VIRGINIA DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL

MISSION IN REVIEW 2012

CONTROL

SERVICE

REVENUE

CONTROL

SERVICE

REVENUE

LETTER FROM THE CHAIRMAN

Fiscal Year 2012 marked another record year for the Virginia Department of Alcoholic Beverage Control (ABC)'s Retail Operations Division. Preliminary figures indicate this year ended with $734 million in gross sales, $41 million higher than last year, and $24 million higher than the projected $710 million target. Retail dollars are up 6.5 percent and mixed beverage licensee dollars are up 4.9 percent. Three new stores that opened this year generated a total of $1,184,524 in sales.

Commitment to public safety dictates selling responsibly and according to the law. Vigilance by ABC sales associates resulted in an impressive 99 percent compliance rate, up from 98 percent last fiscal year. ABC store employees conduct approximately 2.2 million ID challenges annually while providing service to 27 million buying customers. Accepting donations at the POS register from customers for the Disaster Relief Fund brought in approximately $188,000 for Virginia tornado victims.

ABC established a Product Management Committee to enhance the agency's abilities to identify and react to rapid changes in the marketplace. The committee established a Supplier Advisory Committee to capture crucial input from vendors.

The Board implemented a reward and recognition program that rewards stores for attainment of exceptional audit reviews utilizing a 125-step program that measures compliance with store operating procedures. A total of 76 stores were recognized this fiscal year.

ABC's Bureau of Law Enforcement developed a Special Operations Unit that serves as a coordinator and command structure for large scale and inter-regional operations. Special Operations established a gang unit to aid in the identification, intelligence gathering and participation in operations concerning criminal street and outlaw motorcycle gangs.

ABC special agents are committed to working with the more than 16,000 licensees and providing compliance training through responsible sellers and servers and manager's alcohol responsibility training.

The bureau began centralizing the retail license application process to reduce processing time and make the initial phase consistent for all applicants statewide. Centralization is scheduled to launch early next fiscal year.

ABC's alcohol education team launched the first ever College Tour, partnering with universities across the state to host a series of one-day regional forums. The Youth Alcohol and Drug Abuse Prevention Project (YADAPP) attracted hundreds of high school leaders dedicated to making a difference in their schools, and Alcohol and Aging Awareness Group (AAAG) continues to provide solutions to substance misuse problems facing older Americans.

Development and implementation of the Leadership and Management Program (LAMP) was a highlight of this fiscal year. The program is designed to build leadership skills and to capture and retain institutional knowledge through its mentoring piece.

Commissioner Bryan M. Rhode was appointed by Governor Robert F. McDonnell in April 2012. He joins Commissioner Sandra C. Canada and me, leading ABC in fulfilling its control, service and revenue mission.

J. Neal Insley, Chairman

ABC Board Chairman J. Neal Insley

VIRGINIA DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL

2901 Hermitage Road, Richmond, VA 23220

ABC VISION

To enhance the quality of life for Virginia's citizens by balancing service, revenue and control in the distribution, sale and consumption of alcoholic beverages.

ABC MISSION

To control the distribution of alcoholic beverages; operate efficient, conveniently located retail outlets; enforce the laws of the commonwealth pertaining to alcoholic beverages and youth access to tobacco products; and provide excellent customer service, a reliable source of revenue and effective public safety.

Cover (clockwise, from top left): Former Deputy Secretary of Public Safety John Buckovich, SAC Kyle Blanks, Secretary of Public Safety Marla Graff Decker, and SSA Marc Haalman at the Virginia Public Safety Expo in Richmond, Nov. 10, 2011; attendees at the ABC-sponsored "Hidden Epidemic" conference, Sept. 22, 2011 in Fairfax; Director of Retail Operations Wilson Jones cuts the ribbon at Store 180 (Richmond); ABC's 27th annual YADAPP conference draws enthusiasm from high school students during a general session; the Petersburg Sheriff's Office accepts a Rural Law Enforcement grant check; Leadership and Management Program (LAMP) participants attend a General Assembly session.

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Governor . . . . . Robert F. McDonnell
Secretary of Public Safety . . . . . Marla Graff Decker

Governor Robert F. McDonnell

ABC Board

Board Chairman . . . . . J. Neal Insley
Commissioner . . . . . Sandra C. Canada
Commissioner . . . . . Bryan M. Rhode*

Executive Staff

Chief Operating Officer, Secretary to the Board . . . . . W. Curtis Coleburn, III
Chief Financial Officer . . . . . J. Craig Vanderland
Director of Regulations and Legislative Affairs . . . . . Margaret W. Reed*
Deputy Secretary to the Board . . . . . S. Christopher Curtis*

Secretary of Public Safety
Marla Graff Decker

Division Directors

Bureau of Law Enforcement Administration . . . . . Francis J. Monahan
Bureau of Law Enforcement Operations . . . . . Shawn P. Walker
Financial Management Services . . . . . Barry M. Wenzig
Hearings, Appeals and Judicial Services . . . . . Robert S. O'Neal
Human Resources . . . . . J. Wayne Jenkins
Information Technology Services . . . . . Stephen L. Fox
Internal Audit . . . . . John W. Wszelaki
Logistics . . . . . Ronald L. Dew*
Policy, Planning and Education . . . . . W. Eddie Wirt*
Public Affairs . . . . . Rebecca V. Gettings
Wholesale/Retail Operations . . . . . C. Wilson Jones*

*All Board members and division directors served throughout the fiscal year with the exception of the following: Commissioner Bryan M. Rhode was appointed on April 10, 2012. S. Christopher Curtis was named Deputy Secretary to the Board on March 25, 2012. Ronald L. Dew was named Director of Logistics on January 25, 2012, W. Eddie Wirt was named Director of Policy, Planning and Education on January 25, 2012 and C. Wilson Jones was named Director of Retail Operations on December 25, 2011. Following the fiscal year, Margaret W. Reed was appointed Director of Regulations and Legislative Affairs on September 24, 2012. Francis J. Monahan was repositioned as Deputy Director of Bureau of Law Enforcement Administration on July 10, 2012.

ABC Board: Chairman J. Neal Insley (middle), Commissioner Bryan M. Rhode (left) and Commissioner Sandra C. Canada (right)

While the 2012 General Assembly did not consider any major groundbreaking alcoholic beverage legislation, it had its usual complement of bills introduced for the benefit of one industry member or another. Several of those enacted are of interest to ABC licensed businesses. Except as noted, each enactment went into effect July 1, 2012.

Chief Operating Officer W. Curtis Coleburn

Outdoor Advertising

One theme, which accounts for four of the enacted measures, was a continuation of the 2011 session's consideration of outdoor alcoholic beverage advertising. In 2011, a last-minute cobbling together of amendments to a mostly unrelated bill resulted in rules governing billboard advertising of alcoholic beverages that failed to satisfy anyone. This year, two identical bills, House Bill 471, sponsored by Delegate David Albo, and Senate Bill 398, introduced by Senator Emmett Hanger, made a number of changes to last year's enactment. The bills more clearly define where alcohol billboards may be located, with a detailed description of the method of measurement to be used to make sure signs are not too close to schools, playgrounds, and places of worship. These bills contained an emergency clause, and became effective April 18, 2012. The same two patrons also introduced House Bill 466 and Senate Bill 408, which merely confirm that all outdoor alcoholic beverage advertising signs in the highway right-of-way must comply with both ABC regulations and those of the Virginia Department of Transportation.

Craft Brewers

Craft brewers, whose numbers are once again on the increase in Virginia, also saw friendly legislation. Senator Jeffrey McWaters sponsored Senate Bill 604, which added additional privileges to the brewery license. Brewers formerly were required to obtain a second license to sell beer for off-premises consumption, and they had to obtain a restaurant license in order to sell beer for on-premises consumption. Under the new law, brewers are able to operate more like a Virginia farm winery, with on- and off-premises sales privileges combined into the brewery license. Delegate Jennifer McClellan introduced House Bill 359, which legalized "contract brewing" arrangements in Virginia. Under the bill, a brewer can manufacture beer and transfer it to another brewer or a wholesaler. This is anticipated to be a boon to start-up breweries who wish to achieve production levels beyond their own manufacturing capacity.

"Motor Sports Facility" License

Virginia's two NASCAR tracks in Richmond and Martinsville are now able to sell mixed beverages throughout the facilities, thanks to identical House Bill 555 and Senate Bill 521, sponsored by Delegate Albo and Senator Frank Wagner, respectively. The bills create a new "annual mixed beverage motor sports facility" license. Formerly, the tracks could only obtain mixed beverage licenses for use within restaurants.

Virginia ABC Stores

Two bills relate to Virginia ABC stores. House Bill 896, also sponsored by Delegate Albo, allows Virginia ABC to open any of its stores statewide after 1 p.m. on Sunday. For several years, ABC stores in Northern Virginia and the cities of Tidewater have been open on Sunday, and more recently the stores of Richmond have seen Sunday openings. Effective

(continued)

July 1, all the stores were eligible for Sunday operation. Senate Bill 353, introduced by Senator Creigh Deeds, added an additional way for a distillery to qualify to host an ABC store on the distillery property. The new legislation allows ABC to establish a state store at any distillery employing "traditional distilling techniques, including the use of authentic copper pot stills" in any county with a population under 20,000. This description seems to only fit a new distillery under construction in Nelson County.

Underage Buyer Clarification

House Bill 1091 and Senate Bill 406 are two identical bills introduced by Delegate John O'Bannon and Senator Emmett Hanger at the request of the Department of Alcoholic Beverage Control. The two bills make it clear that underage buyers employed for the purpose by the department may purchase and possess alcoholic beverages in the performance of their duties.

Employement of Unauthorized Aliens

Finally, Senate Bill 515, also sponsored by Senator Wagner, provides that the ABC Board may suspend or revoke the license of someone who is convicted of a violation of federal law involving the employment of unauthorized aliens.

(Below) Commissioner Bryan Rhode with Hardywood Park Craft Brewery co-founders Eric McKay and Patrick Murtaugh and ABC Deputy Secretary to the Board Chris Curtis stand in front of a banner celebrating the passage of Senate Bill 604. Rhode visited other craft breweries across the state as well.

Leadership And Management Program (LAMP)

To address the growing number of employees eligible to retire, Virginia ABC launched its comprehensive Leadership And Management Program (LAMP), a high-impact training initiative aimed at developing future ABC leaders.

In the next 10 years, nearly 40 percent of ABC's "Baby Boomer" population will be eligible to retire, and one fifth of the agency's employees in mid- or upper-level management positions could retire. LAMP, a year-long program, was developed to proactively school emerging leaders in three areas: leadership, management and ABC's operating environment. The program requires a one-year commitment from candidates and their managers to be away from the office approximately two days each month for program classes and activities.

Eighteen candidates from divisions across the agency were selected to attend the inaugural ABC LAMP 2011–2012. Participants worked on projects critical to ABC, collaborated in off-site activities and received management-based reading and writing assignments. The program also included networking and mentoring components.

The first LAMP graduates included: William Breitenbach, Financial Management Services; Stephan Brown, Bureau of Law Enforcement; Correne Friesen, Information Technology Services; Russell Cross, Retail Administration; Timothy Cross, Warehouse; Robert Daffron, Retail; Andrew Hallberg, Information Technology Services; Steven Hammond, Policy, Planning and Education; Joseph Hart, Financial Management Services; Susan Johnson, Property Management Services; Joy Reeves, Retail Administration; Charlie Lintecum, Financial Management Services; Kate Matikonis, Bureau of Law Enforcement; Byron Porcher, Policy, Planning and Analysis; Mavis Reid, Retail Administration and Nannette Williams, Internal Audit.

Interviews, selection and programming for the second LAMP cohort was well underway during Fiscal Year 2012. LAMP is expected to be an annual leadership program.

LAMP

Leadership And Management Program

Curtis Coleburn and Craig Vanderland conduct training for LAMP participants.

Below: The LAMP class of 2012 (clockwise, from top left): Byron Porcher, Joe Hart, Steven Hammond, Joy Reeves, Bill Breitenbach, Tim Cross, Bob Daffron, Russell Cross, Stephan Brown, Charlie Lintecum, Kate Matikonis, Andy Hallberg, Mavis Reid, Susan Johnson, Nannette Williams, Correne Friesen.

STATISTICAL HIGHLIGHTS: LICENSING

Licenses and Licensing

ABC retail licenses (1)	17,483
New retail, wholesale and special-permit licenses	1,961
Licensed retail establishments	16,271
Private or corporate owners	12,766
Alcohol compliance rates for retail licensees (%) (2)	87.07
Average processing time for new retail applications (in days) (3)	80
One-day banquet and special-event licenses	17,770

(1) Inclusive of licenses for sale and consumption of beer and wine, mixed beverages, on- or off-premises.
(2) FY 11 rate: 90.28 percent
(3) FY 11: 90 days. ABC targets a 76-day average.

STATISTICAL HIGHLIGHTS: PREVENTION EDUCATION

Publications and Conferences

Do Not Sell stickers packets distributed to licensees	18,500
Licensee newsletters distributed	52,000
College Tour registrants (1)	413
YADAPP Conference participants (2)	455
Community Coalition of Virginia Academy (CCOVA) participants (3)	29
Alcohol and Aging Awareness Group (AAAG) PSA campaign reach (4)	3 million
AAAG Hidden Epidemic Conference participants (5)	250
Middle School Poster Contest 2012 calendars distributed (6)	760

(1) For its 26th incarnation, ABC changed the format of the College Conference to a three-stop College Tour including Norfolk State University (4/7/12), Longwood University (in conjunction with the BACCHUS Network, 4/14–15/12) and George Mason University (4/18/12).
(2) Annual Youth Alcohol & Drug Abuse Prevention Project (YADAPP) summer conference held at Longwood University, July 16–20, 2012. Eighty-five youth teams represented schools and communities across Virginia. Wheeler Award winners ($500 each): Heritage High School (Richmond) and Virginia Beach Mayor's Youth Leaders in Action.
(3) ABC provided $25,000 support for CCOVA to implement 2012 Virginia Cohort Week One training academy facilitated by Communities Anti-Drug Coalitions of America (CADCA); National CADCA Institute held June 18–22, 2012 at the Rosyln Conference Center in Richmond.
(4) "Is This the Memory?" 30-second PSA aired in the Richmond and Roanoke markets December 2011 through early January 2012 and in Harrisonburg the first two weeks in April 2012. Production costs funded by the Virginia Beer Wholesalers Association.
(5) The Hidden Epidemic: Alcohol, Medication and the Older Adult conference held September 22, 2011 at the Fairfax County Government Center.
(6) With funding from the National Alcohol Beverage Control Association (NABCA), ABC produced the Alcohol Has No Place Middle School Poster Contest 2012 Calendar featuring inspiring student artwork and tips for talking with children about alcohol.

Compliance Training

Responsible Sellers & Servers: Virginia's Program (RSVP) classes	88
RSVP participants (statewide)	1,508
Managers' Alcohol Responsibility Training (MART) classes	19
MART participants (statewide)	314

Grants

Operation Undergrad grants presented	7
Operation Undergrad disbursements	$51,640
Community Coalition grants presented	8
Community Coalition disbursements	$65,500
YADAPP minigrants presented	20
YADAPP minigrants disbursements	$5,000
Rural and Local Law Enforcement grants presented	4
Rural and Local Law Enforcement disbursements (1)	$20,000

Operation Undergrad and Community Coalition grants are funded by the Office of Juvenile Justice and Delinquency Prevention (OJJDP) and administered by ABC.

(1) Local and Rural Law Enforcement grants of $5,000 each awarded to: Petersburg Sheriff's Office, University of Mary Washington Police Department, Washington County Sheriff's Office and Norfolk State University Police Department.

STATISTICAL HIGHLIGHTS: LAW ENFORCEMENT

Law Enforcement Activity

Criminal investigations	9,647
Arrests	1,811
Illegal still investigations	23
Inspections of licensed establishments	7,309
Underage Buyer compliance checks	3,283
ABC special agents	89
Written warning reports	690
Written violation reports	716
Wine, beer and mixed-beverage application and state license fees collected	$12,237,611.72

Tobacco Synar

Synar compliance rate, May 1–September 30, 2011 (%) (1)	87.20
Total tobacco checks by ABC agents (2)	933

Part of a substance abuse prevention and treatment block grant from the federal government to the Virginia Department of Mental Health, Mental Retardation and Substance Abuse Services.

(1) FY 10: 87 percent
(2) This includes attempted checks visited but found not suitable for an underage buyer check. FY 10: 1,121 checks.

STATISTICAL HIGHLIGHTS: HEARINGS & APPEALS

Cases Referred for Hearings

Case Activity	Count
Violation/disciplinary reports	716
Contested applications	38
• Approved	17
• Denied	4
• Withdrawn before hearing	17
Contested banquet applications	5
• Approved	3
• Denied	1
• Withdrawn before hearing	1
Wine and beer franchise cases	6
Total hearings requested	**765**

Hearings Dispositions

Case Activity	Count	Percentage of Total Cases Received (%)
Settled by consent settlement offer	306	43.71
Heard by ABC hearing officer [1]	217	31.00
Settled by offer in compromise	102	14.57
Heard by ABC board on appeal	48	6.86
Withdrawn or dismissed prior to hearing [2]	27	3.86
Total hearings dispositions [3]	**700**	**100**

[1] 217 hearings were held on 312 charges/objections filed; cases with multiple charges had cases combined into one hearing for efficiency. 48 of these cases were appealed to the ABC Board and had a second ABC hearing.
[2] These cases were withdrawn or dismissed prior to the completion of the hearing process after docketing because the licenses had been surrendered, the applications were withdrawn, or the applicants/objectors/parties agreed upon a mutual settlement option, usually specific license restrictions to prevent ABC violations (for applications) or settlement of franchise disputes through mediation.
[3] 100 cases were in-process at the end of FY 11 and were completed during FY 12; 96 cases were in-process at the end of FY 11 to be completed during FY 12.

Average Case Turn-Around Time (in Days)

Activity	FY 06	FY 07	FY 08	FY 09	FY 10	FY 11	FY 12
Violations	130	120	91	178	158	118.6	62.45
Applications	99	93	106	135	131	93.8	95.9

Case Decisions Appealed

Activity	Count	Percentage of Total (%)
Initial decision of hearing officer to ABC Board [1]	48	6.26
Final decision of ABC Board to circuit court [2]	5	10.41

[1] Percentage of all cases referred
[2] Percentage of all cases appealed to the Board

Civil Penalties Collected

Activity	Count
Civil penalties collected (dollars)	876,769.99
Average civil penalty per case (dollars)	1,910.85
Average suspension period per case (days) [1]	19.64

[1] Most ABC case decisions provide for a civil penalty or suspension period. This average reflects the results of all civil penalties or suspension time levied from all case decisions, consent settlement offers, and offers-in-compromise for FY 12. When allowed by the Board order, licensees may choose which penalty they prefer to accept. Some penalties contain both mandatory suspension periods and civil penalties. During the reporting period (March 2012), new penalty regulations eliminated penalties for licensees with no previous violations on selected charges.

STATISTICAL HIGHLIGHTS: PERSONNEL

Training and Tuition Assistance

Description of Training	Course Types	Units*
Tuition Assistance Program (TAP)	14	14
Instructor-led (other)	8	155
Instructor-led (LAMP)	13	221
New hire orientation	1	85
Agency/state mandate**	34	14,146
Emergency management state mandate**	6	4,395
Enforcement**	2	14
HPM supervisor**	36	3,024
Retail**	21	6,731
Safety**	14	2,911
Total	**149**	**31,696**

* These represent the units of training deployed to ABC employees by the Training Department. One employee may account for more than one unit of participation.
** eLearning

Employees and Hiring

Total employees (as of June 30, 2012)	2,575
Total classified employees	980
Total part-time employees	1,595
Classified employees hired in Fiscal Year 2012	104
Part-time employees hired in Fiscal Year 2012	511

ABC currently employs a diverse workforce, with approximately 980 classified employees, 1,595 wage employees, and 12 contractors. These 2,575 agency employees work throughout the commonwealth operating 338 retail stores and eight regional offices. Approximately 369 employees are located in Richmond at the central office and warehouse facility.

Employee Demographics

Average age (years) (1)	47.4
Average years of service, classified employees (2)	11.6
Gender: male (%) (3)	58
Gender: female (%) (3)	42
Minority (%) (4)	29.9

The demographics of ABC's workforce are generally consistent with the overall state workforce. Nearly 74 percent of all employees are over the age of 40, 42 percent are female and 30 percent are minorities. The average age of an ABC classified employee is 47 years, with an average length of service of 11.6 years. ABC has a high number of retirement-eligible classified employees: 106 employees (11 percent of FTE positions) are eligible to retire currently, an additional 47 employees (5 percent FTE positions) within the next five years, and an additional 63 employees (6.5 percent FTE positions) eligible within 10 years.

(1) Average age (all state employees): 46.6 years
(2) Average years of service (all state employees): 12.1 years
(3) Gender (all state employees): male, 45.6 percent; female, 54.4 percent
(4) Minority (all state employees): 34.9 percent

ABC Stores

Alcohol compliance rate for ABC stores (%) (1)	99
Average delivery cost to ABC stores (dollars per case)	$0.82
Total shipments to ABC stores (cases)	4,167,156
Total shipments to ABC stores (weight, in lbs)	132,007,144

(1) FY 11 rate: 98 percent

ABC Products

PRICE LIST	
Active items on price list	2,852
Virginia wines on price list	79
Vermouths on price list	14
Items de-listed from price list (1)	261

SPECIAL ORDERS	
Active items on special order catalog	227
Active items on special order noncatalog	836
Total special order purchases (cases) (2)	18,550
Total special order revenue (dollars) (2)	$3,788,096
• Catalog purchases (cases)	8,504
• Catalog revenue (dollars)	$2,077,751
• Noncatalog purchases (cases) (3)	10,046
• Noncatalog revenue (dollars)	$1,705,993

(1) De-listed items remain on the price list until all inventory has been depleted.
(2) These totals include both catalog and noncatalog special orders.
(3) Noncatalog special orders are for those items not included in the special order catalog. They must be purchased by the case and must be obtainable from a source within the continental United States.

Store Activities: July 1, 2011–June 30, 2012

Store	Location	Activity	Closed	Opened	Total
116	Chester	relocation	7-4-11	7-6-11	334
174	Grundy	flooring	7-12-11	7-15-11	334
285	Amherst	modernization	7-25-11	8-8-11	334
259	Roanoke	relocation	10-8-11	10-13-11	334
190	Chesterfield	relocation	10-16-11	10-21-11	334
376	Lake Anna	new store	—	10-18-11	335
354	Appomattox	modernization	10-17-11	10-31-11	335
252	Richmond	modernization	1-7-12	2-4-12	335
264	Dumfries	modernization*	1-14-12	2-22-12	335
260	Falls Church	relocation	3-4-12	3-10-12	335
377	Suffolk	new store	—	1-27-12	336
225	Virginia Beach	flooring	—	03-10-12	336
130	Colonial Beach	modernization*	—	04-27-12	336
224	Chantilly	modernization	03-17-12	04-03-12	336
110	Portsmouth	modernization	04-07-12	04-21-12	336
318	Woodstock	relocation	04-14-12	04-20-12	336
178	Dillwyn	modernization	04-21-12	05-04-12	336
221	Dahlgren	relocation	5-5-12	5-9-12	336
175	West Point	flooring	5-5-12	5-11-12	336
155	Hayes	flooring	5-12-12	5-25-12	336
378	Arlington	new store	—	6-1-2012	337

* These modernizations include store expansion.

(Below) "We Don't Sell to Underage" is one of two posters developed and distributed by ABC to more than 17,000 licensees across Virginia to help prevent illegal sales of alcohol and tobacco. The initiative was funded by the National Alcohol Beverage Control Association (NABCA) and the Virginia Department of Behavioral Health and Developmental Services (VDBHDS). Miller's Neighborhood Market, Norfolk, and Murphy's Irish Pub, Virginia Beach, generously allowed ABC to stage the poster photo shoots at their locations. "We Don't Sell to Intoxicated Patrons" is the companion poster.

Top 50 Brands Sold in Fiscal Year 2012*

Rank FY 12	Rank FY 11	Brand	Product Category	Gross Dollars FY 12 ($)	Gross Dollars FY 11 ($)	Change (%)	Actual Change ($)
		Statewide		**733,514,554**	**692,670,626**	**5.9**	**40,843,927**
		Top 50		**366,002,698**	**353,829,527**	**3.4**	**12,173,171**
		All Others		**367,511,855**	**338,841,099**	**8.5**	**28,670,756**
1	1	Jack Daniel's 7 Black	Tennessee whiskey	23,714,063	22,664,736	4.6	1,049,327
2	2	Smirnoff 80	domestic vodka	19,801,223	19,508,095	1.5	293,128
3	3	Grey Goose	imported vodka	17,829,724	17,880,921	(0.3)	(51,197)
4	4	Jim Beam Straight	bourbon whiskey	16,892,320	17,249,613	(2.1)	(357,293)
5	5	Crown Royal	Canadian whisky	15,814,294	15,806,513	0.0	7,781
6	6	Absolut	imported vodka	14,654,796	14,065,839	4.2	588,957
7	10	Captain Morgan's Spiced	imported rum	13,243,037	12,102,268	9.4	1,140,769
8	8	Aristocrat	domestic vodka	13,208,871	13,001,667	1.6	207,204
9	7	Bacardi Superior	domestic rum	13,046,298	13,171,165	(0.9)	(124,868)
10	9	Jagermeister	imported cordials	12,376,918	12,871,214	(3.8)	(494,296)
11	13	Patron Silver White	tequila	11,269,028	10,559,119	6.7	709,908
12	12	Hennessy VS	Cognac\Armagnac	11,003,889	10,730,236	2.6	273,652
13	11	Jose Cuervo Especial Gold	tequila	10,700,497	11,001,612	(2.7)	(301,115)
14	15	Maker's Mark Straight	bourbon whiskey	9,399,156	7,919,679	18.7	1,479,476
15	16	Pinnacle	imported vodka	9,004,252	7,253,355	24.1	1,750,897
16	14	Seagram's Extra Dry	domestic gin	8,306,548	8,874,838	(6.4)	(568,290)
17	18	Bowman's Virginia	domestic vodka	6,865,871	6,981,958	(1.7)	(116,088)
18	17	Skyy	domestic vodka	6,770,794	7,132,015	(5.1)	(361,221)
19	20	Burnett's	domestic vodka	6,176,759	5,788,417	6.7	388,343
20	19	Tanqueray	imported gin	6,134,476	6,259,375	(2.0)	(124,899)
21	21	Ketel One	imported vodka	6,124,133	5,681,523	7.8	442,610
22	25	Jameson	Irish whiskey	6,020,432	4,809,179	25.2	1,211,254
23	22	Canadian Mist	Canadian whisky	5,371,945	5,660,149	(5.1)	(288,204)
24	24	Bailey's Original Irish Cream	imported cordials	5,123,671	4,890,959	4.8	232,713
25	30	Johnnie Walker Black	Scotch whiskey	4,777,034	4,463,051	7.0	313,982
26	27	Dewar's White Label	Scotch whiskey	4,673,830	4,659,858	0.3	13,973
27	23	Grand Marnier Cordon Rouge	imported cordials	4,559,556	5,432,245	(16.1)	(872,689)
28	28	Stolichnaya	imported vodka	4,528,357	4,575,806	(1.0)	(47,448)
29	29	Early Times	domestic whiskey	4,276,439	4,490,859	(4.8)	(214,420)
30	34	Malibu	imported rum	4,241,205	4,217,939	0.6	23,266
31	42	Svedka	imported vodka	4,214,873	3,244,670	29.9	970,203
32	32	E & J V.S.	grape brandy	4,153,003	4,417,969	(6.0)	(264,966)
33	36	Bombay Sapphire	imported gin	4,100,625	3,771,617	8.7	329,008
34	33	Paul Masson Grande Amber V.S.	grape brandy	4,092,301	4,294,218	(4.7)	(201,917)
35	35	Wild Turkey 101 Straight	bourbon whiskey	3,952,412	4,029,517	(1.9)	(77,105)
36	—	Ciroc Peach (2)	flavored vodka	3,820,522	0	—	3,820,522
37	49	Ciroc Red Berry	flavored vodka	3,745,946	2,597,785	44.2	1,148,161
38	41	Evan Williams Green Straight	bourbon whiskey	3,658,569	3,345,063	9.4	313,506
39	40	Bacardi Gold	domestic rum	3,629,039	3,534,254	2.7	94,784
40	37	Southern Comfort	domestic cordials	3,510,808	3,648,927	(3.8)	(138,119)
41	38	Kahlua Coffee	imported cordials	3,469,145	3,627,709	(4.4)	(158,564)
42	39	Seagram's 7 Crown	blended whiskey	3,431,067	3,555,130	(3.5)	(124,063)
43	72	Ciroc Coconut	flavored vodka	3,372,660	1,874,377	79.9	1,498,283
44	43	E & J V.S.O.P.	grape brandy	3,159,138	3,188,428	(0.9)	(29,290)
45	31	Ciroc Luxury	imported vodka	3,142,042	4,441,143	(29.3)	(1,299,101)
46	—	Buffalo Trace (3)	bourbon	3,095,324	2,827,491	9.5	267,833
47	45	Johnnie Walker Red	Scotch whiskey	2,935,780	2,988,732	(1.8)	(52,953)
48	46	Aristocrat White	domestic rum	2,921,054	2,985,409	(2.2)	(64,355)
49	44	Courvoisier V.S.	Cognac\Armagnac	2,888,948	2,997,091	(3.6)	(108,144)
50	47	Absolut Citron	flavored vodka	2,800,029	2,755,794	1.6	44,235

(1) Based on Fiscal Year 2012 dollars and previous years' sales for these items.
(2) Ciroc Peach flavored vodka was a new product in Fiscal Year 2012.
(3) The previous fiscal year's figures for Buffalo Trace Bourbon have been revised in Fiscal Year 2012. Based on revised figures, it ranked 47th among the Top 50 products for Fiscal Year 2011.

A Message from the Chairman and Chief Operating & Financial Officers

We are pleased to present the Fiscal Year 2012 Annual Report for the Virginia Department of Alcoholic Beverage Control (ABC). These facts and figures represent a fourteenth consecutive record-breaking year for retail sales by our agency. In Fiscal Year 2012, we opened three new stores, relocated six, modernized six and expanded and modernized two. ABC operations returned record profits of $132 million to the Commonwealth of Virginia. The agency has contributed $1.7 billion dollars to the commonwealth in the last five years.

We stand behind these figures with pride in the accomplishments made possible by the hard working and dedicated employees of ABC. To the best of our knowledge, these figures accurately represent the operations of our agency during the fiscal year. The financial statements of the agency are audited annually by the Auditor of Public Accounts as required by the code of Virginia. ■

Chairman J. Neal Insley (center), with Chief Financial Officer J. Craig Vanderland (left) and Chief Operating Officer W. Curtis Coleburn.

Financial Results in Brief, Fiscal Year 2012

Revenue Source	FY 12
ABC profit transfers (1)	$ 132,021,784
State taxes (2)	120,988,748
General sales tax (3)	29,617,739
Wine liter tax (4)	33,457,628
Malt beverage tax (5)	43,660,370
Total	**$ 359,746,269**

(1) *Source:* "Statement of Revenues, Expenses and Changes in Net Assets" (p. 34). Profits are reported in accordance with generally accepted accounting principles. Profits include licensing fees and ABC's portion of the wine liter tax.
(2) *Source:* "Notes to Financial Statements 4.B. General Fund" (p. 38). State tax on distilled spirits = 20 percent. State tax on wine sold in ABC stores = 4 percent.
(3) *Source:* "Notes to Financial Statements 4.C. Department of Taxation–Sales Tax" (p. 39). General sales tax rate is 5 percent.
(4) *Source:* "Notes to Financial Statements 4.B. General Fund" (p. 38). The non-ABC portion of the wine liter tax = $.40 per liter. $9,141,363 of the wine liter tax is transferred to the Virginia Department of Behavioral Health and Developmental Services.
(5) *Source:* "Notes to Financial Statements 8. Collections of Malt Beverage Tax" (p. 41).

Sales of All Beverages, Fiscal Year 2012

Product	Gallons (1)	Liters	Total Gallons (%)	Gross Dollars	Gross Sales (%)
STATE STORE SALES					
Distilled spirits	9,947,626	37,655,843	97.2%	$726,138,331	99.0%
Virginia wine	26,406	99,958	0.3%	$1,517,338	0.2%
Vermouth	34,531	130,714	0.3%	$1,338,240	0.2%
Alcohol	68	257	0.0%	$8,568	0.0%
Nonalcoholic mixers	226,968	859,165	2.2%	$4,465,679	0.6%
Total	**10,235,599**	**38,745,937**	**100.0%**	**$733,468,156**	**100.0%**
DIRECT SALES FROM WHOLESALERS					
Wines ($0.40 liter) (2)	23,987,756	90,803,490	13.3%	$36,324,444	45.4%
Beer ($7.95 barrel) (3)	156,512,582	592,464,293	86.7%	$43,628,825	54.6%
Total	**180,500,338**	**683,267,783**	**100.0%**	**$79,953,269**	**100.0%**

NOTES: (1) Excludes miscellaneous records, nonbeverage and confiscated items.
(2) Gross liter tax for wines after 12 percent allocated to ABC revenue
(3) Malt beverage gallons are estimated. Gross tax is taken from the malt beverage tax listed in "Financial Results in Brief, Fiscal Year 2012" (this page).
Source: Policy, Planning and Analysis (PPA)

Comparison of Products Sold / Market Share, Fiscal Year 2012 vs. Fiscal Year 2011

Products	Cases Sold FY 12	Cases Sold FY 11	Market Share (%) FY 12	Market Share (%) FY 11	Change (%)
Vodka	1,383,752	1,281,618	33.0	32.2	8.0%
Domestic	708,694	693,502			2.2%
Imported	343,277	319,924			7.3%
Flavored	331,780	268,191			23.7%
Rum	427,484	416,813	10.2	10.5	2.6%
Domestic	282,606	278,537			1.5%
Imported	144,878	138,276			4.8%
Cordials, liqueurs, specialties	413,783	392,440	9.9	9.9	5.4%
Imported	212,622	204,085			4.2%
Domestic	201,161	188,355			6.8%
Straight bourbon whiskey	400,583	379,082	9.6	9.5	5.7%
Gin	246,382	246,411	5.9	6.2	(0.0)%
Domestic	178,540	180,970			(1.3)%
Imported	56,337	52,875			6.5%
Flavored	10,829	11,877			(8.8)%
Sloe	675	689			(2.0)%
Tequila	208,781	193,225	5.0	4.9	8.1 %
Canadian whisky	167,154	169,495	4.0	4.3	(1.4)%
Brandy	138,537	140,902	3.3	3.5	(1.7)%
Grape	111,244	114,117			(2.5)%
Imported	17,375	16,152			7.6 %
Flavored (1)	9,918	10,633			(6.7)%
Scotch whiskey	137,849	137,207	3.3	3.4	0.5%
Tennessee whiskey	100,077	98,285	2.4	2.5	1.8%
Blended whiskey	96,719	94,626	2.3	2.4	2.2%
Cognac\Armagnac	82,973	79,784	2.0	2.0	4.0%
Cocktails	82,462	77,844	2.0	2.0	5.9%
Domestic	77,701	73,129			6.3%
Imported	4,761	4,715			1.0%
Specialty bottles	47,723	38,494	1.1	1.0	24.0%
Imported	27,850	27,268			2.1%
Domestic	19,874	11,226			77.0%
Domestic whiskey	39,224	39,798	0.9	1.0	(1.4)%
Irish whiskey	27,610	22,797	0.7	0.6	21.1%
Egg nog	10,930	11,095	0.3	0.3	(1.5)%
Corn whiskey	11,861	4,681	0.3	0.1	153.4 %
Straight rye whiskey	4,447	3,029	0.1	0.1	46.8%
Rock & rye	1,296	1,327	0.0	0.0	(2.3)%
Bottled in bond whiskey	378	362	0.0	0.0	4.3%
Alcohol	43	32	0.0	0.0	33.9%
Vermouth	15,693	15,393	0.4	0.4	1.9%
Imported	8,127	7,884			3.1%
Domestic	7,566	7,509			0.8%
Virginia wine	11,180	11,609	0.3	0.3	(3.7)%
Nonalcoholic mixers	114,158	109,834	2.7	2.8	3.9 %
Nonbeverage item	19,974	17,793	0.5	0.4	12.3%
Statewide totals (2)	**4,191,052**	**3,983,976**	**100.0**	**100.0**	**5.2%**

The "Comparison of Products Sold / Market Share" table includes updated figures for fiscal years 2011 and 2012 and properly accounts for sales of products by their respective spirits category.

(1) In Fiscal Year 2012, the general "flavored" subcategory includes specific fruit-flavored products that were previously reported separately (e.g., apricot, peach, apple, etc.). If information is needed about a specific type of flavored vodka, ABC can provide this information.

(2) Excludes miscellaneous records and confiscated items.

Source: Wholesale/Retail Operations

Analysis of Store Performance, Fiscal Year 2012

ABC Stores by Planning District	Locality	Gallons Sold	Gross Sales (1)	Spirits & Wine Taxes (2)	Net Sales	Cost of Goods Sold	Gross Profit	Store Expenses (3)	Net Store Profit	Allocation of General & Administrative Expenses	Adjusted Net Profit	Rate of Return to Virginia (4)
Statewide totals:		**10,388,980**	**733,808,478**	**121,086,760**	**612,721,718**	**356,925,717**	**255,796,001**	**82,922,909**	**172,873,092**	**39,189,002**	**133,684,090**	**34.7**
137 674 Hwy. 58, E.	Norton City	24,193	1,613,769	266,857	1,346,912	782,977	563,935	190,764	373,171	86,147	287,023	34.3
194 16427-E Wise St.	Wise Co.	9,617	652,195	108,041	544,154	315,921	228,233	49,738	178,495	34,803	143,692	38.6
206 18 E. 4th St., S.	Wise Co.	12,726	768,575	127,036	641,540	373,127	268,413	103,593	164,820	41,032	123,788	32.6
218 3982 Hwy. 23, N.	Scott Co.	9,271	529,247	87,409	441,838	256,770	185,069	82,435	102,633	28,259	74,374	30.6
Far Southwest		**55,807**	**3,563,787**	**589,342**	**2,974,445**	**1,728,794**	**1,245,650**	**426,531**	**819,119**	**190,242**	**628,877**	**34.2**
87 4027 College Ave.	Tazewell Co.	18,398	1,245,236	205,434	1,039,803	605,065	434,738	188,418	246,320	66,505	179,816	30.9
174 One Plaza Dr.	Buchanan Co.	9,531	642,668	106,320	536,348	312,379	223,969	79,512	144,457	34,304	110,153	33.7
197 149 Clay Dr.	Tazewell Co.	19,179	1,229,834	203,109	1,026,726	596,665	430,060	110,975	319,085	65,668	253,417	37.1
230 722 E. Riverside	Tazewell Co.	8,253	516,211	85,309	430,903	250,520	180,382	82,313	98,069	27,560	70,509	30.2
365 340 Chase St.	Dickenson Co.	6,988	436,144	72,260	363,883	210,771	153,112	92,687	60,425	23,274	37,152	25.1
Southwest		**62,349**	**4,070,094**	**672,432**	**3,397,662**	**1,975,401**	**1,422,261**	**553,904**	**868,357**	**217,311**	**651,047**	**32.5**
58 3002 Lee Hwy.	Bristol City	26,243	1,789,297	295,174	1,494,123	869,001	625,122	213,187	411,934	95,562	316,372	34.2
96 974 E. Stuart Dr.	Galax City	22,752	1,248,801	205,712	1,043,088	606,930	436,159	155,280	280,878	66,715	214,164	33.6
135 1173 N. Main St.	Smyth Co.	24,428	1,470,855	243,649	1,227,206	713,449	513,758	157,245	356,513	78,491	278,022	35.5
141 441 W. Stuart Dr.	Carroll Co.	15,780	877,513	144,729	732,784	427,386	305,398	118,125	187,273	46,868	140,405	32.5
153 325 W. Main St.	Wythe Co.	24,410	1,506,065	247,564	1,258,500	731,658	526,843	131,452	395,391	80,492	314,899	37.3
201 545 W. Main St.	Washington Co.	40,051	2,595,006	428,419	2,166,588	1,261,817	904,771	193,939	710,832	138,573	572,260	38.6
343 2123 Euclid Ave.	Bristol City	23,869	1,413,328	233,230	1,180,098	688,199	491,899	164,279	327,621	75,478	252,143	34.3
Wytheville/Hillsville		**177,534**	**10,900,865**	**1,798,478**	**9,102,387**	**5,298,438**	**3,803,949**	**1,133,506**	**2,670,443**	**582,179**	**2,088,264**	**35.7**
67 290 Peppers Ferry Rd.	Montgomery Co.	33,363	2,208,769	364,819	1,843,950	1,074,081	769,869	270,379	499,490	117,937	381,553	33.8
195 100 N. Franklin St.	Montgomery Co.	27,898	1,673,663	276,955	1,396,708	813,912	582,796	234,583	348,213	89,332	258,881	32.0
199 140 Kinter Way	Giles Co.	14,489	790,845	130,811	660,034	384,455	275,579	149,452	126,127	42,215	83,912	27.2
327 1332 S. Main St.	Montgomery Co.	88,371	5,599,716	926,091	4,673,626	2,720,969	1,952,656	398,014	1,554,642	298,920	1,255,723	39.0
345 1072 Memorial Square Dr.	Pulaski Co.	21,010	1,214,355	201,153	1,013,202	589,064	424,138	198,228	225,910	64,803	161,107	29.8
356 97 Walker St.	Radford City	44,605	2,616,361	433,389	2,182,972	1,269,227	913,745	250,402	663,343	139,620	523,722	36.6
Radford/Blacksburg		**229,735**	**14,103,710**	**2,333,218**	**11,770,492**	**6,851,709**	**4,918,783**	**1,501,058**	**3,417,725**	**752,828**	**2,664,897**	**35.4**
115 1423 Williamson Rd., N.E.	Roanoke City	60,279	4,165,867	687,283	3,478,584	2,022,082	1,456,501	294,951	1,161,550	222,486	939,064	39.0
123 531 Main St.	Clifton Forge City	7,022	442,152	73,138	369,014	214,662	154,352	77,589	76,763	23,602	53,161	28.6
124 123 W. Main St.	Covington City	14,515	909,620	151,515	758,105	443,510	314,596	124,904	189,692	48,488	141,204	32.2
186 1483 W. Main St.	Salem City	47,902	2,894,534	477,611	2,416,923	1,407,171	1,009,752	257,935	751,817	154,584	597,233	37.1
229 3940 Valley Gateway Blvd.	Roanoke City	22,466	1,406,111	232,639	1,173,472	683,173	490,298	178,857	311,441	75,054	236,388	33.4
259 5050-C Rutgers St.	Roanoke City	45,439	2,953,664	487,779	2,465,885	1,437,021	1,028,865	322,471	706,394	157,715	548,678	35.1
269 646 Brandon Ave.	Roanoke City	65,429	4,317,734	710,793	3,606,941	2,104,264	1,502,677	438,317	1,064,360	230,696	833,664	35.8
289 3341 Melrose Ave., N.W.	Roanoke City	33,091	2,250,301	373,807	1,876,494	1,089,756	786,738	219,292	567,446	120,018	447,428	36.5
309 3901 Brambleton Ave., SW.	Roanoke Co.	58,347	3,661,715	603,576	3,058,139	1,782,935	1,275,204	337,420	937,784	195,595	742,189	36.8
337 1113 Vinyard Rd.	Roanoke Co.	32,373	1,905,291	315,043	1,590,248	926,294	663,954	204,782	459,172	101,711	357,461	35.3
364 56 Kingston Dr.	Botetourt Co.	24,168	1,542,486	254,335	1,288,151	750,781	537,370	205,619	331,751	82,389	249,362	32.7
Roanoke		**411,032**	**26,449,474**	**4,367,519**	**22,081,955**	**12,861,648**	**9,220,307**	**2,662,138**	**6,558,169**	**1,412,337**	**5,145,832**	**36.0**
57 1028 Richmond Ave.	Staunton City	15,725	1,021,938	168,429	853,509	497,505	356,004	226,233	129,771	54,589	75,181	23.8
68 2196 John Wayland Hwy.	Harrisonburg City	27,092	1,636,839	270,085	1,366,753	794,999	571,754	193,407	378,348	87,416	290,932	34.3
113 2827 Main St.	Bath Co.	6,848	534,748	87,919	446,828	259,366	187,463	126,053	61,409	28,579	32,831	22.6
122 201 State St.	Staunton City	24,473	1,613,354	266,538	1,346,815	785,091	561,725	172,389	389,336	86,141	303,195	35.3
140 445 E. Nelson St.	Lexington City	41,444	2,599,667	427,588	2,172,078	1,266,077	906,002	252,090	653,911	138,924	514,988	36.3

NOTES: (1) Includes state taxes, but does not include 5 percent sales tax.
(2) State taxes on distilled spirits (20 percent) and wine (4 percent) sold in ABC stores.
(3) Store expenses include miscellaneous revenue and net cash overages.
(4) "Rate of return" = (adjusted net profit + state taxes) ÷ gross sales

(continued)

ANALYSIS OF STORE PERFORMANCE, FISCAL YEAR 2012

ABC Stores by Planning District	Locality	Gallons Sold	Gross Sales (1)	Spirits & Wine Taxes (2)	Net Sales	Cost of Goods Sold	Gross Profit	Store Expenses (3)	Net Store Profit	Allocation of General & Administrative Expenses	Adjusted Net Profit	Rate of Return to Virginia (4)
145 398 N. Main St.	Harrisonburg City	38,590	2,434,778	401,771	2,033,006	1,182,863	850,143	199,211	650,933	130,029	520,904	37.9
147 58 Water St.	Highland Co.	2,212	136,930	21,879	115,051	67,246	47,806	50,450	(2,644)	7,359	(10,003)	8.7
184 2035 E. Market St.	Rockingham Co.	73,464	4,796,653	790,499	4,006,154	2,328,896	1,677,257	400,649	1,276,608	256,229	1,020,379	37.8
302 132 Lee Jackson Hwy.	Staunton City	22,947	1,431,187	234,665	1,196,522	696,608	499,914	191,737	308,177	76,528	231,649	32.6
338 125 Lucy Ln.	Waynesboro City	48,360	3,062,996	504,247	2,558,749	1,489,763	1,068,986	297,626	771,360	163,655	607,705	36.3
339 Augusta Plz., Rt. 612	Augusta Co.	16,354	993,571	164,575	828,996	483,111	345,885	147,985	197,900	53,022	144,878	31.1
Staunton/Waynesboro		317,508	20,262,659	3,338,196	16,924,463	9,851,525	7,072,938	2,257,830	4,815,108	1,082,470	3,732,638	34.9
47 380 Gateway Dr.	Winchester City	25,814	1,748,343	288,144	1,460,199	850,486	609,713	238,410	371,302	93,393	277,910	32.4
52 786 Shopping Center Rd.	Shenandoah Co.	14,476	887,493	146,781	740,712	430,422	310,290	120,427	189,863	47,375	142,488	32.6
56 182 Delco Plz.	Frederick Co.	23,993	1,641,637	270,236	1,371,401	798,213	573,188	203,667	369,520	87,713	281,807	33.6
75 226 Elizabeth Dr.	Stephens City	20,853	1,394,987	230,317	1,164,670	676,465	488,206	172,682	315,524	74,491	241,033	33.8
139 160 Rivendell Court	Frederick Co.	36,536	2,446,763	403,381	2,043,382	1,190,953	852,429	236,757	615,672	130,692	484,980	36.3
142 411-F South St.	Warren Co.	46,090	3,041,393	498,929	2,542,464	1,479,674	1,062,790	289,791	772,999	162,613	610,385	36.5
167 21 Crow St.	Clarke Co.	13,518	885,401	145,786	739,615	431,137	308,479	133,090	175,389	47,305	128,084	30.9
173 14817 Spotswood Trail	Page Co.	13,866	856,663	141,366	715,297	415,767	299,529	126,617	172,912	45,750	127,162	31.3
193 1412 W. 211 Bypass	Page Co.	19,645	1,172,955	193,438	979,517	570,927	408,590	142,814	265,776	62,649	203,127	33.8
261 2218 Valley Ave.	Winchester City	36,158	2,439,222	402,365	2,036,857	1,187,798	849,060	217,808	631,252	130,275	500,977	37.0
293 5814 Main St.	Shenandoah Co.	13,047	775,996	128,137	647,859	377,278	270,582	95,073	175,509	41,436	134,073	33.8
318 1015-S N. Main St.	Shenandoah Co.	16,731	1,004,791	165,923	838,868	488,169	350,699	152,824	197,875	53,653	144,222	30.9
Winchester/Front Royal		**280,727**	**18,295,645**	**3,014,804**	**15,280,841**	**8,897,288**	**6,383,553**	**2,129,960**	**4,253,593**	**977,346**	**3,276,247**	**34.4**
33 12631 Galveston Court	Prince William Co.	22,012	1,691,287	279,677	1,411,610	823,018	588,593	300,203	288,389	90,285	198,104	28.2
36 8038 Crescent Park Dr.	Prince William Co.	21,702	1,666,031	274,056	1,391,976	813,220	578,756	271,053	307,702	89,029	218,673	29.6
39 10410 Bristow Center Dr.	Prince William Co.	27,451	2,057,372	338,863	1,718,509	1,003,611	714,897	353,481	361,416	109,914	251,502	28.7
40 22000 Dulles Retail Plz.	Loudoun Co.	19,117	1,700,777	279,949	1,420,829	829,266	591,563	285,603	305,960	90,875	215,085	29.1
41 12950 Highland Crossing Dr.	Fairfax Co.	16,122	1,465,506	242,134	1,223,372	713,874	509,498	316,751	192,747	78,246	114,502	24.3
42 7702 Richmond Hwy.	Alexandria City	28,347	2,111,919	347,552	1,764,367	1,028,827	735,540	282,719	452,821	112,847	339,974	32.6
45 8428 Old Keene Mill Rd.	Fairfax Co.	29,617	2,222,389	366,158	1,856,231	1,081,361	774,869	327,457	447,412	118,722	328,690	31.3
49 881 N. Quincy St.	Arlington Co.	47,664	4,056,992	667,216	3,389,775	1,971,954	1,417,821	426,420	991,401	216,806	774,595	35.5
54 42015 Village Center Plz.	Loudoun Co.	27,470	2,291,524	377,444	1,914,080	1,115,940	798,140	310,557	487,583	122,422	365,160	32.4
55 9528 Liberia Ave.	Manassas City	34,051	2,630,198	434,228	2,195,970	1,279,506	916,464	305,079	611,385	140,452	470,933	34.4
61 22330 S. Sterling Blvd.	Loudoun Co.	26,437	2,013,252	333,389	1,679,863	980,128	699,734	307,076	392,658	107,442	285,216	30.7
63 8951 Ox Rd.	Fairfax Co.	18,604	1,438,597	237,277	1,201,320	702,222	499,099	291,603	207,496	76,835	130,661	25.6
73 43150 Broadlands Shp. Ctr. Plz.	Loudoun Co.	29,825	2,472,669	407,233	2,065,436	1,203,526	861,910	290,325	571,585	132,103	439,482	34.2
76 1212 W. Broad St.	Falls Church City	24,838	2,083,514	342,361	1,741,154	1,018,626	722,528	375,365	347,163	111,362	235,801	27.7
78 5331 Merchants View Sq.	Prince William Co.	21,070	1,647,181	270,749	1,376,433	803,238	573,195	278,124	295,071	88,035	207,036	29.0
80 6206 Little River Tnpk.	Alexandria City	25,989	2,154,456	356,053	1,798,403	1,046,455	751,948	333,889	418,059	115,024	303,035	30.6
81 6230-J N. Kings Hwy.	Alexandria City	27,619	2,178,305	358,445	1,819,860	1,059,204	760,656	306,019	454,637	116,396	338,241	32.0
82 46930 Cedar Lakes Plz.	Fairfax Co.	44,747	3,683,376	605,114	3,078,263	1,797,684	1,280,578	431,303	849,275	196,882	652,393	34.1
83 7263 Arlington Blvd.	Fairfax Co.	17,442	1,457,732	240,459	1,217,273	710,665	506,608	274,519	232,089	77,855	154,234	27.1
84 13053 E. Lee Jackson Hwy.	Fairfax Co.	25,870	2,107,776	347,381	1,760,394	1,026,131	734,264	279,083	455,181	112,593	342,588	32.7
85 2930 Chain Bridge Rd.	Fairfax Co.	28,890	2,328,054	382,865	1,945,190	1,135,394	809,796	331,714	478,082	124,412	353,670	31.6
90 12965 Fair Lakes Shp. Ctr.	Fairfax Co.	33,673	2,768,387	454,213	2,314,174	1,347,214	966,960	361,763	605,197	148,012	457,185	32.9
93 6124 Rose Hill Dr.	Fairfax Co.	19,090	1,453,332	239,773	1,213,559	708,910	504,649	214,694	289,954	77,618	212,337	31.1
99 601 Post Dr.	Herndon City	33,615	2,892,643	478,116	2,414,527	1,408,676	1,005,851	391,998	613,853	154,430	459,423	32.4
109 1731 Wilson Blvd.	Arlington Co.	33,183	2,892,498	473,591	2,418,907	1,409,747	1,009,160	363,539	645,621	154,711	490,910	33.3
111 5722 Union Mill Rd.	Fairfax Co.	36,275	2,904,998	478,643	2,426,356	1,410,083	1,016,272	373,339	642,934	155,187	487,747	33.3
119 901 N. Saint Asaph St.	Alexandria City	52,543	4,673,144	770,168	3,902,976	2,271,986	1,630,990	326,322	1,304,668	249,630	1,055,038	39.1
120 5926 Kingstowne Ctr.	Fairfax Co.	36,580	3,206,445	527,479	2,678,966	1,561,524	1,117,442	353,176	764,266	171,344	592,922	34.9

NOTES: (1) Includes state taxes, but does not include 5 percent sales tax.
(2) State taxes on distilled spirits (20 percent) and wine (4 percent) sold in ABC stores.
(3) Store expenses include miscellaneous revenue and net cash overages.
(4) "Rate of return" = (adjusted net profit + state taxes) ÷ gross sales

(continued)

ANALYSIS OF STORE PERFORMANCE, FISCAL YEAR 2012

ABC Stores by Planning District	Locality	Gallons Sold	Gross Sales (1)	Spirits & Wine Taxes (2)	Net Sales	Cost of Goods Sold	Gross Profit	Store Expenses (3)	Net Store Profit	Allocation of General & Administrative Expenses	Adjusted Net Profit	Rate of Return to Virginia (4)
127 13300 Franklin Farm Rd.	Fairfax Co.	15,885	1,254,855	206,774	1,048,081	610,456	437,625	236,604	201,021	67,034	133,987	27.2
131 6920-E Bradlick Shp. Ctr.	Fairfax Co.	26,475	2,067,952	341,662	1,726,289	1,002,744	723,545	316,861	406,685	110,412	296,273	30.8
133 9130 Mathis Ave.	Manassas City	37,871	2,813,240	463,915	2,349,324	1,368,337	980,987	358,605	622,382	150,260	472,122	33.3
136 18 Fairfax St., SE	Loudoun Co.	42,573	3,363,104	554,394	2,808,710	1,636,403	1,172,308	260,323	911,985	179,642	732,343	38.3
166 210 Fort Evans Rd., N.E.	Loudoun Co.	45,114	3,709,383	612,450	3,096,932	1,808,499	1,288,433	326,175	962,258	198,076	764,182	37.1
168 1001 N. Fillmore St.	Arlington Co.	25,350	2,159,165	353,571	1,805,593	1,050,736	754,857	296,469	458,388	115,484	342,905	32.3
170 1238 Elden St.	Fairfax Co.	31,972	2,649,391	437,468	2,211,922	1,289,983	921,939	333,547	588,392	141,472	446,920	33.4
181 106 Washington St.	Loudoun Co.	8,039	690,983	112,638	578,345	336,850	241,495	90,468	151,026	36,990	114,036	32.8
203 3678 King St.	Alexandria City	33,868	2,845,177	469,066	2,376,110	1,383,249	992,861	390,510	602,351	151,973	450,378	32.3
208 44110 Ashburn Village Blvd.	Loudoun Co.	25,440	2,036,629	334,971	1,701,658	993,686	707,972	288,082	419,889	108,836	311,053	31.7
210 11160 S. Lakes Dr.	Fairfax Co.	27,806	2,389,575	394,007	1,995,568	1,163,385	832,183	305,494	526,689	127,634	399,054	33.2
212 167 Hillwood Ave.	Falls Church City	16,332	1,238,480	203,969	1,034,511	603,518	430,992	269,717	161,275	66,166	95,109	24.1
215 320 23rd St., S.	Arlington Co.	26,913	2,395,068	390,299	2,004,769	1,167,321	837,448	334,162	503,286	128,223	375,064	32.0
219 8338 Leesburg Pike	Fairfax Co.	65,915	6,669,833	1,093,720	5,576,112	3,253,442	2,322,671	1,103,589	1,219,081	356,642	862,439	29.3
224 13944 Lee Jackson Hwy.	Fairfax Co.	37,421	3,004,142	495,286	2,508,856	1,465,330	1,043,526	361,606	681,920	160,464	521,457	33.8
228 1524 Belle View Blvd.	Fairfax Co.	37,028	3,141,652	511,605	2,630,047	1,530,999	1,099,048	323,887	775,161	168,215	606,946	35.6
231 436 E. Maple Ave.	Fairfax Co.	37,271	2,978,126	487,262	2,490,864	1,454,009	1,036,855	452,268	584,587	159,313	425,274	30.6
234 9574 Old Keene Mill Rd.	Fairfax Co.	27,123	2,029,127	335,187	1,693,940	988,320	705,619	302,545	403,075	108,343	294,732	31.0
235 8628 Richmond Hwy.	Fairfax Co.	27,984	2,164,819	355,476	1,809,343	1,056,601	752,742	354,921	397,822	115,724	282,098	29.5
236 7200 Little River Tnpk.	Fairfax Co.	34,948	2,567,188	423,490	2,143,697	1,243,544	900,153	254,900	645,254	137,109	508,145	36.3
241 11260 James Swart Circle	Fairfax Co.	45,244	3,785,306	624,081	3,161,225	1,841,250	1,319,975	420,153	899,822	202,188	697,633	34.9
248 4709 Lee Hwy.	Arlington Co.	37,458	2,997,137	492,140	2,504,997	1,461,740	1,043,257	431,079	612,178	160,217	451,962	31.5
260 6284 Arlington Blvd.	Fairfax Co.	23,688	1,963,035	323,807	1,639,228	954,593	684,635	335,082	349,553	104,843	244,710	29.0
264 16661 River Ridge Blvd.	Prince William Co.	26,633	2,131,023	352,140	1,778,883	1,035,540	743,343	304,730	438,613	113,775	324,837	31.8
267 1446 Chain Bridge Rd.	Fairfax Co.	47,400	4,182,823	688,302	3,494,522	2,041,289	1,453,233	452,413	1,000,819	223,506	777,314	35.0
268 6400 Springfield Plz.	Fairfax Co.	52,424	4,170,700	688,671	3,482,029	2,032,463	1,449,566	444,506	1,005,060	222,707	782,353	35.3
271 13991 Jefferson Davis Hwy.	Prince William Co.	51,873	4,236,004	700,195	3,535,809	2,060,244	1,475,565	449,330	1,026,235	226,146	800,088	35.4
273 9421 Lorton Market St.	Fairfax Co.	25,839	2,034,776	335,796	1,698,980	989,955	709,025	275,550	433,475	108,665	324,810	32.5
286 7555 Linton Hall Rd.	Prince William Co.	37,585	2,924,663	481,544	2,443,119	1,425,060	1,018,059	303,663	714,396	156,259	558,137	35.5
294 3556-E S. Jefferson St.	Fairfax Co.	53,603	4,582,332	753,660	3,828,672	2,232,406	1,596,266	554,010	1,042,256	244,878	797,379	33.8
295 8095 Sudley Rd.	Prince William Co.	60,386	4,636,403	763,825	3,872,578	2,256,925	1,615,653	530,491	1,085,162	247,686	837,476	34.5
297 4607 Duke St.	Alexandria City	28,674	2,410,793	397,808	2,012,985	1,170,597	842,388	312,043	530,344	128,748	401,596	33.2
301 4292 Merchants Plz.	Prince William Co.	49,990	3,903,714	643,618	3,260,095	1,900,618	1,359,478	426,689	932,789	208,512	724,277	35.0
316 4108 Fortuna Center Plz.	Prince William Co.	31,869	2,514,440	414,521	2,099,920	1,224,949	874,971	327,585	547,386	134,309	413,078	32.9
317 9600 E. Main St.	Fairfax City	36,789	2,774,867	457,710	2,317,157	1,350,230	966,927	358,341	608,586	148,203	460,384	33.1
319 2435 N. Harrison St.	Arlington Co.	25,310	2,138,711	351,093	1,787,619	1,042,378	745,240	331,805	413,435	114,334	299,101	30.4
322 14151 Saint Germain Dr.	Fairfax Co.	46,835	3,637,367	600,701	3,036,666	1,764,950	1,271,716	484,690	787,026	194,222	592,804	32.8
323 609-O E. Main St.	Loudoun Co.	29,466	2,226,373	366,568	1,859,805	1,085,385	774,419	264,207	510,212	118,951	391,261	34.0
346 8105 Lee Hwy.	Fairfax Co.	34,833	2,761,447	452,094	2,309,352	1,347,117	962,235	320,717	641,518	147,704	493,814	34.3
352 2555 John Milton Dr.	Fairfax Co.	22,653	1,839,424	302,823	1,536,601	895,442	641,159	264,110	377,049	98,279	278,770	31.6
353 4255 Cheshire Plz.	Prince William Co.	62,142	4,852,586	800,459	4,052,127	2,361,884	1,690,242	495,643	1,194,599	259,170	935,430	35.8
357 1454 N. Point Village Shp. Ctr.	Fairfax Co.	43,195	3,839,922	632,002	3,207,921	1,870,888	1,337,033	377,687	959,346	205,175	754,171	36.1
358 4312 Wheeler Ave.	Arlington Co.	60,920	5,342,164	887,388	4,454,776	2,595,807	1,858,968	354,503	1,504,465	284,923	1,219,543	39.4
362 100 Edds Lane	Loudoun Co.	35,595	2,806,147	461,245	2,344,901	1,369,203	975,698	329,536	646,162	149,977	496,185	34.1
367 20070 Ashbrook Commons Plz.	Loudoun Co.	17,678	1,446,451	238,349	1,208,102	703,991	504,111	311,270	192,841	77,269	115,572	24.5
368 10308 Willard Way	Fairfax Co.	28,991	2,089,310	344,370	1,744,940	1,018,076	726,865	320,745	406,120	111,604	294,516	30.6
369 6343-A Columbia Pike	Falls Church City	27,164	2,066,927	342,120	1,724,807	996,372	728,435	297,425	431,010	110,317	320,694	32.1
371 5739 Burke Centre Pkwy.	Fairfax Co.	32,208	2,477,641	407,167	2,070,473	1,206,839	863,635	267,834	595,801	132,425	463,376	35.1
372 3161 Duke St.	Alexandria City	23,554	1,955,413	323,216	1,632,197	950,731	681,467	287,280	394,186	104,394	289,793	31.3
374 2955-A S. Glebe Rd.	Arlington Co.	60,294	5,100,498	932,842	4,167,656	2,425,350	1,742,306	477,257	1,265,050	266,559	998,491	37.9

NOTES: (1) Includes state taxes, but does not include 5 percent sales tax.
(2) State taxes on distilled spirits (20 percent) and wine (4 percent) sold in ABC stores.
(3) Store expenses include miscellaneous revenue and net cash overages.
(4) "Rate of return" = (adjusted net profit + state taxes) ÷ gross sales

(continued)

ANALYSIS OF STORE PERFORMANCE, FISCAL YEAR 2012

ABC Stores by Planning District	Locality	Gallons Sold	Gross Sales (1)	Spirits & Wine Taxes (2)	Net Sales	Cost of Goods Sold	Gross Profit	Store Expenses (3)	Net Store Profit	Allocation of General & Administrative Expenses	Adjusted Net Profit	Rate of Return to Virginia (4)
378 2940 Columbia Pike	Arlington Co.	953	80,725	13,198	67,528	39,118	28,409	20,870	7,539	4,319	3,220	20.3
Northern Virginia		**2,602,420**	**212,327,362**	**35,061,249**	**177,266,113**	**103,320,795**	**73,945,318**	**27,155,148**	**46,790,170**	**11,337,744**	**35,452,425**	**33.2**
37 15149 Montanus Dr.	Culpeper Co.	24,843	1,709,738	282,185	1,427,552	831,348	596,204	231,859	364,345	91,305	273,041	32.5
51 265 Turkey Sag Trail	Fluvanna Co.	17,667	1,143,252	188,122	955,129	557,899	397,230	134,501	262,728	61,089	201,639	34.1
66 11083-E Marsh Rd.	Fauquier Co.	19,317	1,259,567	207,231	1,052,336	613,436	438,901	216,586	222,315	67,306	155,008	28.8
72 5390 A Lyndon Dr.	Orange Co.	26,182	1,631,393	268,398	1,362,995	795,179	567,817	194,808	373,008	87,176	285,833	34.0
88 4199-B Winchester Rd.	Fauquier Co.	15,270	1,049,075	173,446	875,629	510,996	364,633	141,870	222,763	56,004	166,758	32.4
163 583 N. Madison Rd.	Orange Co.	15,403	963,872	159,595	804,277	467,186	337,091	147,953	189,138	51,441	137,697	30.8
227 S. Main St.	Orange Co.	9,064	564,978	92,755	472,223	274,907	197,316	104,142	93,174	30,203	62,972	27.6
274 28 Madison Plaza Dr.	Madison Co.	10,164	622,528	102,497	520,031	303,015	217,016	119,395	97,621	33,261	64,360	26.8
303 175 Lee Hwy.	Fauquier Co.	54,947	3,906,124	640,877	3,265,247	1,906,481	1,358,766	412,623	946,143	208,842	737,302	35.3
329 185 Southgate Shp. Ctr.	Culpeper Co.	25,229	1,670,013	275,334	1,394,679	812,276	582,403	229,926	352,477	89,202	263,275	32.3
Warrenton/Culpeper		**218,087**	**14,520,539**	**2,390,441**	**12,130,099**	**7,072,723**	**5,057,375**	**1,933,663**	**3,123,713**	**775,828**	**2,347,885**	**32.6**
46 183 Community St.	Charlottesville City	23,366	1,758,162	288,691	1,469,472	857,543	611,929	178,030	433,898	93,986	339,912	35.8
50 325 Four Leaf Ln.	Albemarle Co.	13,791	999,046	164,601	834,445	486,937	347,509	150,376	197,133	53,370	143,763	30.9
70 8875 Seminole Trail	Greene Co.	16,794	1,061,561	174,795	886,766	516,322	370,444	164,030	206,415	56,717	149,698	30.6
125 304 Pantops Ctr.	Albemarle Co.	39,607	2,708,367	445,533	2,262,834	1,318,698	944,136	265,478	678,658	144,728	533,930	36.2
126 2819 Rockfish Valley Hwy.	Nelson Co.	8,800	605,943	98,368	507,575	296,932	210,644	103,764	106,880	32,464	74,416	28.5
138 Rts 22 & 23, 502 E. Main St.	Louisa Co.	23,606	1,387,491	228,262	1,159,230	673,947	485,282	159,695	325,588	74,143	251,445	34.6
185 502 W. Main St.	Charlottesville City	38,937	2,848,457	471,587	2,376,870	1,379,648	997,222	241,974	755,248	152,022	603,226	37.7
189 138 Scottsville Village Square	Albemarle Co.	9,794	600,839	99,102	501,737	290,904	210,833	104,528	106,305	32,091	74,215	28.8
202 1902 Emmet St.	Charlottesville City	65,618	5,103,584	841,261	4,262,323	2,476,981	1,785,341	441,784	1,343,558	272,613	1,070,944	37.5
253 1169 Emmet St.	Charlottesville City	55,903	3,911,597	643,470	3,268,127	1,906,747	1,361,380	377,846	983,534	209,026	774,508	36.3
321 77 Callohill Dr.	Nelson Co.	10,896	666,275	110,277	555,998	323,773	232,225	125,087	107,138	35,561	71,577	27.3
359 1872 Rio Hill Ctr.	Albemarle Co.	21,510	1,468,726	241,710	1,227,016	715,914	511,101	251,942	259,159	78,479	180,681	28.8
Charlottesville		**328,621**	**23,120,048**	**3,807,656**	**19,312,391**	**11,244,346**	**8,068,045**	**2,564,532**	**5,503,514**	**1,235,199**	**4,268,314**	**34.9**
117 309 Twelfth St.	Lynchburg City	37,107	2,304,556	382,691	1,921,865	1,115,546	806,320	194,188	612,131	122,920	489,211	37.8
160 1128 E. Lynchburg Salem Tnpk.	Bedford City	24,298	1,463,845	242,233	1,221,612	710,896	510,715	167,163	343,552	78,133	265,419	34.7
176 Hwy. 501, 416 Lusardi Dr.	Campbell Co.	9,077	513,298	85,101	428,197	248,969	179,228	129,583	49,645	27,387	22,258	20.9
262 20401 Timberlake Rd.	Campbell Co.	40,877	2,516,064	415,617	2,100,446	1,222,466	877,980	225,054	652,926	134,342	518,584	37.1
266 2118 Wards Rd.	Lynchburg City	41,934	2,563,427	424,137	2,139,290	1,243,600	895,690	278,887	616,803	136,827	479,976	35.3
279 18013 Forest Rd.	Bedford Co.	38,537	2,466,168	407,640	2,058,529	1,197,915	860,614	244,550	616,064	131,661	484,403	36.2
281 216 Amelon Square Plz.	Amherst Co.	26,326	1,598,853	264,471	1,334,382	774,928	559,454	192,479	366,975	85,346	281,629	34.2
285 199 Ambriar Shp. Ctr.	Amherst Co.	10,203	621,666	102,229	519,437	302,835	216,602	142,097	74,505	33,223	41,282	23.1
287 4925 Boonsboro Rd.	Lynchburg City	24,217	1,649,728	273,749	1,375,979	808,148	567,831	179,341	388,490	88,006	300,484	34.8
347 1301-I N. Main St.	Campbell Co.	19,324	1,157,343	191,201	966,143	561,236	404,907	160,159	244,748	61,793	182,954	32.3
354 7795 Richmond Hwy.	Appomattox Co.	16,060	936,703	155,376	781,327	453,935	327,392	149,411	177,981	49,973	128,008	30.3
Lynchburg		**287,961**	**17,791,651**	**2,944,443**	**14,847,208**	**8,640,475**	**6,206,732**	**2,062,913**	**4,143,820**	**949,611**	**3,194,209**	**34.5**
132 2777 Greensboro Rd.	Henry Co.	24,127	1,423,435	235,744	1,187,691	690,914	496,777	161,212	335,565	75,963	259,602	34.8
146 639 W. Main St.	Danville City	21,430	1,272,253	210,765	1,061,488	617,674	443,815	218,783	225,031	67,892	157,139	28.9
154 235 N. Union St.	Danville City	12,309	679,571	112,714	566,856	329,669	237,187	113,121	124,067	36,256	87,811	29.5
191 400 Old Franklin Tnpk.	Franklin Co.	32,856	1,925,102	318,175	1,606,926	935,053	671,874	222,290	449,584	102,777	346,807	34.5
213 12990 B. T. Washington Hwy.	Franklin Co.	35,286	2,258,157	372,562	1,885,595	1,100,631	784,964	236,837	548,127	120,601	427,526	35.4
276 221 Nor-Dan Dr.	Danville City	29,727	1,914,318	316,900	1,597,418	928,407	669,012	195,073	473,939	102,169	371,770	36.0
277 985 Fairystone Park Hwy.	Henry Co.	21,133	1,136,022	188,104	947,918	550,466	397,452	159,155	238,297	60,628	177,669	32.2
283 Tightsqueeze Plz.	Pittsylvania Co.	13,139	770,777	127,391	643,386	374,084	269,303	139,268	130,034	41,150	88,884	28.1

NOTES: (1) Includes state taxes, but does not include 5 percent sales tax.
(2) State taxes on distilled spirits (20 percent) and wine (4 percent) sold in ABC stores.
(3) Store expenses include miscellaneous revenue and net cash overages.
(4) "Rate of return" = (adjusted net profit + state taxes) ÷ gross sales

(continued)

ANALYSIS OF STORE PERFORMANCE, FISCAL YEAR 2012

ABC Stores by Planning District	Locality	Gallons Sold	Gross Sales (1)	Spirits & Wine Taxes (2)	Net Sales	Cost of Goods Sold	Gross Profit	Store Expenses (3)	Net Store Profit	Allocation of General & Administrative Expenses	Adjusted Net Profit	Rate of Return to Virginia (4)
291 786 Commonwealth Blvd.	Martinsville City	32,876	2,041,778	337,943	1,703,835	990,215	713,620	215,049	498,571	108,975	389,595	35.6
324 301 S. Main St.	Patrick Co.	11,343	660,899	109,559	551,339	320,026	231,313	80,037	151,275	35,263	116,012	34.1
373 3308 Riverside Dr.	Danville City	26,969	1,738,626	287,482	1,451,144	844,046	607,098	232,396	374,702	92,814	281,889	32.7
Danville/Martinsville		**261,196**	**15,820,938**	**2,617,339**	**13,203,599**	**7,681,184**	**5,522,415**	**1,973,223**	**3,549,192**	**844,488**	**2,704,704**	**33.6**
59 3136 Halifax Rd.	South Boston	39,281	2,359,249	390,632	1,968,617	1,145,150	823,467	300,972	522,495	125,911	396,585	33.4
143 812 E. Atlantic St.	Mecklenburg Co.	36,315	2,203,919	365,352	1,838,568	1,070,168	768,400	195,633	572,767	117,593	455,174	37.2
157 302 New Hicks St.	Brunswick Co.	11,527	649,998	108,030	541,968	315,414	226,554	91,693	134,861	34,664	100,197	32.0
172 112 N. Main St.	Mecklenburg Co.	10,925	579,809	96,421	483,389	280,402	202,987	124,092	78,895	30,917	47,978	24.9
214 608 Virginia Ave.	Mecklenburg Co.	14,134	841,748	139,468	702,280	408,905	293,375	110,067	183,308	44,917	138,390	33.0
South Boston		**112,182**	**6,634,723**	**1,099,902**	**5,534,821**	**3,220,038**	**2,314,783**	**822,458**	**1,492,325**	**354,001**	**1,138,324**	**33.7**
152 1506 S. Main St.	Prince Edward Co.	46,191	2,773,913	459,651	2,314,261	1,345,237	969,024	252,358	716,666	148,018	568,649	37.1
161 501-F Main St.	Lunenburg Co.	9,039	483,770	80,384	403,386	234,732	168,654	121,489	47,164	25,800	21,364	21.0
164 1618 W. Virginia Ave.	Nottoway Co.	10,172	577,624	95,900	481,724	279,998	201,727	123,370	78,356	30,811	47,546	24.8
178 974 Main St.	Buckingham Co.	9,896	582,469	96,794	485,675	281,930	203,745	107,320	96,425	31,063	65,362	27.8
196 4875 Main St.	Charlotte Co.	6,230	345,633	57,234	288,399	167,529	120,870	68,768	52,103	18,446	33,657	26.3
275 1527 S. Main St.	Nottoway Co.	16,799	970,583	161,391	809,192	471,392	337,800	163,829	173,971	51,755	122,216	29.2
351 15127 Patrick Henry Hwy.	Amelia Co.	10,073	573,178	95,164	478,014	277,166	200,847	85,118	115,730	30,573	85,156	31.5
Farmville		**108,401**	**6,307,170**	**1,046,519**	**5,260,651**	**3,057,984**	**2,202,668**	**922,252**	**1,280,415**	**336,465**	**943,950**	**31.6**
38 2501 New Kent Hwy.	New Kent Co.	25,307	1,613,214	265,679	1,347,534	785,833	561,701	183,500	378,202	86,187	292,015	34.6
77 1800 S. Creek Dr.	Powhatan Co.	14,922	950,887	157,291	793,596	462,973	330,623	118,615	212,008	50,758	161,250	33.5
86 2610 Buford Rd.	Richmond City	28,617	2,015,292	330,690	1,684,602	983,632	700,971	230,427	470,543	107,745	362,798	34.4
89 34-A Broad Street Rd.	Goochland Co.	20,454	1,443,197	237,691	1,205,506	703,547	501,958	159,128	342,831	77,103	265,728	34.9
97 6504 Hull St.	Richmond City	40,729	2,854,977	472,369	2,382,609	1,388,535	994,074	274,267	719,807	152,389	567,418	36.4
101 3100-A W. Broad St.	Richmond City	45,078	3,226,763	533,133	2,693,630	1,570,350	1,123,280	376,403	746,877	172,282	574,596	34.3
102 1901 W. Main St.	Richmond City	23,664	1,567,112	258,828	1,308,284	760,200	548,084	234,768	313,315	83,676	229,639	31.2
104 7028 Woodlake Commons	Chesterfield Co.	35,925	2,461,970	403,713	2,058,257	1,198,299	859,958	249,050	610,908	131,644	479,264	35.9
108 10242 Staples Mill Rd.	Henrico Co.	24,409	1,651,697	270,452	1,381,245	806,665	574,580	206,036	368,544	88,343	280,201	33.3
116 12629 Jefferson Davis Hwy.	Chesterfield Co.	56,178	3,899,118	641,876	3,257,242	1,897,222	1,360,020	385,478	974,542	208,330	766,212	36.1
150 6030 Brook Rd.	Henrico Co.	27,348	1,814,604	299,971	1,514,633	883,249	631,384	235,010	396,374	96,874	299,500	33.0
169 10 N. Thompson St.	Richmond City	80,488	6,121,640	995,674	5,125,965	2,972,909	2,153,057	358,510	1,794,547	327,851	1,466,696	40.2
171 8700 W. Broad St.	Henrico Co.	38,913	2,919,650	483,146	2,436,504	1,421,084	1,015,420	287,177	728,244	155,836	572,408	36.2
180 2026 E. Main St.	Richmond City	33,484	2,491,701	410,100	2,081,601	1,211,743	869,858	204,996	664,862	133,137	531,725	37.8
182 1217 W. Broad St.	Richmond City	20,315	1,305,574	216,231	1,089,343	633,470	455,874	175,322	280,552	69,673	210,879	32.7
187 2421 Venable St.	Richmond City	22,566	1,331,361	221,382	1,109,979	637,245	472,734	175,639	297,095	70,993	226,102	33.6
190 13113 Rittenhouse Dr.	Chesterfield Co.	44,204	3,134,379	513,295	2,621,085	1,526,355	1,094,730	309,479	785,251	167,642	617,609	36.1
205 2288 John Rolfe Pkwy.	Henrico Co.	16,976	1,180,060	194,119	985,942	574,713	411,229	170,448	240,781	63,060	177,722	31.5
207 10106 Brook Rd.	Henrico Co.	32,677	2,479,016	406,150	2,072,867	1,207,362	865,505	259,414	606,091	132,578	473,512	35.5
242 1601 Willow Lawn Dr.	Henrico Co.	35,245	2,516,188	413,967	2,102,221	1,225,202	877,019	282,173	594,846	134,456	460,390	34.7
243 209 N. Washington Hwy.	Hanover Co.	36,260	2,294,064	377,982	1,916,082	1,117,901	798,181	220,091	578,090	122,550	455,539	36.3
247 9685 W. Broad St.	Henrico Co.	26,437	1,851,175	304,570	1,546,605	900,646	645,959	243,136	402,823	98,919	303,904	32.9
251 2924 North Ave.	Richmond City	13,418	804,515	133,776	670,738	388,226	282,512	125,263	157,249	42,900	114,350	30.8
252 618 W. Southside Plz.	Richmond City	42,415	2,845,802	471,972	2,373,830	1,379,659	994,171	312,910	681,261	151,828	529,433	35.2
254 7015 Three Chopt Rd.	Richmond City	28,583	2,050,509	337,345	1,713,164	999,503	713,662	265,150	448,512	109,572	338,940	33.0
270 809 E. Parham Rd.	Henrico Co.	34,581	2,256,834	373,185	1,883,650	1,098,760	784,890	299,604	485,286	120,476	364,810	32.7
284 14229 Midlothian Tnpk.	Chesterfield Co.	36,994	2,557,268	421,845	2,135,423	1,245,978	889,445	291,613	597,832	136,579	461,253	34.5
292 1521 Parham Rd.	Henrico Co.	29,085	2,084,090	343,448	1,740,643	1,014,079	726,563	238,566	487,998	111,330	376,668	34.6
300 9502 Chamberlayne Rd.	Hanover Co.	26,555	1,727,727	285,352	1,442,376	840,489	601,886	211,905	389,982	92,253	297,729	33.7

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(continued)

ANALYSIS OF STORE PERFORMANCE, FISCAL YEAR 2012

ABC Stores by Planning District	Locality	Gallons Sold	Gross Sales (1)	Spirits & Wine Taxes (2)	Net Sales	Cost of Goods Sold	Gross Profit	Store Expenses (3)	Net Store Profit	Allocation of General & Administrative Expenses	Adjusted Net Profit	Rate of Return to Virginia (4)
304 2734 Fairgound Rd.	Goochland Co.	15,201	969,466	160,208	809,257	471,520	337,737	142,061	195,677	51,759	143,917	31.4
305 3910 Mechanicsville Tnpk.	Henrico Co.	30,917	2,062,629	342,479	1,720,150	999,215	720,935	275,999	444,935	110,019	334,916	32.8
308 11252 Patterson Ave.	Henrico Co.	12,503	892,238	147,140	745,099	435,349	309,749	150,210	159,539	47,656	111,883	29.0
314 4320 S. Laburnum Ave.	Henrico Co.	68,547	4,883,189	804,005	4,079,184	2,375,650	1,703,534	407,684	1,295,850	260,900	1,034,950	37.7
315 7048 Commons Plz.	Chesterfield Co.	31,509	2,148,694	355,508	1,793,187	1,043,458	749,729	252,450	497,279	114,690	382,589	34.4
326 2105 Academy Rd.	Powhatan Co.	15,468	969,024	160,473	808,550	471,736	336,815	120,656	216,158	51,714	164,444	33.5
330 5722 Hopkins Rd.	Chesterfield Co.	34,592	2,303,709	381,015	1,922,693	1,119,647	803,046	223,916	579,130	122,973	456,157	36.3
331 3406 Pump Rd.	Henrico Co.	60,078	4,761,328	783,052	3,978,275	2,319,340	1,658,935	396,269	1,262,666	254,446	1,008,220	37.6
332 4018 Glenside Dr.	Henrico Co.	18,421	1,115,131	183,694	931,437	542,758	388,679	144,944	243,735	59,574	184,161	33.0
334 7057 Mechanicsville Tnpk.	Hanover Co.	41,421	2,725,813	449,993	2,275,820	1,332,617	943,203	245,739	697,464	145,559	551,905	36.8
348 7036 Forest Hill Ave.	Richmond City	44,850	3,153,518	520,132	2,633,386	1,538,347	1,095,038	330,577	764,461	168,428	596,033	35.4
350 11108 Midlothian Tnpk.	Chesterfield Co.	70,747	5,015,653	825,067	4,190,586	2,443,294	1,747,292	336,270	1,411,022	268,025	1,142,997	39.2
360 2901 Hermitage Rd.	Richmond City	73,589	5,556,995	915,730	4,641,265	2,695,084	1,946,180	220,495	1,725,685	296,850	1,428,835	42.2
363 9949 Hull St. Rd.	Chesterfield Co.	37,608	2,426,473	401,330	2,025,143	1,179,231	845,912	272,349	573,563	129,526	444,037	34.8
366 1370 Gaskins Rd.	Henrico Co.	29,059	2,128,157	348,175	1,779,982	1,039,115	740,867	308,518	432,349	113,846	318,503	31.3
376 11016 Kentucky Springs Rd.	Louisa Co.	9,922	552,376	0	552,376	321,040	231,336	(11)	231,347	35,329	196,017	35.5
Richmond		**1,536,259**	**107,114,780**	**17,553,233**	**89,561,546**	**52,163,231**	**37,398,316**	**10,912,203**	**26,486,112**	**5,728,257**	**20,757,855**	**35.8**
35 2757 Jefferson Davis Hwy.	Stafford Co.	24,742	1,801,061	296,687	1,504,374	877,723	626,651	221,247	405,404	96,218	309,186	33.6
44 18035 Jefferson Davis Hwy.	Caroline Co.	15,653	1,004,404	166,289	838,115	487,484	350,631	149,723	200,908	53,605	147,303	31.2
62 1416 Carl D. Silver Pkwy.	Fredericksburg City	38,398	2,996,898	492,075	2,504,823	1,456,169	1,048,654	317,961	730,693	160,206	570,487	35.5
64 43 Town and Country Dr.	Stafford Co.	22,265	1,520,537	250,917	1,269,620	738,858	530,762	190,165	340,597	81,204	259,393	33.6
74 10857 Tidewater Trail	Fredericksburg City	13,051	860,133	141,943	718,190	418,934	299,256	178,477	120,779	45,935	74,844	25.2
95 10025 Jefferson Davis Hwy.	Fredericksburg City	27,002	1,947,094	319,352	1,627,743	947,058	680,685	247,163	433,522	104,109	329,413	33.3
103 6348 Jefferson Davis Hwy.	Spotsylvania Co.	15,194	959,742	158,308	801,434	466,172	335,262	159,046	176,216	51,259	124,957	29.5
121 507 William St.	Fredericksburg City	28,316	2,036,513	335,599	1,700,914	991,745	709,169	151,832	557,337	108,789	448,548	38.5
183 560 Celebrate Virginia Pwky.	Stafford Co.	24,752	1,769,598	292,130	1,477,468	861,143	616,326	223,493	392,833	94,497	298,336	33.4
200 356 Garrisonville Rd.	Stafford Co.	45,675	3,505,064	577,161	2,927,903	1,704,928	1,222,975	319,570	903,405	187,265	716,139	36.9
209 5055 Jefferson Davis Hwy.	Spotsylvania Co.	32,454	2,185,701	360,309	1,825,392	1,064,230	761,162	268,593	492,569	116,750	375,819	33.7
221 16424 Consumer Row	King George Co.	10,153	685,243	113,411	571,832	333,001	238,830	104,171	134,660	36,574	98,086	30.9
239 320 W. Broaddus Ave.	Caroline Co.	7,347	426,450	70,467	355,983	207,313	148,670	92,169	56,501	22,768	33,733	24.4
245 1271 Jefferson Davis Hwy.	Fredericksburg City	20,749	1,399,188	231,396	1,167,792	679,599	488,192	187,644	300,548	74,691	225,858	32.7
313 4185 Plank Rd.	Spotsylvania Co.	38,919	2,631,286	432,760	2,198,526	1,280,160	918,366	284,822	633,544	140,615	492,928	35.2
Fredericksburg		**364,670**	**25,728,912**	**4,238,803**	**21,490,109**	**12,514,517**	**8,975,592**	**3,096,076**	**5,879,516**	**1,374,484**	**4,505,032**	**34.0**
130 700 McKinley Blvd.	Westmoreland Co.	11,066	687,285	113,798	573,487	333,929	239,558	124,122	115,436	36,680	78,757	28.0
149 E. Richmond Rd.	Richmond Co.	8,886	510,736	84,532	426,204	247,950	178,254	87,244	91,010	27,260	63,750	29.0
192 101 S. Main St.	Lancaster Co.	40,020	2,477,371	408,968	2,068,403	1,207,845	860,558	327,298	533,260	132,293	400,967	32.7
220 17272 King's Hwy.	Westmoreland Co.	7,428	446,350	73,525	372,825	216,968	155,857	73,249	82,608	23,845	58,763	29.6
238 Rt. 360—Callao	Northumberland Co.	15,015	851,324	140,193	711,131	413,574	297,557	115,343	182,214	45,483	136,730	32.5
Northern Neck		**82,415**	**4,973,065**	**821,016**	**4,152,050**	**2,420,266**	**1,731,784**	**727,256**	**1,004,528**	**265,560**	**738,967**	**31.4**
32 16273 General Puller Hwy.	Middlesex Co.	15,465	902,366	147,937	754,429	440,144	314,285	63,384	250,901	48,252	202,648	38.9
155 2334 York Crossing Dr.	Gloucester Co.	30,235	1,916,653	316,536	1,600,118	931,879	668,239	233,210	435,029	102,342	332,688	33.9
175 416 14th St.	King William Co.	19,134	1,177,207	194,023	983,184	573,060	410,124	179,757	230,367	62,883	167,483	30.7
179 231 Virginia St.	Middlesex Co.	10,392	610,394	100,529	509,865	297,611	212,253	93,317	118,936	32,610	86,326	30.6
198 Tappahannock Towne Ctr.	Essex Co.	20,560	1,240,513	204,532	1,035,981	603,021	432,961	153,471	279,490	66,260	213,230	33.7
233 6619 Main St.	Gloucester Co.	25,384	1,561,432	257,201	1,304,231	759,924	544,307	177,056	367,252	83,417	283,835	34.6

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(continued)

ANALYSIS OF STORE PERFORMANCE, FISCAL YEAR 2012

ABC Stores by Planning District	Locality	Gallons Sold	Gross Sales (1)	Spirits & Wine Taxes (2)	Net Sales	Cost of Goods Sold	Gross Profit	Store Expenses (3)	Net Store Profit	Allocation of General & Administrative Expenses	Adjusted Net Profit	Rate of Return to Virginia (4)
257 4915 Tappahannock Hwy.	King William Co.	15,826	974,099	161,450	812,649	473,265	339,384	127,461	211,923	51,976	159,947	33.0
333 10972 Buckley Hall	Mathews Co.	14,516	825,296	135,979	689,316	401,650	287,667	142,657	145,009	44,088	100,921	28.7
West Point/Mathews		**151,512**	**9,207,960**	**1,518,186**	**7,689,774**	**4,480,553**	**3,209,220**	**1,170,313**	**2,038,908**	**491,829**	**1,547,079**	**33.3**
60 4330 Westgate Dr.	Dinwiddie Co.	38,630	2,332,638	387,199	1,945,439	1,133,636	811,803	228,058	583,744	124,428	459,316	36.3
114 4575 Whitehill Blvd.	Prince George	26,380	1,932,775	316,264	1,616,511	940,254	676,256	227,184	449,072	103,390	345,682	34.2
118 18 Washington St., W.	Petersburg City	14,610	871,603	145,177	726,426	421,789	304,637	120,464	184,173	46,461	137,711	32.5
144 301 Market Dr.	Emporia City	27,731	1,656,232	274,766	1,381,466	804,515	576,951	220,789	356,162	88,357	267,805	32.8
151 210 N. Main St.	Hopewell City	18,972	1,115,839	184,848	930,992	543,403	387,589	149,560	238,029	59,545	178,484	32.6
232 3107-3 Boulevard	Colonial Heights City	36,292	2,322,396	384,401	1,937,995	1,127,181	810,814	268,066	542,748	123,952	418,796	34.6
240 Route 460	Sussex Co.	11,473	655,915	108,632	547,284	319,561	227,723	83,675	144,047	35,004	109,043	33.2
255 3330 S. Crater Rd.	Petersburg City	39,909	2,583,611	428,096	2,155,515	1,255,772	899,743	276,052	623,690	137,864	485,826	35.4
310 5232 Oaklawn Blvd.	Prince George Co.	29,935	2,006,770	332,507	1,674,263	975,420	698,842	213,309	485,533	107,084	378,449	35.4
Petersburg/Hopewell		**243,931**	**15,477,780**	**2,561,891**	**12,915,889**	**7,521,531**	**5,394,358**	**1,787,159**	**3,607,199**	**826,086**	**2,781,113**	**34.5**
43 236 Carmichael Way	Chesapeake City	17,000	1,120,764	184,614	936,150	544,873	391,277	233,290	157,988	59,875	98,113	25.2
53 11409 Windsor Blvd.	Isle of Wight Co.	11,767	695,574	115,172	580,401	337,500	242,901	72,347	170,554	37,122	133,432	35.7
69 1620 Cedar Rd.	Chesapeake City	28,856	1,934,850	319,927	1,614,923	940,004	674,918	231,872	443,047	103,289	339,758	34.1
79 1437 Sam's Dr.	Chesapeake City	40,043	2,845,636	471,074	2,374,562	1,381,085	993,477	287,352	706,125	151,874	554,251	36.0
98 3312 Princess Anne Rd.	Virginia Beach City	23,278	1,658,482	272,982	1,385,500	807,139	578,361	227,698	350,662	88,615	262,047	32.3
105 869 Lynnhaven Pkwy.	Virginia Beach City	34,992	2,495,978	410,527	2,085,451	1,211,897	873,554	190,528	683,026	133,383	549,643	38.5
106 2973 Shore Dr.	Virginia Beach City	51,056	3,492,467	575,438	2,917,030	1,703,623	1,213,406	319,164	894,242	186,570	707,672	36.7
107 141 W. Virginia Beach Blvd.	Norfolk City	70,007	5,345,328	885,495	4,459,833	2,595,228	1,864,605	486,540	1,378,065	285,246	1,092,819	37.0
110 1136 London Blvd.	Portsmouth City	17,331	1,172,959	194,840	978,119	566,510	411,608	168,887	242,721	62,559	180,162	32.0
128 159 W. Ocean View Ave.	Norfolk City	45,352	2,932,060	485,356	2,446,703	1,421,908	1,024,795	272,085	752,710	156,488	596,221	36.9
129 1615 General Booth Blvd.	Virginia Beach City	38,838	2,628,000	433,356	2,194,644	1,278,030	916,614	265,374	651,240	140,367	510,873	35.9
134 2301 Colley Ave.	Norfolk City	63,455	4,457,776	739,263	3,718,513	2,162,015	1,556,498	329,467	1,227,031	237,832	989,199	38.8
165 550 E. Liberty St.	Chesapeake City	28,281	1,841,633	306,048	1,535,585	893,491	642,094	144,411	497,683	98,214	399,468	38.3
188 4334 Holland Rd.	Virginia Beach City	44,756	3,017,833	499,000	2,518,833	1,468,466	1,050,367	272,217	778,151	161,102	617,049	37.0
211 6550 Hampton Roads Pkwy.	Suffolk City	25,348	1,843,932	303,563	1,540,369	895,108	645,262	217,564	427,698	98,520	329,178	34.3
216 1100 Armory Dr.	Franklin City	30,880	1,859,378	308,219	1,551,159	903,300	647,860	217,903	429,956	99,210	330,746	34.4
225 405 30th St.	Virginia Beach City	98,586	6,544,207	1,078,098	5,466,109	3,179,011	2,287,097	469,111	1,817,986	349,606	1,468,380	38.9
226 7862 Tidewater Dr.	Norfolk City	80,202	5,322,604	881,857	4,440,747	2,581,068	1,859,678	475,026	1,384,653	284,025	1,100,628	37.2
237 3812 George Washington Hwy.	Portsmouth City	29,382	1,939,024	321,894	1,617,130	942,175	674,955	245,546	429,409	103,430	325,979	33.4
246 5020 Ferrell Pkwy.	Virginia Beach City	27,387	1,914,634	316,876	1,597,758	930,095	667,663	222,559	445,104	102,191	342,914	34.5
249 2350 E. Little Creek Rd.	Norfolk City	43,550	2,797,724	463,529	2,334,195	1,358,833	975,362	265,448	709,914	149,293	560,622	36.6
256 1612 Laskin Rd.	Virginia Beach City	128,369	9,217,925	1,521,661	7,696,264	4,478,464	3,217,800	573,786	2,644,014	492,245	2,151,770	39.9
263 5900 Virginia Beach Blvd.	Norfolk City	65,946	4,717,135	781,644	3,935,491	2,289,849	1,645,642	414,403	1,231,239	251,710	979,529	37.3
278 3333 Virginia Beach Blvd.	Virginia Beach City	85,959	6,133,558	1,009,830	5,123,727	2,982,513	2,141,215	411,062	1,730,153	327,708	1,402,445	39.3
280 1103 S. Military Hwy.	Chesapeake City	82,412	5,812,525	959,053	4,853,472	2,824,911	2,028,561	369,244	1,659,317	310,423	1,348,894	39.7
288 5748 Churchland Blvd.	Portsmouth City	36,267	2,467,207	408,153	2,059,054	1,197,846	861,208	272,185	589,023	131,695	457,328	35.1
298 821 W. Constance Rd.	Suffolk City	36,575	2,133,971	354,627	1,779,344	1,038,141	741,204	200,955	540,248	113,805	426,444	36.6
299 1917 S. Church St.	Isle of Wight Co.	36,535	2,272,716	376,367	1,896,349	1,104,969	791,380	258,067	533,312	121,288	412,024	34.7
306 2085 Lynnhaven Pkwy.	Virginia Beach City	42,732	2,996,362	494,941	2,501,420	1,453,107	1,048,313	291,385	756,928	159,988	596,940	36.4
307 957 & 959 Providence Sq. Ctr.	Virginia Beach City	36,514	2,411,786	397,845	2,013,941	1,173,063	840,878	290,157	550,722	128,809	421,912	34.0
311 4020 Victory Blvd.	Portsmouth City	37,244	2,582,413	427,985	2,154,428	1,253,922	900,506	315,070	585,437	137,795	447,642	33.9
312 2815 Gov. Godwin Blvd.	Suffolk City	28,707	1,929,636	319,114	1,610,522	937,458	673,064	251,791	421,273	103,007	318,266	33.0
325 22718 Main St.	Southampton Co.	7,623	411,087	68,284	342,803	199,663	143,140	72,220	70,920	21,925	48,994	28.5
328 836 Eden Way, N.	Chesapeake City	39,035	2,902,815	480,766	2,422,050	1,411,196	1,010,854	277,789	733,065	154,912	578,153	36.5
336 1067 Independence Blvd.	Virginia Beach City	73,059	4,961,626	819,450	4,142,176	2,415,135	1,727,041	417,406	1,309,635	264,929	1,044,706	37.6

NOTES: (1) Includes state taxes, but does not include 5 percent sales tax.
(2) State taxes on distilled spirits (20 percent) and wine (4 percent) sold in ABC stores.
(3) Store expenses include miscellaneous revenue and net cash overages.
(4) "Rate of return" = (adjusted net profit + state taxes) ÷ gross sales

(continued)

ANALYSIS OF STORE PERFORMANCE, FISCAL YEAR 2012

ABC Stores by Planning District	Locality	Gallons Sold	Gross Sales (1)	Spirits & Wine Taxes (2)	Net Sales	Cost of Goods Sold	Gross Profit	Store Expenses (3)	Net Store Profit	Allocation of General & Administrative Expenses	Adjusted Net Profit	Rate of Return to Virginia (4)
349 237 S. Battlefield Blvd.	Chesapeake City	37,939	2,556,391	422,125	2,134,266	1,243,121	891,145	281,039	610,107	136,505	473,601	35.0
355 4300 Portsmouth Blvd.	Chesapeake City	41,722	2,864,436	472,840	2,391,595	1,391,283	1,000,312	304,953	695,359	152,964	542,395	35.4
361 812 Airline Blvd.	Portsmouth City	50,466	3,646,220	604,473	3,041,747	1,770,326	1,271,421	321,215	950,206	194,547	755,659	37.3
370 1169 Nimmo Pkwy.	Virginia Beach City	49,880	3,347,911	549,723	2,798,189	1,631,346	1,166,843	256,292	910,551	178,969	731,582	38.3
377 3575 Bridge Rd.	Suffolk City	6,204	443,579	73,353	370,226	215,065	155,161	105,536	49,625	23,679	25,946	22.4
Petersburg/Hopewell		**1,773,535**	**121,670,141**	**20,109,361**	**101,560,780**	**59,112,736**	**42,448,044**	**11,298,946**	**31,149,098**	**6,495,715**	**24,653,383**	**36.8**
48 6610-I Mooretown Rd.	York Co.	33,538	2,139,154	353,143	1,786,011	1,041,149	744,862	252,265	492,597	114,231	378,366	34.2
92 227 Fox Hill Rd.	Hampton City	19,923	1,347,318	222,451	1,124,868	654,086	470,782	206,378	264,404	71,945	192,458	30.8
112 61 N. Mallory St.	Hampton City	28,677	2,021,255	333,259	1,687,997	979,678	708,319	266,810	441,508	107,962	333,546	33.0
148 4640-3 Monticello Ave.	James City Co.	63,044	4,604,860	754,143	3,850,717	2,245,156	1,605,562	401,638	1,203,924	246,288	957,636	37.2
158 3214 Jefferson Ave.	Newport News City	27,424	1,717,964	284,574	1,433,390	826,601	606,789	266,331	340,458	91,678	248,780	31.0
217 619 Pilot House Dr.	Newport News City	36,985	2,752,915	456,337	2,296,578	1,339,580	956,998	256,630	700,369	146,887	553,482	36.7
222 209 Village Ave.	York Co.	40,498	2,925,026	480,983	2,444,044	1,425,273	1,018,771	323,423	695,348	156,318	539,030	34.9
244 4909 W. Mercury Blvd.	Hampton City	54,984	3,877,914	642,422	3,235,492	1,879,581	1,355,911	230,605	1,125,306	206,938	918,367	40.2
250 2078 Nickerson Blvd.	Hampton City	22,203	1,461,967	241,311	1,220,656	710,965	509,691	205,525	304,165	78,072	226,094	32.0
258 3831 Kecoughtan Rd.	Hampton City	31,189	2,050,743	339,652	1,711,091	994,292	716,799	245,134	471,666	109,440	362,226	34.2
265 20 Towne Center Way	Hampton City	26,351	1,923,474	317,918	1,605,556	935,192	670,364	212,632	457,732	102,690	355,042	35.0
272 55 Hidenwood Shp. Ctr.	Newport News City	23,685	1,628,187	269,232	1,358,955	791,795	567,160	196,133	371,027	86,917	284,110	34.0
282 2400 Cunningham Dr.	Hampton City	71,416	5,650,532	933,726	4,716,806	2,743,612	1,973,194	453,014	1,520,180	301,682	1,218,499	38.1
290 5226 George Washington Hwy.	York Co.	30,551	1,985,679	327,924	1,657,756	966,215	691,541	214,192	477,349	106,028	371,321	35.2
320 1246 Richmond Rd.	Williamsburg City	33,768	2,265,299	371,613	1,893,686	1,101,748	791,938	248,545	543,393	121,118	422,275	35.0
335 801-F Merrimac Trail	York Co.	35,335	2,505,701	414,474	2,091,227	1,218,059	873,168	255,130	618,038	133,753	484,285	35.9
340 309-A Oyster Point Rd.	Newport News City	40,023	2,913,441	480,432	2,433,009	1,415,158	1,017,852	291,091	726,761	155,613	571,148	36.1
341 621 Stoney Creek Lane	Newport News City	66,215	4,839,211	797,759	4,041,452	2,350,085	1,691,366	430,682	1,260,684	258,487	1,002,198	37.2
342 10872 Warwick Blvd.	Newport News City	21,952	1,496,691	247,500	1,249,191	726,457	522,733	214,024	308,709	79,897	228,813	31.8
Newport News/Hampton		**707,761**	**50,107,331**	**8,268,850**	**41,838,480**	**24,344,681**	**17,493,800**	**5,170,181**	**12,323,618**	**2,675,943**	**9,647,675**	**35.8**
156 22485 Lankford Hwy.	Northampton Co.	15,450	963,940	159,168	804,771	469,154	335,617	126,488	209,129	51,472	157,657	32.9
162 7017 Lankford Hwy.	Accomack Co.	10,838	696,165	114,516	581,649	338,220	243,429	130,467	112,962	37,202	75,760	27.3
177 4371 Pension St.	Accomack Co.	10,899	691,646	112,986	578,660	337,532	241,128	100,694	140,434	37,010	103,423	31.3
223 4090-B Lankford Hwy.	Northampton Co.	15,351	872,373	144,272	728,101	424,913	303,187	141,564	161,623	46,569	115,054	29.7
344 Four Corners Plaza Shp. Ctr.	Accomack Co.	22,799	1,430,172	236,930	1,193,242	694,625	498,617	158,858	339,760	76,318	263,441	35.0
Eastern Shore		**75,337**	**4,654,295**	**767,873**	**3,886,422**	**2,264,444**	**1,621,978**	**658,071**	**963,907**	**248,571**	**715,336**	**31.9**
30 Copper Fox Distillery Store		0	235,347	55,376	179,971	133,665	46,306	0	46,306	11,511	34,795	38.3
31 Mount Vernon Distillery		0	233,848	55,023	178,825	131,900	46,925	0	46,925	11,437	35,488	38.7
34 Belmont Farms Distillery		0	57,704	13,578	44,127	33,140	10,987	0	10,987	2,822	8,164	37.7
65 Catoctin Creek Distillery		0	137,381	32,325	105,056	78,617	26,439	0	26,439	6,719	19,719	37.9
91 Bowman's Distillery		0	41,272	9,707	31,564	24,088	7,476	0	7,476	2,019	5,457	36.7
Distilleries			705,551	166,009	539,543	401,410	138,132	0	138,132	34,509	103,624	38.2
349 237 S. Battlefield Blvd.	Chesapeake City	38,015	2,636,198	435,992	2,200,207	1,285,751	914,456	280,043	634,413	144,332	490,081	35.1
355 4300 Portsmouth Blvd.	Chesapeake City	40,165	2,808,904	463,355	2,345,549	1,365,840	979,709	292,429	687,280	153,866	533,414	35.5
361 812 Airline Blvd.	Portsmouth City	43,816	3,065,596	508,420	2,557,177	1,488,887	1,068,290	318,594	749,696	167,749	581,948	35.6
370 1169 Nimmo Pkwy.	Virginia Beach City	44,218	3,070,864	504,074	2,566,790	1,496,576	1,070,214	268,938	801,275	168,379	632,896	37.0
Norfolk/Virginia Beach		**1,655,945**	**$115,232,947**	**$19,048,098**	**$96,184,849**	**$56,043,487**	**$40,141,363**	**$11,109,150**	**$29,032,213**	**$6,309,642**	**$22,722,571**	**36.2**
48 6610-I Mooretown Rd.	York Co.	31,854	2,084,969	344,132	1,740,837	1,014,846	725,991	241,354	484,637	114,197	370,439	34.3
92 227 Fox Hill Rd.	Hampton City	18,134	1,253,588	206,829	1,046,758	609,784	436,974	207,214	229,760	68,666	161,094	29.3
112 61 N. Mallory St.	Hampton City	25,272	1,805,282	298,525	1,506,756	878,192	628,565	313,706	314,859	98,842	216,017	28.5

NOTES: (1) Includes state taxes, but does not include 5 percent sales tax.
(2) State taxes on distilled spirits (20 percent) and wine (4 percent) sold in ABC stores.
(3) Store expenses include miscellaneous revenue and net cash overages.
(4) "Rate of return" = (adjusted net profit + state taxes) ÷ gross sales

(continued)

ANALYSIS OF STORE PERFORMANCE, FISCAL YEAR 2012

ABC Stores by Planning District	Locality	Gallons Sold	Gross Sales (1)	Spirits & Wine Taxes (2)	Net Sales	Cost of Goods Sold	Gross Profit	Store Expenses (3)	Net Store Profit	Allocation of General & Administrative Expenses	Adjusted Net Profit	Rate of Return to Virginia (4)
148 4640-3 Monticello Ave.	James City Co.	57,029	4,300,233	703,508	3,596,726	2,098,543	1,498,182	399,275	1,098,907	235,942	862,965	36.4
158 3214 Jefferson Ave.	Newport News City	26,572	1,703,824	281,427	1,422,396	818,209	604,187	260,905	343,281	93,308	249,973	31.2
217 619 Pilot House Dr.	Newport News City	35,672	2,639,560	437,516	2,202,045	1,283,791	918,253	248,693	669,561	144,452	525,109	36.5
222 209 Village Ave.	York Co.	38,190	2,850,851	468,900	2,381,951	1,390,952	990,999	262,819	728,180	156,254	571,926	36.5
244 4909 W. Mercury Blvd.	Hampton City	50,042	3,485,879	577,909	2,907,970	1,688,202	1,219,768	228,695	991,073	190,760	800,312	39.5
250 2078 Nickerson Blvd.	Hampton City	22,677	1,520,475	251,169	1,269,307	739,614	529,692	226,096	303,597	83,265	220,331	31.0
258 3831 Kecoughtan Rd.	Hampton City	29,049	1,927,266	319,207	1,608,059	935,202	672,857	228,127	444,730	105,487	339,243	34.2
265 20 Towne Centre Way	Hampton City	22,893	1,698,310	280,401	1,417,909	826,915	590,994	217,405	373,589	93,014	280,575	33.0
272 55 Hidenwood Shp. Ctr.	Newport News City	21,353	1,481,771	244,952	1,236,819	721,618	515,201	191,418	323,783	81,134	242,648	32.9
282 2400 Cunningham Dr.	Hampton City	66,978	5,307,447	872,584	4,434,863	2,577,123	1,857,740	472,308	1,385,432	290,923	1,094,509	37.1
290 5226 George Washington Hwy.	York Co.	27,422	1,815,574	299,887	1,515,687	884,835	630,852	223,752	407,099	99,428	307,672	33.5
320 1246 Richmond Rd.	Williamsburg City	30,543	2,079,523	341,382	1,738,141	1,013,368	724,773	245,431	479,342	114,021	365,322	34.0
335 801 F Merrimac Trail	York Co.	33,220	2,373,766	392,593	1,981,173	1,154,908	826,265	262,652	563,614	129,963	433,650	34.8
340 309-A Oyster Point Rd.	Newport News City	36,562	2,711,937	447,369	2,264,568	1,317,823	946,745	293,024	653,721	148,554	505,167	35.1
341 621 Stoney Creek Lane	Newport News City	61,599	4,562,836	750,631	3,812,205	2,217,738	1,594,467	425,939	1,168,528	250,077	918,451	36.6
342 10872 Warwick Blvd.	Newport News City	20,169	1,396,583	231,005	1,165,578	679,073	486,505	226,971	259,534	76,461	183,073	29.6
Newport News/Hampton		**655,231**	**$46,999,673**	**$7,749,926**	**$39,249,748**	**$22,850,739**	**$16,399,009**	**$5,175,784**	**$11,223,225**	**$2,574,749**	**$8,648,476**	**34.9**
156 22485 Lankford Hwy.	Northampton Co.	14,545	930,763	154,027	776,736	454,348	322,389	125,071	197,318	50,953	146,364	32.3
162 7107 Lankford Hwy.	Accomack Co.	9,845	654,506	107,982	546,523	317,948	228,575	138,877	89,698	35,851	53,847	24.7
177 6371 Pension St.	Accomack Co.	9,263	624,991	101,739	523,252	305,639	217,613	142,056	75,557	34,325	41,232	22.9
223 4090-B Lankford Hwy.	Northampton Co.	14,198	821,523	135,959	685,564	399,699	285,865	136,118	149,747	44,972	104,774	29.3
344 Four Corners Plaza Shp. Ctr	Accomack Co.	20,728	1,327,226	220,048	1,107,178	645,408	461,770	152,435	309,335	72,630	236,705	34.4
Eastern Shore		**68,578**	**$4,359,009**	**$719,756**	**$3,639,253**	**$2,123,041**	**$1,516,212**	**$694,557**	**$821,655**	**$238,732**	**$582,923**	**29.9**
34 Belmont Farms Distillery		0	53,310	12,544	40,767	30,583	10,183	0	10,183	2,674	7,509	37.6
31 Mount Vernon Distillery		0	150,229	35,348	114,881	87,983	26,898	0	26,898	7,536	19,362	36.4
30 Copper Fox Distillery Store		0	134,552	31,659	102,892	76,519	26,373	0	26,373	6,750	19,624	38.1
91 Bowman's Distillery		0	9,919	2,334	7,585	5,803	1,782	0	1,782	498	1,285	36.5
Distilleries		**0**	**348,010**	**81,885**	**266,125**	**200,888**	**65,237**	**0**	**65,237**	**17,458**	**47,780**	
Statewide totals:		**10,388,980**	**733,808,478**	**121,086,760**	**612,721,718**	**356,925,717**	**255,796,001**	**82,922,909**	**172,873,092**	**39,189,002**	**133,684,090**	**34.7**

NOTES: (1) Includes state taxes, but does not include 5 percent sales tax.
(2) State taxes on distilled spirits (20 percent) and wine (4 percent) sold in ABC stores.
(3) Store expenses include miscellaneous revenue and net cash overages.
(4) "Rate of return" = (adjusted net profit + state taxes) ÷ gross sales

2012 Establishments by License Category—Cities

Cities (1)	All Others (2)	Bed and Breakfasts	Beer/Wine Importers	Beer/Wine Wholesalers	Breweries	Carrier Licensees	Caterer Establishments	Clubs	Convenience Stores	Delicatessens	Distilleries	Drug Stores	Gourmet / Gourmet Brew Shops	Grocery / Grocery-Gourmet Stores	Hotels/Resorts	Restaurants (Mixed Beverage) (3)	Restaurants (Beer and Wine)	Wineries	Grand Total
Alexandria	10	0	4	3	4	1	5	6	24	4	0	13	29	21	14	137	193	0	468
Bedford	0	0	0	0	0	0	0	0	2	1	0	0	0	5	1	3	5	1	18
Bristol	0	0	2	2	0	0	3	0	18	1	0	3	4	6	2	16	27	0	84
Buena Vista	0	0	0	0	0	0	0	0	2	0	0	1	1	5	0	1	5	0	15
Charlottesville	7	1	6	6	1	0	13	5	25	1	0	5	21	13	3	99	155	0	361
Chesapeake	8	0	6	9	0	0	1	10	90	1	0	17	28	41	4	121	172	2	510
Colonial Heights	0	0	0	0	0	0	0	2	10	0	0	5	3	6	2	18	28	0	74
Covington	0	0	0	0	0	0	0	0	5	0	0	1	1	3	0	1	5	0	16
Danville	1	1	0	2	0	0	0	7	47	0	0	4	5	26	2	23	39	0	157
Emporia	0	0	0	0	0	0	0	0	11	0	0	2	0	4	0	2	3	0	22
Fairfax	1	0	1	1	0	0	0	3	3	0	0	7	8	9	0	36	60	0	129
Falls Church	1	0	0	0	1	0	0	2	3	0	0	3	3	10	0	27	57	0	107
Franklin	1	0	0	0	0	0	0	1	7	0	0	1	1	4	0	6	7	0	28
Fredericksburg	4	1	0	0	0	1	3	1	20	0	0	1	5	8	4	54	80	0	182
Galax	0	0	0	1	0	0	0	1	3	0	0	2	2	4	0	8	12	1	34
Hampton	11	1	2	2	2	1	2	18	66	0	0	13	13	24	6	64	97	0	322
Harrisonburg	3	2	1	1	0	0	2	6	22	0	0	5	8	14	3	40	70	0	177
Hopewell	1	0	0	0	0	0	0	6	17	0	0	2	2	7	0	12	20	0	67
Lexington	2	2	0	0	0	0	3	0	0	0	0	1	3	1	0	10	16	0	38
Lynchburg	9	2	1	5	1	0	4	6	34	1	0	6	12	17	6	50	80	0	234
Manassas	0	1	0	0	0	0	1	3	6	0	0	6	7	22	0	22	36	0	104
Manassas Park	0	0	0	0	0	0	0	0	2	0	0	0	0	5	0	2	6	0	15
Martinsville	2	0	0	0	0	0	0	2	12	0	0	1	2	6	0	9	11	0	45
Newport News	7	0	2	2	0	1	4	12	80	1	0	12	15	42	7	89	144	0	418
Norfolk	19	2	0	1	1	3	10	27	76	0	1	19	23	59	8	163	224	1	637
Norton	0	0	0	0	0	0	0	0	4	2	0	0	0	2	2	2	3	0	15
Petersburg	4	0	1	3	0	0	1	6	33	0	0	3	2	18	0	16	29	0	116
Poquoson	1	0	0	0	0	0	0	1	4	0	0	1	2	2	0	5	12	0	28
Portsmouth	6	0	0	0	0	2	0	13	42	0	0	10	8	23	1	40	55	0	200
Radford	1	0	0	0	0	0	1	1	6	0	0	1	0	6	0	12	15	0	43
Richmond	20	5	6	5	3	0	18	23	158	4	1	18	22	47	7	268	345	0	950
Roanoke	5	2	0	2	3	2	6	9	83	0	0	8	10	26	5	87	126	0	374
Salem	4	0	4	5	0	0	1	6	16	0	0	4	3	7	1	15	32	0	98
Staunton	2	1	0	0	2	0	3	4	11	1	0	3	7	10	1	14	29	2	90
Suffolk	6	1	0	0	0	0	0	4	34	2	0	5	10	15	3	35	48	0	163
Virginia Beach	28	2	3	6	3	5	8	14	139	1	1	39	56	66	21	429	571	1	1393
Waynesboro	1	0	0	0	0	0	0	2	7	0	0	3	5	11	0	11	21	0	61
Williamsburg	7	8	0	0	0	0	3	0	8	0	0	4	6	0	7	46	60	0	149
Winchester	1	1	2	2	1	0	1	4	10	0	0	6	6	14	3	41	67	0	159
Grand Total	**173**	**33**	**41**	**58**	**22**	**16**	**93**	**205**	**1,140**	**20**	**3**	**235**	**333**	**609**	**113**	**2,034**	**2,965**	**8**	**8,101**

NOTES:

(1) All cities are "wet"—approved for liquor by the drink. Ten counties are "dry"—not approved for liquor by the drink; however, beer and wine may be served. Referendums may allow for mixed beverages in certain towns located within dry counties.

(2) "All Others" includes hospitals, fire departments, rescue squads, performing arts facilities, gift shops, food concessions, etc. It does not include banquets.

(3) "Restaurants (Mixed Beverage)" represents the total number of wine and beer establishments also having mixed beverage licenses. These licenses are included in the grand total column.

Source: CORE, July 2012

2012 Establishments by License Category—Counties

Counties (1)	All Others (2)	Bed and Breakfasts	Beer/Wine Importers	Beer/Wine Wholesalers	Breweries	Carrier Licensees	Caterer Establishments	Clubs	Convenience Stores	Delicatessens	Distilleries	Drug Stores	Gourmet / Gourmet Brew Shops	Grocery / Grocery-Gourmet Stores	Hotels/Resorts	Restaurants (Mixed Beverage) (3)	Restaurants (Beer and Wine)	Wineries	Grand Total
Accomack (wet)	5	5	2	2	0	0	0	3	28	1	0	2	6	14	3	22	40	1	134
Albemarle (wet)	18	7	2	15	4	0	7	11	29	0	1	3	27	18	8	43	78	33	304
Alleghany (wet)	0	0	0	0	0	0	0	4	9	0	0	1	1	11	0	5	17	0	48
Amelia (wet)	0	0	0	0	0	0	0	1	13	0	0	1	0	3	0	1	4	0	23
Amherst (wet)	0	0	0	3	0	0	1	2	14	0	0	2	2	13	0	10	20	5	72
Appomattox (wet)	0	0	0	0	0	0	0	2	7	0	0	1	1	8	0	2	5	0	26
Arlington (wet)	4	0	0	0	2	6	7	6	42	2	0	21	23	40	26	212	306	0	697
Augusta (wet)	1	2	2	5	0	0	0	3	28	0	0	2	5	23	1	10	23	4	109
Bath (wet)	1	1	0	0	0	0	0	0	6	0	0	0	1	4	3	4	9	0	29
Bedford (wet)	7	1	0	4	0	1	2	6	24	0	0	5	6	16	1	22	38	4	137
Bland (dry)	0	0	0	0	0	0	0	0	2	0	0	0	0	5	0	0	1	0	8
Botetourt (wet)	2	0	2	5	0	0	0	1	13	1	0	1	3	10	0	4	18	3	63
Brunswick (wet)	2	0	0	2	0	0	0	0	15	0	0	1	0	6	1	4	8	0	39
Buchanan (dry)	0	0	0	0	0	0	0	1	17	0	0	2	1	9	0	0	3	0	33
Buckingham (wet)	1	0	0	0	0	0	0	0	10	0	0	0	0	11	0	2	3	0	27
Campbell (wet)	2	0	0	1	0	0	1	3	39	0	0	4	3	20	0	12	21	3	109
Caroline (wet)	0	0	0	0	0	0	0	2	23	0	0	1	2	5	0	4	12	0	49
Carroll (wet)	3	0	0	2	0	0	0	1	17	0	0	1	1	9	1	5	7	2	49
Charles City (wet)	0	2	0	0	0	0	0	0	3	0	0	0	0	2	0	3	5	0	15
Charlotte (dry)	1	1	0	1	0	0	0	1	11	0	0	1	0	13	1	0	3	1	34
Chesterfield (wet)	11	0	1	1	1	0	5	7	103	1	0	29	27	50	5	148	212	1	602
Clarke (wet)	5	1	0	2	0	0	0	3	9	0	0	0	2	3	0	4	10	2	41
Craig (dry)	0	0	0	0	0	0	0	0	4	0	0	0	0	2	0	0	0	0	6
Culpeper (wet)	4	0	2	5	0	0	1	5	14	1	1	3	4	25	3	20	35	4	127
Cumberland (wet)	0	0	0	0	0	0	0	0	6	0	0	0	0	2	0	0	2	0	10
Dickenson (wet)	0	0	0	0	0	0	0	1	9	1	0	1	0	6	0	0	2	0	20
Dinwiddie (wet)	1	0	0	0	0	0	0	1	21	0	0	2	1	9	0	3	4	0	42
Essex (wet)	3	1	0	0	0	0	0	1	8	0	0	0	3	7	0	7	11	2	43
Fairfax (wet)	39	0	50	50	3	0	25	28	60	6	2	64	119	144	43	567	882	2	2084
Fauquier (wet)	16	1	3	19	0	0	3	4	31	1	0	5	12	13	4	33	52	29	226
Floyd (dry)	1	0	0	1	0	0	0	2	6	0	0	0	2	3	1	1	9	2	28
Fluvanna (wet)	1	0	0	1	0	0	0	0	8	0	0	1	3	1	0	5	12	2	34
Franklin (wet)	3	0	0	2	0	0	0	2	26	0	1	4	6	17	0	21	33	2	117
Frederick (wet)	6	2	3	6	0	0	1	5	31	1	0	6	15	23	3	24	34	2	162
Giles (wet)	1	1	0	0	0	0	0	4	12	3	0	2	0	9	1	2	8	0	43
Gloucester (wet)	1	0	0	0	0	0	1	4	21	1	0	3	5	6	0	17	29	0	88
Goochland (wet)	2	1	2	4	2	0	1	3	10	0	0	0	2	5	0	10	19	4	65
Grayson (dry)	1	0	0	0	0	0	0	0	7	1	0	0	0	4	0	0	2	0	15
Greene (wet)	1	1	0	0	0	0	0	1	8	0	0	1	2	5	0	4	11	3	37
Greensville (wet)	0	1	0	0	0	0	0	1	11	0	0	0	0	1	0	3	3	0	20
Halifax (wet)	4	0	0	7	0	0	1	4	20	0	0	2	0	30	2	7	23	4	104
Hanover (wet)	7	0	8	9	0	0	3	6	40	1	0	8	11	22	0	47	90	1	253
Henrico (wet)	14	1	9	18	0	0	14	17	131	1	0	31	40	45	23	184	273	0	801
Henry (wet)	2	0	0	1	0	0	1	6	34	0	0	6	1	31	1	4	20	2	109
Highland (dry)	0	0	0	0	0	0	0	0	1	0	0	0	0	5	1	0	1	0	8
Isle of Wight (wet)	1	0	0	0	0	0	0	4	22	0	0	2	8	2	1	8	17	0	65
James City (wet)	4	0	1	3	3	0	3	3	17	0	1	4	13	8	4	47	67	3	181
King & Queen (wet)	0	0	0	0	0	0	0	1	3	0	0	0	0	4	0	1	2	0	11
King George (wet)	1	0	1	2	0	0	0	0	10	0	0	1	3	3	0	8	16	1	46
King William (wet)	0	0	0	0	0	0	0	3	9	0	0	1	2	4	0	5	10	0	34
Lancaster (wet)	2	1	0	0	0	1	0	4	5	0	0	2	4	9	3	17	27	2	77
Lee (dry)	0	0	0	0	0	0	0	4	20	0	0	1	0	7	0	0	4	0	36
Loudoun (wet)	29	2	9	28	6	15	13	7	33	2	1	20	48	57	13	166	296	33	778
Louisa (wet)	4	0	0	2	0	0	0	2	14	0	0	2	1	18	2	9	17	2	73
Lunenburg (wet)	1	0	0	0	0	0	0	4	9	0	0	0	1	9	0	0	2	0	26
Madison (wet)	3	3	0	2	0	0	0	0	5	0	0	0	1	5	1	4	7	9	40
Mathews (wet)	1	1	0	0	0	0	0	2	6	0	0	0	1	1	0	2	6	0	20
Mecklenburg (wet)	4	1	0	2	0	0	0	10	34	1	0	2	0	17	0	14	23	2	110
Middlesex (wet)	5	0	0	0	0	0	0	1	6	0	0	0	3	4	0	12	15	0	46
Montgomery (wet)	2	2	1	2	1	0	5	2	34	0	0	5	9	21	4	47	76	3	214
Nelson (wet)	12	3	1	8	5	0	2	2	10	1	0	0	2	10	2	5	10	11	84
New Kent (wet)	1	0	0	1	0	0	0	0	14	0	0	2	3	4	0	8	18	2	53
Northampton (wet)	4	1	1	6	0	1	1	2	13	1	0	1	1	4	2	12	17	2	69
Northumberland (wet)	4	0	0	1	0	0	0	3	7	0	0	1	1	5	0	8	12	2	44
Nottoway (wet)	0	0	1	3	0	0	0	3	14	0	0	0	1	6	0	7	13	0	48
Orange (wet)	5	5	0	2	0	0	1	2	18	0	0	3	3	4	2	13	25	4	87
Page (wet)	5	3	0	1	0	0	0	5	13	1	0	2	1	10	1	6	19	3	70

(continued)

2012 ESTABLISHMENTS BY LICENSE CATEGORY—COUNTIES (CONTINUED)

Counties (1)	All Others (2)	Bed and Breakfasts	Beer/Wine Importers	Beer/Wine Wholesalers	Breweries	Carrier Licensees	Caterer Establishments	Clubs	Convenience Stores	Delicatessens	Distilleries	Drug Stores	Gourmet / Gourmet Brew Shops	Grocery / Grocery-Gourmet Stores	Hotels/Resorts	Restaurants (Mixed Beverage) (3)	Restaurants (Beer and Wine)	Wineries	Grand Total
Patrick (dry)	2	2	0	1	0	0	0	1	11	0	0	1	0	12	0	3	6	2	41
Pittsylvania (wet)	2	0	1	6	0	0	1	4	37	0	0	1	0	23	0	3	14	4	96
Powhatan (wet)	2	0	0	0	0	0	1	1	14	0	0	0	2	2	0	12	16	2	52
Prince Edward (wet)	1	0	0	0	0	0	2	2	14	0	0	2	1	7	0	13	22	1	65
Prince George (wet)	1	0	0	0	0	0	0	2	11	0	0	2	2	7	0	8	14	0	47
Prince William (wet)	9	0	9	13	0	1	3	12	41	1	0	23	38	106	6	155	244	1	662
Pulaski (wet)	4	0	0	3	1	0	0	6	13	0	0	5	1	22	0	5	9	1	70
Rappahannock (wet)	8	5	1	6	0	0	1	0	2	0	1	0	1	5	0	5	6	9	50
Richmond (wet)	1	0	0	6	0	0	1	0	4	0	0	1	1	5	0	1	7	2	29
Roanoke (wet)	1	0	4	6	0	0	3	3	34	0	0	4	8	13	0	35	62	3	176
Rockbridge (wet)	3	4	0	2	4	0	3	3	13	0	0	0	0	15	4	5	11	3	70
Rockingham (wet)	2	1	0	2	2	0	0	4	34	0	0	2	3	15	0	9	28	4	106
Russell (dry)	0	0	0	1	0	0	0	2	17	0	0	1	1	4	0	2	5	2	35
Scott (wet)	0	0	0	0	0	0	0	0	13	0	0	1	1	14	0	1	4	0	34
Shenandoah (wet)	5	1	0	4	0	0	0	9	20	0	0	3	5	25	3	11	35	7	128
Smyth (wet)	1	2	2	5	0	0	0	1	18	1	0	2	0	12	1	2	13	2	62
Southampton (wet)	0	0	0	0	0	0	0	2	15	0	0	1	1	4	0	2	4	0	29
Spotsylvania (wet)	4	0	2	5	3	0	0	7	54	1	1	13	12	19	0	51	81	2	255
Stafford (wet)	8	1	3	7	0	0	1	5	51	1	0	8	9	14	0	47	71	2	228
Surry (wet)	0	0	0	0	0	0	0	0	7	0	0	0	0	1	0	2	4	0	14
Sussex (wet)	1	0	1	0	0	0	1	2	14	0	0	0	1	9	0	1	8	0	38
Tazewell (wet)	2	0	1	0	0	0	0	3	25	1	0	2	4	25	0	8	19	0	90
Warren (wet)	1	3	0	2	0	0	0	5	22	0	0	2	4	12	0	20	36	2	109
Washington (wet)	3	5	1	4	2	0	1	2	34	2	0	3	7	11	2	12	31	2	122
Westmoreland (wet)	5	3	0	4	0	0	0	7	9	0	0	2	4	12	1	13	21	6	87
Wise (wet)	1	0	0	1	0	0	0	1	32	0	0	6	2	6	0	5	12	1	67
Wythe (wet)	2	0	0	2	0	0	0	3	17	1	0	1	1	19	0	10	12	2	70
York (wet)	9	0	0	1	2	0	0	2	29	1	0	6	10	10	4	36	60	2	172
Grand Total	**336**	**78**	**126**	**310**	**41**	**25**	**117**	**305**	**1,902**	**37**	**9**	**358**	**562**	**1,349**	**188**	**2,352**	**3,952**	**259**	**12,306**

NOTES:

(1) All counties are "wet"—approved for liquor by the drink unless indicated as "dry." Ten counties are "dry"—not approved for liquor by the drink; however, beer and wine may be served. Referendums may allow for mixed beverages in certain towns located within dry counties. Following are the "dry" counties in Virginia: Bland, Buchanan, Charlotte, Craig, Floyd, Grayson, Highland, Lee, Patrick and Russell.

(2) "All Others" includes hospitals, fire departments, rescue squads, performing arts facilities, gift shops, food concessions, etc. It does not include banquets.

(3) "Restaurants (Mixed Beverage)" represents the total number of wine and beer establishments also having mixed beverage licenses. These licenses are included in the grand total column.

Source: CORE, July 2012

(Above) Youth Alcohol & Drug Abuse Prevention Project (YADAPP) youth leaders take the stage and energize more than 400 conference participants during the opening session of YADAPP 2011: "The Adventures of Y-Guy!" The 27th annual summer conference was held at Longwood University in Farmville, Va., July 18–21.

The financial statements of the agency are audited annually by the Auditor of Public Accounts as required by the Code of Virginia. The Auditor of Public Accounts is part of the legislative branch of Virginia government and reports through the Joint Legislative Audit and Review Commission (JLARC) of the General Assembly. This structure provides independence from the executive and judicial branch agencies they audit. ■

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(Below) Lead Sales Associate Jessica Oliver assists a customer with a Virginia wine sale at Lake Anna ABC Store 376 (Mineral).

COMMONWEALTH of VIRGINIA

Department of Alcoholic Beverage Control

COMMISSIONERS
J. NEAL INSLEY, CHAIRMAN
SANDRA C. CANADA
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Management's Discussion and Analysis

(UNAUDITED)

This discussion and analysis of the Virginia Department of Alcoholic Beverage Control's (ABC) financial performance provides a brief overview of financial activities for the fiscal year ended June 30, 2012.

FINANCIAL HIGHLIGHTS

- The Department's operating revenues increased 5.7% in Fiscal Year 2012.
- ABC operations returned record profits to the Commonwealth in Fiscal Year 2012 of $132.1 million and excise taxes of $121.1 million. The increase in profits for Fiscal Year 2012 is primarily due to the increase in alcoholic beverage sales.
- Three new stores opened in Fiscal Year 2012 generating $1.2M in additional sales. Six stores were relocated to improved market areas and nine were remodeled.
- As a result of HB1314 passed by the 2004 session of the General Assembly, the Board was allowed to operate on Sundays. Five additional localities were added to Sunday sales with the passing of HB908 in 2008. Fiscal Year 2012 ended with a total of 133 Stores operating on Sundays. The total Sunday sales for Fiscal Year 2012 reached $22.0 million, an increase of $0.9 million from Fiscal Year 2011 to Fiscal Year 2012.
- The Department's operating expenses increased 2.5% in Fiscal Year 2012. The cost of goods sold for alcohol increased $19.7 million from Fiscal Year 2011, due to the increased sales volume. Personal Service costs increased by 2.2% from Fiscal Year 2011, primarily due to two factors. ABC had increases in employee wage expense directly correlated to the increase in revenue for 2012, and the agency has increased their focus on enforcement. In addition, contractual service costs increased by $1.4 million primarily due to the use of skilled services for IT staff augmentation, additional VITA costs, and increases in building repair costs.

OVERVIEW OF FINANCIAL STATEMENTS

The audited annual report consists of a series of proprietary fund financial statements. The Statement of Net Assets provides information about the Department's assets and liabilities and reflects the financial position as of June 30, 2012. The Statement of Revenues, Expenses, and Changes in Net Assets reports the operating revenue activity and the expenses related to such activity for the twelve-month period ended June 30, 2012. The Statement of Cash Flows outlines the cash inflows and outflows relating to the operations for the same twelve-month period. The financial statements also include "notes" that provide additional information that is essential to a full understanding of the data provided in the statements. These statements provide current and noncurrent information about the Department's financial position.

FINANCIAL ANALYSIS

- ABC ended Fiscal Year 2012 with a total of $58.0 million in current assets including $47.1 million in inventory of alcohol merchandise for resale, a $0.3 million increase. The increase in inventory is a result of 3 new stores being opened in Fiscal Year 2012, new products being introduced in the market and vendor price increases to ABC. Current assets were also impacted by an increase of $2.2 million in credit card accounts receivable due to statewide power outages that occurred on June 29 and 30 that delayed credit card processing and therefore increased receivables.
- The change in Net Capital Assets from Fiscal Year 2011 to Fiscal Year 2012 is due to additional costs spent in Fiscal Year 2011 for the Point of Sale (POS) hardware and software.
- In total, assets increased from $66.6 million in Fiscal Year 2011 to $68.0 million in Fiscal Year 2012.

Net Assets	Fiscal Year 2012	Fiscal Year 2011	Change
Current and other assets	$57,957,505	$55,545,937	2,411,568
Capital assets, net	10,076,413	11,026,925	(950,512)
Total assets	68,033,917	66,572,862	1,461,055
Current liabilities	62,944,643	61,793,840	1,150,803
Noncurrent liabilities	2,430,935	2,197,472	233,463
Total liabilities	65,375,577	63,991,312	1,384,265
Net assets:			
Invested in capital assets	10,076,413	11,026,925	(950,512)
Unrestricted	(7,418,073)	(8,445,375)	1,027,302
Total net assets	$2,658,340	$2,581,550	76,790

- Total liabilities owed by the Department increased $1.4 million from last fiscal year, with current liabilities representing $1.2 million of the total amount. The current liability amount is largely represented in accounts payable as well as payments due to the Commonwealth for line of credit repayment, taxes payable (see Note 4) and the undistributed balance of profits. Excise Tax Payable increased $1.7 million, primarily due to the above mentioned statewide power outages. This was offset by a ($1.0) million reduction in the Commonwealth's line of credit. The remainder was primarily due to an increase in undistributed profits over the prior year. Noncurrent liabilities netted a slight increase.
- The Department lacks working capital (current assets in excess of current liabilities) to fund all business needs at year-end including accelerated payments of taxes and profits before June 30. Given this periodic lack of necessary working capital, the Department depends on a $60.0 million line of credit with the State Comptroller to meet day-to-day operations. At June 30, 2012, the amount borrowed was $28,488,757. (see Note 4)

REVENUE: The vast majority of the Department's revenues come from the sale of alcoholic beverages. These revenues are achieved through the 330+ state-run stores located throughout the state. Gross sales including state tax on sales in Fiscal Year 2012 reached an all time high of $733.8 million, up $41.1 million over Fiscal Year 2011. The gross revenue after state tax on sales of alcohol increased from $578.5 million to $612.7 million or 5.9%. License and permit fees slightly decreased in Fiscal Year 2012 totaling $12.0 million and $12.1 million in Fiscal Year 2011. Federal grants and contracts, miscellaneous revenue and penalties decreased from last year. Other sources of revenue include lottery, wine wholesalers tax and mixed beverage taxes on common carriers.

Operating Revenues	Fiscal Year 2012	Fiscal Year 2011	Changed
Sales of alcohol	$612,861,516	$578,521,041	$34,340,475
Sales of lottery tickets	2,662,214	2,496,597	165,617
License and permit fees	12,005,411	12,055,197	(49,786)
Wine wholesalers tax	3,467,123	3,240,332	226,791
Penalties	973,266	1,142,666	(169,400)
Federal grants and contracts	446,546	619,678	(173,132)
Mixed beverage tax on common carriers	30,778	28,061	2,717
Miscellaneous	476,720	480,152	(3,433)
Net operating revenues	**$632,923,574**	**$598,583,725**	**$34,339,849**

EXPENSES:

In Fiscal Year 2012 operating expenses (not including cost of sales, alcohol and lottery) increased from $137.7 million to $141.2 million, an increase of 2.5%. Approximately 71.3% of the Department's total expenses are for the cost of sales of distilled spirits and mixers sold through ABC stores and less than 1.0% for lottery cost of sales. Following cost of merchandise is personal services, which accounts for 16.6% of total expenses. The remaining 11.6% is made up of contractual services (e.g. store rents), continuous charges (utilities) and other miscellaneous charges. Personal service costs increased primarily due to two factors. ABC had increases in employee wage expense directly correlated to the increase in revenue for 2012, and the agency has increased their focus on enforcement. The increased cost of contractual services is due to the use of skilled services for IT staff augmentation, additional VITA costs and increases in building repair costs. Depreciation expense decreased due to the Warehouse Racking & Conveyor project was fully depreciated in July 2011.

Operating Expenses	Amount Fiscal Year 2012	% Expenses Fiscal Year 2012	Amount Fiscal Year 2011	Difference
Cost of sales, alcohol	$357,374,917	71.3%	$337,689,682	19,685,235
Cost of sales, lottery	2,522,930	0.5%	2,327,548	195,382
	359,897,846	71.8%	340,017,230	19,880,616
Personal services	83,223,807	16.6%	81,396,498	1,827,309
Continuous charges	24,687,763	4.9%	23,848,628	839,135
Contractual services	25,737,133	5.1%	24,373,121	1,364,012
Supplies and materials	2,885,166	0.6%	2,852,422	32,744
Depreciation	1,958,032	0.4%	3,175,843	(1,217,811)
Expendable equipment	1,869,571	0.4%	1,560,795	308,776
Other	812,313	0.2%	536,134	276,179
	141,173,786	28.2%	137,743,441	3,430,345
Total Operating Expenses	**$ 501,071,632**	**100.0%**	**$ 477,760,671**	**$23,310,961**

PROFITS:

Prior to the statutory distribution of quarterly net profits to the General Fund, transfers required in the Appropriation Act for each fiscal year must be executed. In Fiscal Year 2012, approximately $67.9 million of the agency's $132.1 million in net profits were transferred to other state agencies. The majority, $65.4 million, transfers to the Department of Behavioral Health and Developmental Services incurred for care, treatment, study and rehabilitation of alcoholics. The remaining $64.2 million was distributed to the General Fund in accordance with the Code of Virginia.

Revenues, Expenses and Changes in Net Assets	Fiscal Year 2012	Fiscal Year 2011	Change
Net operating revenues	$ 632,923,574	$ 598,583,725	$ 34,339,849
Total operating expenses	501,071,632	477,760,671	23,310,961
Non-operating revenues/(expenses)	246,632	73,723	172,909
Net profit before transfers	132,098,574	120,896,777	11,201,797
Transfers of profit to the General Fund of the Commonwealth	(64,163,784)	(53,269,159)	(10,894,625)
Appropriation Act transfers	(67,858,000)	(67,744,441)	(113,559)
Total transfers	(132,021,784)	(121,013,600)	(11,008,184)
Net increase after transfers	76,790	(116,823)	193,613
Total net assets – beginning	2,581,550	2,698,373	(116,823)
Total net assets – ending	$ 2,658,340	$ 2,581,550	$ 76,790

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

- During Fiscal Year 2013, the Department expects the retail sales sector to remain strong and will continue to monitor mixed beverage licensee sales. ABC is currently forecasting gross sales of $758 million, a 3.3% increase over Fiscal Year 2012.
- ABC expects expenses to continue to increase in Fiscal Year 2013. Expenses such as store rents will increase because of contractual escalation clauses. The Department also projects increases in non-merchandise expenditures, which includes product shipping to stores and on-going infrastructure improvements in order to comply with data security standards mandated for credit card payments. The payment of a 3% bonus to classified employees will increase personal service costs by an estimated $1.4M. ABC also expects an increase in technology charges for maintenance of existing operation systems to the VITA /NG partnership as a result of rate changes.
- Appropriation Act profit transfer requirements for Fiscal Year 2013 are $124.9 million. ABC expects to meet this transfer requirement. Risks included economic declines, particularly during the holiday season and unforeseen increases in expenses.

CONTACTING THE DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL

This financial report is designed to provide our citizens, taxpayers and customers with a general overview of the Department's finances and to demonstrate the Department's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Virginia Department of Alcoholic Beverage Control at 2901 Hermitage Road, Richmond, Virginia 23220 or visit us on the Web at www.abc.virginia.gov.

Commonwealth of Virginia

Auditor of Public Accounts

Walter J. Kucharski
Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

September 28, 2012

The Honorable Robert F. McDonnell
Governor of Virginia

The Honorable John M. O'Bannon, III
Chairman, Joint Legislative Audit
and Review Commission

Alcoholic Beverage Control Board
Department of Alcoholic Beverage Control

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

We have audited the accompanying basic financial statements of the Department of Alcoholic Beverage Control as of and for the year ended June 30, 2012 as listed in the Table of Contents. These financial statements are the responsibility of the Department's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1A, the basic financial statements of the Department are intended to present the financial position and the changes in financial position and cash flows of only that portion of the business-type activities and the major enterprise fund of the Commonwealth of Virginia that is attributable to the transactions of the Department. They do not purport to, and do not, present fairly the Commonwealth of Virginia's overall financial position as of June 30, 2012, and the changes in its financial position and its cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to previously present fairly, in all material respects, the financial position of the Department of Alcoholic Beverage Control as of June 30, 2012, and the changes in its financial position, and its cash flows for the year ended, in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 27 through 30 be presented to supplement the basic

financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

In accordance with Government Auditing Standards, we have also issued our report dated September 28, 2012 on our consideration of the Department of Alcoholic Beverage Control's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. We anticipate releasing that report on or after October 4, 2012. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

AUDITOR OF PUBLIC ACCOUNTS

DLR/alh

DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL
STATEMENT OF NET ASSETS
As of June 30, 2012

ASSETS	
Current assets:	
Cash and cash equivalents (Note 2 and 7)	$ 2,574,476
Petty cash	160,000
Receivables	6,363,829
Inventory - Alcohol (Note 1)	47,097,008
Inventory - Lottery tickets	90,889
Prepaid insurance expenses	1,530,899
Prepaid other expenses	124,220
Investments held by Treasurer of Virginia (Note 7)	16,182
Total current assets	57,957,505
Noncurrent assets:	
Nondepreciable capital assets (Note 3)	1,827,702
Depreciable capital assets, net (Note 3)	7,894,942
Construction-in-progress (Note 3)	353,768
Other assets, net (Note 3)	-
Total noncurrent assets	10,076,413
Total assets	68,033,917
LIABILITIES	
Current liabilities:	
Accounts payable	19,749,503
Installment notes payable (Note 6)	-
Unearned revenue	57,736
Due to Commonwealth of Virginia (Note 4)	39,899,826
Obligations under securities lending (Note 7)	539,581
Compensated absences payable (Note 6)	2,697,997
Total current liabilities	62,944,643
Noncurrent liabilities:	
Installment notes payable (Note 6)	-
Compensated absences payable (Note 6)	2,430,935
Total noncurrent liabilities	2,430,935
Total liabilities	65,375,577
NET ASSETS	
Invested in capital assets, net of related debt	10,076,413
Unrestricted net assets	(7,418,073)
Total net assets	$ 2,658,340

The accompanying Notes to Financial Statements are an integral part of this statement.

DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
For the Year Ended June 30, 2012

Operating revenues:		
Sales of alcohol	$	612,861,516
Sales of lottery tickets		2,662,214
License and permit fees		12,005,411
Wine wholesalers tax		3,467,123
Penalties		973,266
Federal grants and contracts		446,546
Mixed beverage tax on common carriers		30,778
Miscellaneous		476,720
Total operating revenues		632,923,574
Operating expenses:		
Cost of sales of alcohol		357,374,917
Cost of sales of lottery tickets		2,522,930
Personal services		83,223,807
Continuous charges		24,687,763
Contractual charges		25,737,133
Supplies and materials		2,885,166
Depreciation and amortization		1,958,032
Expendable equipment		1,869,571
Other		812,313
Total operating expenses		501,071,632
Operating income		131,851,942
Nonoperating revenues (expenses):		
Rents		191,950
Income from security lending transactions (Note 7)		1,024
Expenses from security lending transactions (Note 7)		(1,024)
Interest income (expense)		-
Seized assets		54,682
Total nonoperating revenues (expenses)		246,632
Net profit before transfers		132,098,574
Transfers out:		
Transfers of profits to the General Fund of the Commonwealth		(64,163,784)
Appropriation Act transfers		(67,858,000)
Total transfers		(132,021,784)
Net increase after transfers		76,790
Total net assets - July 1, 2011		2,581,550
Total net assets - June 30, 2012	$	2,658,340

The accompanying Notes to Financial Statements are an integral part of this statement.

DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2012

Cash flows from operating activities:	
Cash received from sales	$ 615,545,768
Cash received from licenses and fees	11,959,339
Cash received from other revenue	3,086,196
Cash payments for cost of sales	(360,691,196)
Cash payments for personal services	(82,944,605)
Cash payments for other expenses	(55,636,414)
Net cash provided by operating activities	131,319,088
Cash flows from noncapital financing activities:	
Note payable to the Commonwealth	28,488,757
Due to the Commonwealth repayments	(29,467,745)
Cash received from nonoperating activities	246,632
Cash received from taxes	184,064,116
Transfers of tax collections to the General Fund of the Commonwealth	(152,548,487)
Transfers of tax collections to the Department of Taxation	(29,431,407)
Transfers of profit to the General Fund of the Commonwealth	(63,750,753)
Appropriation Act transfers	(67,858,000)
Net cash used for noncapital financing activities	(130,256,886)
Cash flows from capital and related financing activities:	
Construction in-progress	(353,768)
Acquisition of equipment	(653,751)
Sale of depreciable assets	-
Interest Income	-
Note payable pincipal payments	-
Note payable interest payments	-
Net cash used for capital financing activities	(1,007,520)
Net decrease in cash and cash equivalents	54,682
Cash and cash equivalents - July 1, 2011	2,156,395
Cash and cash equivalents - June 30, 2012	$ 2,211,077
Reconciliation of cash and cash equivalents	
Cash and cash equivalents	2,574,476
Petty cash	160,000
Securities lending cash equivalent	(523,399)
	$ 2,211,077
Reconciliation of net profit to net cash provided by operating activities:	
Operating income	131,851,942
Adjustments to reconcile net profit to net cash provided by operating activities:	
Depreciation and amortization	1,958,032
Change in assets and liabilities:	
Increase in accounts receivable	(2,286,199)
Increase in inventory	(318,003)
Increase in compensated absences	181,755
Decrease in accounts payable	(377,899)
Decrease in prepaid items	355,533
Decrease in unearned revenue	(46,072)
Net cash provided by operating activities	$ 131,319,088

The accompanying notes to financial statements are an integral part of this statement.

DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL

NOTES TO FINANCIAL STATEMENTS

AS OF JUNE 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Department of Alcoholic Beverage Control administers ABC laws with an emphasis on public service and a focus on public safety by ensuring a safe, orderly, and regulated system for convenient distribution and responsible consumption of alcoholic beverages while generating a reasonable profit for the Commonwealth.

A separate report is prepared for the Commonwealth of Virginia, which includes all agencies, boards, commissions, and authorities over which the Commonwealth exercises or has the ability to exercise oversight authority or is the recipient of their services and/or benefits. The Department is an agency of the Commonwealth of Virginia and is included in the Commonwealth of Virginia's Comprehensive Annual Financial Report.

B. Fund Accounting

The activities of the Department are accounted for in an enterprise fund. The enterprise fund is used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs of providing goods and services to the general public on a continuing basis, including depreciation and amortization, be financed or recovered primarily through user charges.

C. Basis of Accounting

The Department's records are maintained on the accrual basis, with an economic focus, whereby revenues are recognized when earned and expenses are recognized when the liability is incurred.

Operating revenues and expenses include activities related to the sale of alcohol and licenses, as well as enforcement activities. Nonoperating revenues and expenses include activities that have the characteristics of noncapital financing activities, such as the collection of rent, as defined by GASB Statement 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*, and GASB Statement 34.

D. Inventories

Merchandise inventory, purchased for resale, is valued at average cost, which is lower than market value.

2. CASH WITH THE TREASURER OF VIRGINIA

All state funds of the Department are held by the Treasurer of Virginia, pursuant to Section 2.2-1800, et. seq., Code of Virginia, who is responsible for the collection, disbursement, custody, and investment of state funds. Each fund's equity in pooled state funds is reported as "Cash and Cash Equivalents" on the Statement of Net Assets and is not categorized as to credit risk.

3. CAPITAL ASSETS

The following schedule presents the changes in capital assets by category.

	Balance at July 01, 2011	Acquired	Deleted	Balance at June 30, 2012
Nondepreciable capital assets				
Land	$ 1,827,702	$ -	$ -	$ 1,827,702
Construction in-progress	$ -	$ 353,768	$ -	$ 353,768
Total nondepreciable capital assets	**$ 1,827,702**	**$ 353,768**	**$ -**	**$ 2,181,471**
Depreciable capital assets				
Buildings	$ 9,571,382	$ -	$ -	$ 9,571,382
Equipment	$ 33,004,169	$ 653,751	$ (1,440,065)	$ 32,217,855
Other equipment	$ -	$ -	$ -	$ -
Intangibles	$ 883,243	$ -	$ -	$ 883,243
Total depreciable capital assets	**$ 43,458,794**	**$ 653,751**	**$ (1,440,065)**	**$ 42,672,480**
Less accumulated depreciation:				
Buildings	$ 9,292,278	$ 12,552	$ -	$ 9,304,830
Equipment	$ 24,894,790	$ 1,768,831	$ (1,440,065)	$ 25,223,556
Other equipment	$ -	$ -	$ -	$ -
Intangibles	$ 72,503	$ 176,649	$ -	$ 249,152
Total accumulated depreciation	**$ 34,259,571**	**$ 1,958,032**	**$ (1,440,065)**	**$ 34,777,538**
Depreciable capital assets, net	**$ 9,199,223**	**$ (1,304,281)**	**$ -**	**$ 7,894,942**
Total capital assets, net	**$ 11,026,925**	**$ (950,512)**	**$ -**	**$ 10,076,413**

The Department capitalizes all property, plant, and equipment that have a cost or value equal to or greater than $5,000. The Department capitalizes all intangibles that have a cost or value equal to or greater than $100,000. Property, plant, equipment, and intangibles are stated at cost and at the time of acquisition are set up in a comprehensive capital asset system. Depreciation of the cost of property, plant, equipment, and intangibles are provided on a straight-line basis over their estimated lives of from ten to thirty years on buildings, from three to eight years on equipment, and from three to five years on intangibles. Intangible

3. CAPITAL ASSETS (continued)

assets are defined as assets that lack physical substance, are non-financial in nature and useful lives or benefit period exceed one or more years. Examples of intangible assets are: software, land use rights (right-of-ways) and intellectual property (patents, copyrights and trademarks).

4. DUE TO THE COMMONWEALTH

A. Note Payable

The Department has a line of credit for $60,000,000 with the Treasurer of Virginia. Repayment is made from revenue collections pursuant to Title 4.1, Chapter 1 of the Code of Virginia. As of June 30, 2012, the Department had outstanding $28,488,757 of its available line of credit to extinguish a cash overdraft.

The following schedule presents the changes in short term debt activity:

Balance at July 01, 2011	Acquired	Deleted	Balance at June 30, 2012
$29,467,745	$28,488,757	($29,467,745)	$28,488,757

B. General Fund

The Department collects certain taxes on behalf of the General Fund of the Commonwealth. The state tax on sales is collected from store sales and is paid quarterly to the General Fund of the Commonwealth. The liter tax is collected on wholesalers' direct wine shipments. The 2012 Virginia Acts of Assembly required $9,141,363 of the gross liter tax to be transferred to the General Fund for expenses incurred for care, treatment, study, and rehabilitation of alcoholics by the Department of Behavioral Health and Development Services and other state agencies. Of the remaining liter tax, twelve percent is retained by the Department and reported as wine wholesalers' tax on the Department's financial statements. The remaining eighty-eight percent is paid to the General Fund of the Commonwealth quarterly. Collections and transfers of state tax on sales and liter tax are not reported on the Statement of Revenues, Expenses, and Changes in Net Assets. Activity relating to the amounts due to the General Fund for the year ended June 30, 2012, is summarized below.

B. General Fund (continued)

	State Tax on Sales	Liter Tax on Wine	Total
Balance due to the General Fund, July 1, 2012	$1,068,065	$707,364	$1,775,429
Receipts for fiscal year	$120,988,748	$33,457,628	$154,446,377
Transfers to the General Fund	($119,487,266)	($33,061,220)	($152,548,487)
Balance due to the General Fund, June 30, 2012	$2,569,546	$1,103,772	$3,673,319

C. Department of Taxation - Sales Tax

The Department collects sales tax on all sales of alcohol and remits collections monthly to the Department of Taxation. Sales tax collections and transfers are not reported on the Statement of Revenues, Expenses, and Changes in Net Assets. Activity relating to the amounts due to the Department of Taxation for the year ended June 30, 2012, is summarized below.

Balance due to the Department of Taxation, July 1, 2012	$472,727
Sales Tax Collections	$29,617,739
Transfers to the Department of Taxation	($29,431,407)
Balance due to the Department of Taxation, June 30, 2012	$659,060

D. Earned Surplus

The Appropriation Act, Chapter 2 of the 2011 Acts of Assembly, requires the Department to transfer an estimate of its fourth quarter profits in the month of June. In accordance with the Alcoholic Beverage Control Act, Section §4.1-116 of the Code of Virginia, the Department transfers any additional net profit to the General Fund of the Commonwealth 50 days after the last day of the quarter. The Department underestimated profit for the fourth quarter resulting in an additional $7,078,691 due to the General Fund at June 30, 2012.

5. LEASE COMMITMENTS

The Department is committed under various operating lease agreements for retail store buildings. Rent expense under operating lease agreements amounted to $ 20,861,551 for the year. A summary of future obligations under lease agreements as of June 30, 2012, follows.

Year Ending June 30,	
2013	19,316,964
2014	15,667,159
2015	12,521,004
2016	9,347,589
2017	4,853,294
2018 - 2021	3,108,783
Total Obligations	$64,814,793

6. COMPENSATED ABSENCES

Compensated absences reflected in the Statement of Net Assets represent the amounts of vacation, sick, and compensatory leave earned by employees of the Department, but not taken at June 30, 2011. The amount reflects all earned vacation, sick, and compensatory leave payable under the Commonwealth of Virginia's leave payout policies. Information on the Commonwealth's leave payout policies is available at the statewide level in the Commonwealth of Virginia's Comprehensive Annual Financial Report.

Balance at July 01, 2011	Short Term Decrease	Long Term Increase	Balance at June 30, 2012	Amounts due within one year
$4,947,177	($51,708)	$233,463	$5,128,931	$2,697,997

7. SECURITIES LENDING TRANSACTIONS

Investments held by the Treasurer of Virginia represent the Department's allocated share of cash collateral received and reinvested and securities received for the State Treasury's securities lending program. Information related to the credit risk of these investments and the State Treasury's securities lending program is available on a statewide level in the Commonwealth of Virginia's Comprehensive Annual Financial Report. The Commonwealth's policy is to record unrealized gains and losses in the General Fund in the Commonwealth's basic financial statements. When gains or losses are realized, the actual gains and losses are recorded by the affected agencies.

8. COLLECTIONS OF MALT BEVERAGE TAX

During the year ended June 30, 2012, the Department collected $43,660,370 in malt beverage taxes. These funds are deposited by the Department directly with the Treasurer of Virginia for credit to the General Fund of the Commonwealth and are not available to the Department to meet current operating needs and are not included in the financial statements.

9. PENSION PLAN AND OTHER POST RETIREMENT BENEFITS

The employees of the Department are employees of the Commonwealth. The employees participate in a defined benefit plan administered by the Virginia Retirement System (VRS). The VRS also administers life insurance and health related plans for retired employees. Information related to these plans is available on a statewide level only in the Commonwealth of Virginia's Comprehensive Annual Financial Report. The Commonwealth, not the Department, has overall responsibility for contributions to these plans.

10. RISK MANAGEMENT

The Department is exposed to various risks of loss related to torts; theft or, damage to, and destruction of assets; errors and omissions; non-performance of duty; injuries to employees; and natural disasters. The Department of Alcoholic Beverage Control participates in insurance plans maintained by the Commonwealth of Virginia. The state employee health care and worker's compensation plans are administered by the Department of Human Resource Management and the risk management insurance plans are administered by the Department of Treasury, Division of Risk Management. Risk management insurance includes property, general liability, medical malpractice, faithful performance of duty bond, automobile, and air and watercraft plans. The Department of Alcoholic Beverage Control pays premiums to each of these Departments for its insurance coverage. Information relating to the Commonwealth's insurance plans is available at the statewide level in the Commonwealth of Virginia's Comprehensive Annual Financial Report.

11. CONTINGENT LIABILITIES

Legal Proceedings

The Department is named as a party in several legal proceedings. It is not possible at the present time to estimate ultimate outcome or liability, if any, of the Department in respect to the various proceedings; however, it is believed that any ultimate liability resulting from these suits will not have a material, adverse effect on the financial condition of the Department.

Bailment Inventory

The Department houses and controls bailment inventory in the warehouse and is therefore responsible for the exercise of reasonable care to preserve the inventory until it is purchased by the Department or returned to the supplier. The Department uses the bailment system for payment of merchandise for resale. The Department initiates payments to the vendors based on shipments from the ABC warehouse to the retail stores, rather than receipt of invoice from the vendor. At June 30, 2012, the bailment inventory was valued at $37,067,552.

EXPANDED SUNDAY SALES
Beginning Sunday, July 1, the agency expanded Sunday hours to its remaining 206 stores throughout the state. The additional stores were able to open on Sundays as a result of the passage of House Bill 896 during the 2012 legislative session. The new law allows any ABC retail location to be open on Sundays. Sunday hours are 1–6 p.m.

SPIRITED ENTERTAINING
In October 2011, the agency launched spiritedentertaining.com, its first .com site. The micro site contains nearly 100 unique drinks in themed categories.

DISASTER RELIEF FUND PROJECT
In support of the Governor's initiative, the agency implemented functionality to accept donations at the POS register from customers for victims of the devastating tornadoes in Virginia. By November 1, ABC customers donated $187,733.10 towards this effort.

ENFORCEMENT RESPONDS TO CHANGING NEEDS
Noting an increase in the number of major and complex investigative activities such as illegal distilleries, nip joints, human trafficking, and problem establishment investigations, the Bureau of Law Enforcement established two new units. The Gang Unit aids in the identification, intelligence gathering and participation in operations concerning criminal street and outlaw motorcycle gangs. The Special Operations Unit serves as the coordinator (and in many cases) the command structure for large-scale and inter-regional operations. This unit also serves as the facilitator for resource consolidation for regionally based operations.

LISTENING TO THE INDUSTRY
The agency chartered a Product Management Committee (PMC) to provide procedurally valid recommendations to the ABC Board concerning the management of products available for sale in state stores. In similar fashion, the agency also developed a Supplier Relations Committee to provide a process to gather feedback from our vendor partners.

STORE COMPLIANCE RATES
Vigilance by ABC sales associates resulted in an impressive 99 percent compliance rate, up from 98 percent last fiscal year.

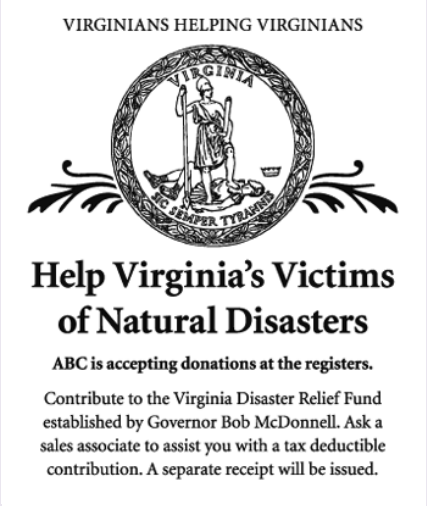
BLACK FRIDAY SALES
The agency tested the waters on this traditionally high volume retail shopping day by offering 25–50 percent discounts on selected items as well as 10 percent off any purchase totaling $50 or more. Total sales for this day saw a $398,000 increase.

SECURITY DETECTION
The Information Technology Division fortified remediation baselines set for all internally developed applications making ABC the only agency in the commonwealth that runs security vulnerability detection software against its applications.

ONLINE LICENSEE ORDERING
ABC's Retail and Information Technology divisions developed another avenue for licensees to place their orders more efficiently online. Process includes the ability to view accurate, up-to-date product codes with present and future discounting, along with automatic email notifications when their order has been submitted and is ready for pick up.

LEADERSHIP PROGRAM
The agency launched its Leadership and Management Program (LAMP). The initiative is designed to build leadership skills and to foster a culture conducive to the forward movement of ABC. Through its mentoring aspect, LAMP strives to capture and retain institutional knowledge imparted by those who serve as mentors. (See page 7 of this annual report for more information.)

EDUCATION INITIATIVES
The agency continued its education/prevention initiatives by hosting College Tour, a three-stop college program including Norfolk State, Longwood and George Mason universities. In its outreach to high school students, ABC attracted 340 youth participants from schools and communities across the commonwealth to its annual summer leadership conference, Youth Alcohol and Drug Abuse Prevention Project (YADAPP).

Images: (Top) ABC stores displayed posters (shown here) that promoted the agency's new mico site, spiritedentertaining.com. (Middle) ABC employees from multiple divisions (pictured here, left to right) were instrumental in developing POS functionality in our retail stores for the Governor's Disaster Relief Fund: Barry Wenzig, Nicole Stanojev, Don Tyson, Donna Lanno, Steve Fox, Tonya Haller, Richard Racz, Gail Willis, Correne Friesen, Wilson Jones, Andrew McEnhimer, Chairman Neal Insley, David Walker and Commissioner Sandy Canada. (Bottom) ABC stores used cash register displays (shown here) to solicit customer contributions to the Governor's Disaster Relief Fund.

VIRGINIA DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL