322	\$34.68	\$739,423
556	6307**	Kwik Stop Plaza, 2038 Smith Township Road	Burgettstown	15021	19,522	\$37.73	\$736,502
557	5301**	151 Route 6 West	Coudersport	16915	19,219	\$36.94	\$710,021
558	4036**	West Side Mall, 160 West Side Mall	Edwardsville	18704	21,128	\$33.11	\$699,498
559	3102**	25 West Westater Street	Mt. Union	17066	23,212	\$28.99	\$672,857
560	0947†	244 North West End Boulevard	Quakertown	18951	16,556	\$40.44	\$669,487
561	0303	163 Third Street	Leechburg	15656	17,287	\$38.30	\$662,120
562	6312**	524 Front Street	Fredericktown	15333	16,896	\$38.89	\$657,019
563	5801**	605 Main Street	Forest City	18421	16,882	\$38.75	\$654,238
564	4901**	136 South Oak Street	Mount Carmel	17851	19,214	\$33.80	\$649,498
565	1301	46 West Ridge Street	Lansford	18232	23,506	\$27.62	\$649,284
566	5701**	121 West Main Street	Dushore	18614	16,530	\$38.72	\$640,066
567	0270	3643 California Avenue	Pittsburgh	15212	25,601	\$24.79	\$634,696
568	2702**	644 Elm Street	Tionesta	16353	15,731	\$39.75	\$625,345
569	1111**	3670 Portage Street	Portage	15946	16,993	\$34.66	\$588,980
570	0803**	752 Canton Street	Troy	16947	15,601	\$37.59	\$586,416
571	1004**	102 Main Street	Petrolia	16050	11,132	\$52.20	\$581,046
572	6503**	925 Donner Avenue	Monessen	15062	18,943	\$29.97	\$567,691
573	2804**	9 South Main Street	Mercersburg	17236	12,316	\$43.67	\$537,826

\*\* Remodeled † Premium Collection

APPENDIX

RANK	STORE	ADDRESS	CITY	ZIP CODE	TRANSACTION COUNT	AVG VALUE OF TRANSACTION	DOLLAR SALES
574	5904**	126 West Main Street	Westfield	16950	10,816	\$48.60	\$525,605
575	1201	54 East Fourth Street	Emporium	15834	12,957	\$39.32	\$509,453
576	0405	508 Midland Avenue	Midland	15059	16,028	\$31.42	\$503,580
577	2604**	1890 McClellandtown Road	Masontown	15461	16,414	\$30.61	\$502,487
578	2608**	3532 Pittsburgh Road	Perryopolis	15473	14,796	\$32.83	\$485,785
579	2701**	121 Chestnut Street	Marienville	16239	11,278	\$41.86	\$472,118
580	2610**	Fayette Plaza Shopping Center, 619 Pittsburgh Road	Uniontown	15401	8,345	\$56.32	\$469,983
581	5803**	The Shops, 191 Erie Boulevard	Susquehanna	18847	14,267	\$32.40	\$462,258
582	5302	15 West Street	Galeton	16922	11,484	\$38.44	\$441,492
583	1602	452 Broad Street	New Bethlehem	16242	11,340	\$37.25	\$422,386
584	6508	310 Main Street	Irwin	15642	10,043	\$41.34	\$415,198
585	1703**	821 Centennial Street	Houtzdale	16651	10,647	\$36.04	\$383,767
586	0502	600 Main Street	Saxton	16678	9,097	\$41.57	\$378,169
587	5404	630 Centre Street	Ashland	17921	11,207	\$32.70	\$366,501
588	6513	214 Fifth Street	Avonmore	15618	8,009	\$43.95	\$351,999
589	1604**	506 Main Street	Knox	16232	7,255	\$48.07	\$348,770
590	3303**	445 Main Street	Brockway	15824	7,569	\$44.46	\$336,507
591	1803**	167 Seventh Street	Renovo	17764	8,163	\$40.28	\$328,842
592	5606**	212 Ohio Street	Boswell	15531	6,642	\$40.63	\$269,883
593	5406**	7 South Main Street	Mahanoy City	17948	7,127	\$36.09	\$257,186
594	3203**	560 Franklin Street	Clymer	15728	6,902	\$36.82	\$254,118
595	2605	213 Penn Street	Point Marion	15474	6,412	\$35.76	\$229,271
596	1704**	449 State Street	Curwensville	16833	6,397	\$35.23	\$225,343
597	5601**	686 Market Square	Meyersdale	15552	4,090	\$52.97	\$216,642
598	2601**	111 West Fayette Street	Uniontown	15401	6,127	\$33.45	\$204,940
599	1403**	15 West Olive Street	Snow Shoe	16874	4,655	\$40.12	\$186,773
600	1115	20th Ward Shopping Center, 358 North Sheridan Street	Johnstown	15906	4,450	\$25.43	\$113,150
601	4203**	433 West Main Street	Smethport	16749	1,997	\$38.57	\$77,025
602	1107	513 Chestnut Street	Conemaugh	15909	1,451	\$47.09	\$68,323
603	3305	410 Main Street	Reynoldsville	15851	30	\$32.25	\$968

\*\* Remodeled

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

Finance reports were extracted in September 2022 using Oracle Cloud Financials (CFIN), the PLCB's unaudited financial statements and supporting schedules for fiscal year 2021-22. Financial reporting excludes liquor tax and sales tax.

Merchandising reports were extracted on July 26, 2022, 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. For top Pennsylvania wine and spirits, filters were used to identify items produced in Pennsylvania. Jacquin's products were excluded from the top Pennsylvania spirits list – which primarily features smaller, craft producers – due to high volume placing them ahead of other Pennsylvania products.

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. Highlighted top product categories – tequila, whiskey, vodka and ready-to-drink beverages (RTDs) – were selected according to highest dollar gains. Brandy and cognac were featured due to limited supply and bottle limits.

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.

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