75 VIRGINIA ABC years of CONTROL, SERVICE & REVENUE 1934–2009

LETTER FROM THE CHAIR

March 7, 1934 marked a decisive moment in Virginia history, when in response to the repeal of Prohibition, the General Assembly voted to adopt a "liquor control plan," creating the Virginia Department of Alcoholic Beverage Control (ABC). While much has changed in 75 years, Virginia ABC remains committed to providing excellent customer service, enhancing public safety and maximizing revenue returned to the Commonwealth.

ABC's 75th anniversary has resulted in print, radio and television news and talk show segments on ABC history and the agency's current initiatives. A community event "commemorating the oldest ABC store to remain in its original location in Clifton Forge and a display of historical artifacts at the Library of Virginia added to the anniversary year. ABC store posters inform customers that the agency has contributed more than $6 billion to Virginia's General Fund since the first stores opened in 1934.

ABC completed Fiscal Year 2009 with a record $665.6 million in annual gross sales. Although slightly below forecast, sales increased by 3.8 percent over last year. Retail dollars are up 5.2 percent while mixed beverage licensee sales continue to lag with a 1.5 percent decrease.

Due to the tough economy, ABC is doing more with less and developing new ways to enhance performance. The launching of ABC gift cards before the holiday season in the agency's 332 stores boosted fiscal year sales by $284,100. New SpaceMan software for shelf management offers planogram-driven shelf configurations using category leaders for anchors. More than 90 percent of store employees have taken and passed the newly launched Internet-based product-knowledge training modules for all distilled spirits categories.

The newest education/prevention efforts include alcoholic energy drink awareness, alcohol and aging awareness and a military outreach initiative on alcohol education. The National Conference of State Liquor Administrators (NCSLA) presented a Best Practice Award for Community Collaboration in Health and Safety to ABC for its military initiative, which has expanded to include a Military Safe Rides Home Program in Hampton Roads.

Training/compliance efforts include "Ask 4 ID," a four-minute online training video for sellers and servers, assisting them with recognizing underage driver's licenses. ABC sent "Ask 4 ID" posters and stickers to more than 15,000 licensed establishments. The campaign coincides with the issuing of newly designed driver's licenses with enhanced security features.

ABC is being recognized as an example of environmental sustainability with its increased emphasis on "going green." Last year, ABC recycled 364 tons of cardboard, 18 tons of shrink-wrap and 44 tons of office paper. ABC received E2 certification by the Virginia Environmental Excellence Program and the agency is currently pursuing E3 certification. The agency's latest efforts include coordinating with the licensee community about environmentally friendly procedures that can reduce waste, conserve energy and save money.

In this 75th anniversary year, ABC remains committed to the public safety of Virginia's citizens, providing alcohol education for people of all ages; excellent customer service at each of our retail locations; and generating a consistent source of revenue for some of the commonwealth's most important programs.

Susan R. Swecker, Chair

Board Chair Susan R. Swecker

VIRGINIA DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL

2901 Hermitage Road, Richmond, VA 23220
Phone: (804) 213-4400

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.

75th ANNIVERSARY ◆ 1934–2009
CONTROL ◆ SERVICE ◆ REVENUE

(Cover, top) ABC store, ca. mid-1930s.
(Cover, bottom) ABC Store 114, Colonial Heights, 2009.

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* Due to legislation in Fiscal Year 2008 that eliminated all distributions to localities, the "Distribution of Profits and Wine Taxes" chart is no longer available.

Governor . . . . . Timothy M. Kaine

Governor Timothy M. Kaine

ABC Board*

Board Chair . . . . . Susan R. Swecker
Commissioner . . . . . Franklin P. Hall
Commissioner . . . . . William J. Pantele

Executive Staff

Chief Operating Officer, Secretary to the Board . . . . . W. Curtis Coleburn, III
Chief Administrative Officer. . . . . Jeffrey L. Painter
Chief Financial Officer . . . . . J. Craig Vanderland

Division Directors

Bureau of Law Enforcement . . . . . Francis J. Monahan
Financial Management Services . . . . . Barry M. Wenzig
Hearings, Appeals and Judicial Services . . . . . Robert S. O'Neal
Human Resources . . . . . Janet L. Lawson
Information Technology Services. . . . . Charles R. Moore
Internal Audit . . . . . John W. Wszelaki
Policy, Analysis and Support Services. . . . . Claiborne Watkins
Property Management Services . . . . . Robert W. Southall
Public Affairs. . . . . Rebecca V. Gettings
Wholesale/Retail Operations . . . . . Virginia A. Adams

ABC Board, July 2009 (left to right): Commissioner William J. Pantele, Chair Susan R. Swecker and Commissioner Franklin P. Hall.

* Also on the Board this fiscal year: Pamela O'Berry Evans served as Board Chair from April 2008 to March 2009, and left in March after the General Assembly elected her General District Court Judge for Chesterfield County. Esther H. Vassar reassumed the position of Board Chair from April to July 2009, and left in July upon appointment as National Ombudsman for the U.S. Small Business Administration in the Obama Administration.

LEGISLATIVE SYNOPSIS

The 2009 session of the Virginia General Assembly once again dealt with a wide range of issues relating to alcoholic beverages. From alcoholic energy drinks to zoning issues affecting farm wineries, almost 40 alcohol-related measures were considered by the legislators. Less than half of these measures actually survived to become law. The following are among the more significant.

Chief Operating Officer W. Curtis Coleburn

- **PILOT PROJECT**. After a year of study by subcommittees of the House Committee on General Laws and the Senate Committee on Rehabilitation and Social Services, legislation was passed to create a pilot project to evaluate an alternative method for measuring the level of food sales required for mixed beverage licensees. Under existing law, mixed beverage licensees must annually sell an amount of food and non-alcoholic beverages equal to at least 45 percent of the total of such food and non-alcoholic beverages sales and mixed beverage sales. Some licensees have suggested that consumers are ordering more expensive spirits drinks, requiring additional food sales despite no increase in alcohol volume. The pilot project will peg food sales requirements to the amount of alcohol purchased, rather than the dollar values of mixed drinks sold. During the two-year voluntary project, participating licensees will satisfy the food sales requirement by either meeting the existing 45 percent ratio or selling at least $350 of food and non-alcoholic beverages for each proof gallon of spirits purchased from the Board during the license year. A proof gallon is one gallon of 100 proof spirits. ABC will report its findings and any recommendations based upon the results of the project to the General Assembly on or before July 1, 2011.

- **NEW REGULATIONS**. The Alcoholic Beverage Control Board will be promulgating new regulations in two areas as a result of legislative action: (1) Two identical bills, House Bill 2051 and Senate Bill 1258, were enacted which require the Board to establish a schedule of offenses for which penalties may be waived upon a showing that the licensee has had no prior violations within five years immediately preceding the date of the violation. This waiver will not be granted for a licensee's willful and knowing violation of statutes or Board regulations. (2) Energy drinks containing alcohol are addressed by House Bill 2597. This statute calls upon the Board to promulgate a regulation that requires off-premises retail licensees to place any premixed energy drink containing one-half of one percent or more alcohol by volume in the same location in the store where beer and wine are made available for sale within the licensed premises.

- **STATE FAIR**. The State Fair of Virginia moved into its new home at the Meadow Farm Event Park in 2009, and in preparation for the opening of the new venue, the General Assembly passed Senate Bill 1414, adding the ability for certain non-profit organizations owning a "rural event and entertainment park" to receive an annual mixed beverage special events license. In its previous location, the Fair obtained one-day special event licenses for any event involving the sale of alcoholic beverages. The new legislation allows the issuance of a permanent annual license to cover all the events at the park, in lieu of many individual ones.

- **WINE-OF-THE-MONTH CLUBS**. Licensed wine or beer shippers operating "wine-of-the-month" or "beer-of-the-month" clubs will now be able to solicit and receive applications for subscriptions away from their licensed places of business. As a general rule, licensees must sell wine or beer at their licensed premises. Some "wine-of-the-month" club operators wanted to be able to conduct sale transactions at wine festivals or other locations away from their licensed location. Senate Bill 1445 will now allow the holder of a wine shipper license or beer shipper license to solicit and receive applications for subscription to a "wine-of-the-month" or "beer-of-the-month" club at locations for which a license allowing on-premises consumption has been granted.

- **CARBONATED SPIRITS**. A major distiller found itself with a product with limited marketability to restaurants, leading to the introduction of House Bill 2052 and Senate

(continued)

Bill 983. The Code of Virginia provides that mixed beverage licensees may not deliver to a consumer an original bottle of alcoholic beverages, except for hotel room service and the Korean spirit soju. The new product is carbonated, and restaurants found that the product lost its carbonation after opening. They were reluctant to stock the item to pour individual drinks, since the product remaining in the bottle after the first drink was poured might spoil before it was sold. The new legislation allows the delivery to consumers of spirits in the original container as long as the container is no larger than 375 milliliters, the alcohol content is no greater than 15 percent by volume, and the contents are carbonated and perishable.

- **PUBLIC SAFETY THREATS AT LICENSED PREMISES**. Prior to 2008, a statute authorized the Board to suspend or revoke a license if the licensee operated a "disorderly" establishment. A federal court decision finding the term "disorderly" unconstitutionally vague led the General Assembly to repeal the challenged provision. This left ABC with limited ability to address persistent public safety issues occurring at licensed premises. House Bill 2523 addresses this issue. It authorizes the Board to suspend or revoke a license if the licensee has failed to prevent the licensed premises or his property or public property immediately adjacent to the licensed premises from becoming a place where patrons arrested for certain criminal violations that are so frequent and serious as to be deemed a continuing threat to public safety.

- **AFFIRMATIVE DEFENSE**. In 2006, the General Assembly passed an amendment to §4.1-200 of the Code of Virginia, providing that alcoholic beverages could be served or given to persons under the age of 21 years at someone's residence, provided the underage recipient was accompanied by a parent, guardian, or spouse who is 21 years of age or older. There is a cross-reference to this provision in the statute prohibiting consumption of alcoholic beverages by persons under 21, creating an exception to the consumption prohibition for the home with parent situation. Some courts in the Commonwealth interpreted these provisions to require that whenever an underage person was charged with underage consumption, the Commonwealth had a burden to prove beyond a reasonable doubt that the underage consumer did not consume at a residence in the presence of a parent, guardian, or spouse of age. House Bill 2627 clarifies the situation by making the exception an affirmative defense. The intent is that the Commonwealth does not have to prove the defendant did not drink at home, but the defendant can attempt to prove such consumption in his defense.

- **IGNITION INTERLOCK**. A great deal of discussion in legislative committees this year dealt with the proposed expansion of the requirement that certain persons convicted of driving under the influence of alcohol equip their motor vehicles with an ignition interlock system. With ignition interlock, the driver has to provide a breath sample before starting the car, and the ignition will not engage upon the detection of alcohol. Existing law required courts to order ignition interlock installation for persons convicted of a second offense of DUI within five years. There were proposals to require an interlock for all offenders, but ultimately Senate Bill 1463 was adopted, which extends the ignition interlock requirement to all those convicted of a second offense within ten years of the first offense.

- **LOCAL REGULATION OF FARM WINERY ACTIVITIES**. There has been a continuing discussion at the General Assembly in recent years concerning the proper level of local government control over activities at Virginia farm wineries. In 2006, the legislature adopted what is now §15.2-2288.3 of the Code of Virginia, expressing the policy of the Commonwealth with respect to the use of local land use authority to regulate farm winery activities. The statute was amended in 2007 to list certain farm winery activities not subject to local regulation. This year's House Bill 2071 and Senate Bill 1033 were identical pieces of legislation which now require that local restriction on farm winery activities must take into account "the agricultural nature of such activities and events."

STATISTICAL HIGHLIGHTS: LICENSING

Licenses and Licensing

ABC retail licenses (1)	16,503
New retail, wholesale and special-permit licenses	1,914
Licensed retail establishments	15,605
Private or corporate owners	10,096
Alcohol compliance rates for retail licensees (%) (2)	90
Average processing time for new retail applications (in days) (3)	81
One-day banquet and special-event licenses	16,692

(1) Inclusive of licenses for sale and consumption of beer and wine, mixed beverages, on- or off-premises.
(2) Fiscal Year 2008 rate: 86 percent
(3) Fiscal Year 2008: 79 days. ABC targets a 60-day average.

STATISTICAL HIGHLIGHTS: PREVENTION EDUCATION

Publications, Conferences & Grants

Total prevention education / compliance publications distributed (1)	347,000
College Conference participants (2)	203
"The Hidden Epidemic: Alcohol, Medication and the Older Adult, Best Practices 2009" Conference participants (3)	168
Operation Undergrad grants presented	6
Operation Undergrad disbursements	$50,075
Community Coalition grants presented	7
Community Coalition disbursements	$60,765

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

(1) Distributed to colleges and universities, law enforcement, licensees, community groups, youth, parents and other Virginia citizens.
(2) The 23rd Annual College Conference, held at Virginia Beach, October 30–November 1, 2008, was presented in conjunction with the Virginia College Leadership Council (VA CALC). Funding was made possible through a grant from the Virginia Department of Motor Vehicles (DMV)
(3) The 2009 "Hidden Epidemic" conference, held at Virginia Commonwealth University (VCU), Richmond, April 7, 2009, was presented in conjunction with VCU's Virginia Center on Aging, the Alcohol and Aging Awareness Group (AAAG) and the Mid-Atlantic Addiction Technology Transfer Center (ATTC).

Compliance Training

Responsible Sellers & Servers: Virginia's Program (RSVP) classes	93
RSVP participants (statewide)	1,537
Managers' Alcohol Responsibility Training (MART) classes	16
MART participants (statewide)	238
Speaking/training engagements	20
Public training presentations	126
Licensee training presentations	1,262

STATISTICAL HIGHLIGHTS: LAW ENFORCEMENT

Law Enforcement Activity

Criminal investigations	14,914
Arrests	2,897
Illegal still investigations	7
Inspections of licensed establishments	10,346
Underage Buyer (UB) compliance checks	4,624
ABC special agents	90
Written warning reports	1,457
Written violation reports	1,049
Wine, beer and mixed-beverage application and state license fees collected	$11,681,402.66

Tobacco Synar

Synar compliance rate, May 1–September 30, 2009 (%) (1)	87
Total tobacco checks by ABC agents (2)	4,713

Tobacco Synar is 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. ABC also receives funding from the Virginia Tobacco Settlement Foundation.

(1) Fiscal Year 2008: 83 percent
(2) This includes attempted checks visited but found not suitable for an underage buyer (UB) check. Fiscal Year 2008: 4,172 checks

STATISTICAL HIGHLIGHTS: HEARINGS & APPEALS

Cases Referred for Hearings

Case Activity	Count
Violation/disciplinary reports	1,015
Contested applications	58
• Approved	22
• Denied	7
• Withdrawn before hearing	29
Contested banquet applications	13
• Approved	7
• Denied	5
• Withdrawn before hearing	7
Wine and beer franchise cases	8
Total hearings requested	**1,100**

Hearings Dispositions, Fiscal Year 2009

Case Activity	Count	Percentage of Total Cases Received
Settled by consent settlement offer	416	44.8%
Heard by ABC hearing officer [1]	365	39.3%
Settled by offer in compromise	97	10.5%
Withdrawn or dismissed prior to hearing [2]	50	5.3%
Total hearings dispositions [3]	**928**	**100%**

[1] 365 hearings were held on 778 charges filed; licensees with multiple charges had cases combined into one hearing for efficiency.
[2] These cases were withdrawn or dismissed prior to the hearing because the licenses had been surrendered or the applications were withdrawn.
[3] 154 cases were in process at the end of FY 08 and were completed during FY 09; 200 cases were in process at the end of FY 09 to be completed during FY 10

Average Case Turn-Around Time (in Days)

Activity	FY 04	FY 05	FY 06	FY 07	FY 08	FY 09
Violations	146	129	130	120	91	178
Applications	113	105	99	93	106	135

Case Decisions Appealed

Activity	Count	Percentage of Total
Initial decision of hearing officer to ABC Board [1]	49	4.5%
Final decision of ABC Board to circuit court [2]	4	8.2%

[1] Percentage of all cases referred
[2] Percentage of all appealed cases

Civil Penalties Collected

Activity	Count
Civil penalties collected (dollars)	$1,454,475
Average civil penalty per case (dollars)	$1,859
Average suspension period per case (days) [1]	18.72

[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 09. 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.

STATISTICAL HIGHLIGHTS: PERSONNEL

Training and Tuition Assistance

Employees who attended in-house training programs (1)	388
Web-based training modules supported	52
Training module sessions completed by ABC employees (2)	40,781
Employees who participated in ABC's Tuition Assistance Program (TAP)	14

(1) In addition to outside training workshops and conferences.
(2) Inclusive of full-time, part-time, ABC stores and central office employees. On average, each employee completed 14–28 modules each.

Employees and Hiring

Total employees	2,682
Total classified employees	982
Total part-time employees	1,700
Classified employees hired in Fiscal Year 2009	46
Part-time employees hired in Fiscal Year 2009	668

This table reflects ABC personnel as of September 2, 2009, inclusive of classified and part-time, ABC stores, regional law-enforcement offices and central office.

Employee Demographics

Average age (years) (1)	47.6
Average years of service, classified employees (2)	11.8
Gender: male (%) (3)	54.7
Gender: female (%) (3)	45.3
Minority (%) (4)	36.6

This table reflects ABC personnel as September 2, 2009, inclusive of classified and part-time, ABC stores, regional law-enforcement offices and central office. The following comparative measures for all state classified employees are taken from the Virginia Department of Human Resources Management (DHRM) Workforce Planning Reports.

(1) Average age (all state employees): 46.1 years
(2) Average years of service (all state employees): 11.9 years
(3) Gender (all state employees): male, 45.6%; female, 54.5%
(4) Minority (all state employees): 34.0%

ABC Stores

Alcohol compliance rate for ABC stores (%) (1)	97
Average delivery cost to ABC stores (dollars per case)	$0.76
Total shipments to ABC stores (cases)	3,765,612
Total shipments to ABC stores (weight, in lbs)	121,398,060

(1) Fiscal Year 2008 rate: 97 percent

ABC Products

PRICE LIST

Active items on price list	2,580
Virginia wines on price list	87
Items de-listed from price list (1)	127

SPECIAL ORDERS

Items on special order catalog	248
Total special order purchases (cases) (2)	11,043
Total special order revenue (dollars) (2)	$2,202,184
• Catalog purchases (cases)	3,447
• Catalog revenue (dollars)	$1,002,238
• Non-catalog purchases (cases) (3)	7,596
• Non-catalog revenue (dollars)	$1,199.946

(1) De-listed items remain on the price list until all inventory has been depleted
(2) These totals include both catalog and non-catalog special orders.
(3) Non-catalog 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, 2008–June 30, 2009

Store	Location	Activity	Closed	Opened	Total
040	Loudoun	new store	—	07-01-08	332
142	Front Royal	modernization	06-21-08	07-04-08	332
164	Crewe	relocation	07-08-08	07-10-08	332
121	Fredericksburg	modernization	07-05-08	07-19-08	332
244	Hampton	modernization	—	08-01-08	332
327	Blacksburg	relocation	08-25-08	08-26-08	332
035	Aquia	new store	—	08-28-08	333
167	Berryville	modernization	—	08-30-08	333
229	Roanoke	relocation	08-23-08	09-27-08	333
068	Harrisonburg	closed	09-11-08	—	332
107	Norfolk	relocation	10-19-08	10-21-08	332
280	Chesapeake	modernization	10-20-08	11-04-08	332
358	Arlington	relocation	—	11-04-08	332
122	Staunton	modernization	01-05-09	01-21-09	332
106	Virginia Beach	modernization	01-19-09	02-04-09	332
292	Richmond	modernization	02-08-09	02-23-09	332
282	Hampton	relocation	02-22-09	02-25-09	332
340	Newport News	relocation	03-10-09	03-12-09	332
199	Pearisburg	relocation	03-28-09	03-30-09	332
114	Colonial Heights	new store	—	04-01-09	333
184	Harrisonburg	relocation	05-16-09	05-19-09	333
346	Merrifield	modernization	05-10-09	05-26-09	333
296	Springfield	closed	—	05-31-09	332
307	Virginia Beach	relocation	04-30-09	06-12-09	332

(Below) Chris Goodman, Jama Smith and John Taylor were named Special Agents In Charge on May 11 during a Bureau of Law Enforcement promotion ceremony. From left: Deputy Enforcement Director Shawn Walker, Chair Esther Vassar, SAC Taylor, SAC Smith, SAC Goodman, Commissioner Franklin Hall and Enforcement Director Francis Monahan.

Top 50 Brands Sold in Fiscal Year 2009, Based on Dollars

Rank			Gross Dollars			
FY 09	FY 08	Brand	FY 09	FY 08	Change (%)	Actual Change
		Statewide total	**$665,524,660**	**$641,329,710**	**3.8**	**$24,194,950**
		Top 50	**$373,092,649**	**$361,216,521**	**3.3**	**$11,876,128**
		All others	**$292,432,011**	**$280,113,189**	**4.4**	**$12,318,822**
1	1	Jack Daniel's 7 Black Tennessee Whiskey	$22,823,023	$22,347,667	2.1	$475,356
2	2	Grey Goose Vodka Imported	$19,439,729	$19,974,241	(2.7)	($534,512)
3	3	Jim Beam Straight Bourbon Whiskey	$18,733,316	$18,271,801	2.5	$461,516
4	4	Crown Royal Canadian Whisky	$18,255,947	$17,963,627	1.6	$292,319
5	5	Absolut Vodka Imported	$15,199,324	$15,581,845	(2.5)	($382,521)
6	6	Bacardi Superior Rum Domestic	$14,321,017	$14,355,566	(0.2)	($34,549)
7	10	Aristocrat Vodka Domestic	$14,016,161	$13,291,224	5.5	$724,936
8	9	Captain Morgan's Spiced Rum Imported	$13,747,871	$13,308,284	3.3	$439,587
9	7	Jagermeister Cordials-Liqueurs-Specialties Imported	$13,740,667	$14,163,861	(3.0)	($423,193)
10	8	Jose Cuervo Especial Gold Tequila	$13,431,051	$13,687,124	(1.9)	($256,073)
11	11	Hennessy VS Cognac\Armagnac	$12,232,087	$12,344,024	(0.9)	($111,936)
12	12	Seagram's Extra Dry Gin Domestic	$10,566,391	$10,627,089	(0.6)	($60,698)
13	14	Patron Silver Tequila White	$10,006,152	$8,902,302	12.4	$1,103,850
14	13	Smirnoff 80 Vodka Domestic	$9,862,022	$9,555,372	3.2	$306,650
15	16	Smirnoff 80 PET Vodka Domestic	$8,747,888	$7,142,801	22.5	$1,605,087
16	33	Pinnacle Vodka Imported	$8,171,358	$4,172,136	95.9	$3,999,222
17	15	Bowman's Virginia Vodka Domestic	$7,772,746	$8,158,822	(4.7)	($386,076)
18	18	Skyy Vodka Domestic	$7,108,989	$6,811,705	4.4	$297,283
19	20	Maker's Mark Straight Bourbon Whiskey	$7,104,365	$6,331,424	12.2	$772,940
20	17	Tanqueray Gin Imported	$6,628,953	$7,076,284	(6.3)	($447,331)
21	19	Canadian Mist Canadian Whisky	$6,527,519	$6,557,040	(0.5)	($29,521)
22	21	Grand Marnier Cordon Rouge Cordials Imported	$5,776,852	$6,307,174	(8.4)	($530,322)
23	24	Bailey's Original Irish Cream Cordials Imported	$5,114,543	$5,205,849	(1.8)	($91,306)
24	27	Ketel One Vodka Imported	$5,004,137	$4,821,027	3.8	$183,111
25	22	Dewar's White Label Scotch Whiskey	$4,993,675	$5,249,964	(4.9)	($256,288)
26	26	Early Times Domestic Whiskey	$4,945,435	$4,840,171	2.2	$105,264
27	28	E & J VS Brandy Grape	$4,916,239	$4,809,215	2.2	$107,024
28	25	Stolichnaya Vodka Imported	$4,808,335	$5,159,694	(6.8)	($351,359)
29	30	Burnett's Vodka Domestic	$4,795,277	$4,377,852	9.5	$417,425
30	23	Paul Masson Grande Amber VS Brandy Grape	$4,760,645	$5,218,784	(8.8)	($458,139)
31	29	Southern Comfort Cordials Domestic	$4,451,714	$4,617,797	(3.6)	($166,083)
32	36	Evan Williams Black Straight Bourbon Whiskey	$4,391,617	$3,943,162	11.4	$448,455
33	34	Malibu Coconut Rum Imported	$4,309,852	$4,167,940	3.4	$141,912
34	32	Wild Turkey 101 Straight Bourbon Whiskey	$4,276,895	$4,192,057	2.0	$84,838
35	35	Johnnie Walker Black Scotch Whiskey	$4,231,873	$4,115,744	2.8	$116,130
36	31	Kahlua Coffee Cordials Imported	$4,025,026	$4,253,143	(5.4)	($228,117)
37	37	Seagram's 7 Crown Blended Whiskey	$3,969,913	$3,915,640	1.4	$54,273
38	39	Bacardi Gold Rum Domestic	$3,756,513	$3,717,271	1.1	$39,242
39	38	Bombay Sapphire Gin Imported	$3,707,345	$3,765,929	(1.6)	($58,585)
40	41	E & J VSOP Brandy Grape	$3,511,555	$3,252,576	8.0	$258,979
41	40	Courvoisier VS Cognac\Armagnac	$3,385,785	$3,326,860	1.8	$58,926
42	49	Jameson Irish Whiskey	$3,247,135	$2,709,001	19.9	$538,135
43	43	Johnnie Walker Red Scotch Whiskey	$3,001,227	$2,926,959	2.5	$74,268
44	42	Absolut Citron Vodka Flavored	$2,920,671	$2,985,217	(2.2)	($64,547)
45	44	Aristocrat White Domestic Rum	$2,865,613	$2,744,757	4.4	$120,855
46	53	Evan Williams Green Straight Bourbon Whiskey	$2,829,532	$2,346,960	20.6	$482,572
47	48	Henry McKenna Straight Bourbon Whiskey	$2,793,430	$2,629,303	6.2	$164,126
48	100	Firefly Sweet Tea Vodka Flavored	$2,706,024	$0		$2,706,024
49	56	Barton Domestic Gin	$2,623,266	$2,255,276	16.3	$367,990
50	46	Chivas Regal Scotch Whiskey	$2,535,950	$2,736,962	(7.3)	($201,011)

A Message from the Chair and Chief Operating & Financial Officers

We are pleased to present the Fiscal Year 2009 Annual Report for the Virginia Department of Alcoholic Beverage Control (ABC). These facts and figures represent an eleventh record-breaking year for retail sales by our agency. In Fiscal Year 2009, additional revenue was generated by the opening of three new stores. Also in Fiscal Year 2009, ABC operations returned record profits to the Commonwealth of Virginia. The agency has contributed more than $1.5 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. ■

Chair Susan R. Swecker (center), with Chief Operating Officer W. Curtis Coleburn (left) and Chief Financial Officer J. Craig Vanderland

Financial Results in Brief, Fiscal Year 2009 (Pre-Audit)

Revenue Source	FY 09
ABC profit transfers (1)	$ 111,822,139
State taxes (2)	109,642,969
General sales tax (3)	26,224,280
Wine liter tax (4)	30,050,875
Malt beverage tax (5)	44,582,722
Total	**$ 322,322,985**

(1) *Source:* "Statement of Revenues, Expenses and Changes in Net Assets" (p. 32). 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. Receipts" (p. 36). 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. Collections" (p. 37). General sales tax rate is 5 percent.
(4) *Source:* "Notes to Financial Statements 4.B. Receipts" (p. 36). The non-ABC portion of the wine liter tax = $.40 per liter. $9,886,363 of the wine liter tax is transferred to the Virginia Department of Mental Health, Mental Retardation, and Substance Abuse Services (now Department of Behavioral Health and Developmental Services).
(5) *Source:* "Notes to Financial Statements 9. Collected" (p. 39).

Sales of All Beverages, Fiscal Year 2009 (Pre-Audit)

Product	Gallons (1)	Liters	Total Gallons (%)	Gross Dollars	Gross Sales (%)
STATE STORE SALES					
Distilled spirits	9,139,543	34,596,919	95.9%	$658,228,945	98.9%
Virginia wine	29,078	110,072	0.3%	$1,522,550	0.2%
Vermouth	39,139	148,157	0.4%	$1,353,039	0.2%
Miscellaneous mixers	3,904	14,780	0.0%	$82,456	0.0%
Alcohol	124	469	0.0%	$9,081	0.0%
Nonalcoholic mixers	325,117	1,230,701	3.4%	$4,366,632	0.7%
Total	**9,533,001**	**36,086,319**	**100.0%**	**$665,480,247**	**100.0%**
DIRECT SALES FROM WHOLESALERS					
Wines ($0.40 liter) (2)	20,981,264	79,422,686	11.6%	$30,050,875	40.3%
Beer ($7.95 barrel) (3)	160,200,584	606,424,893	88.4%	$44,582,722	59.7%
Total	**181,181,848**	**685,847,578**	**100.0%**	**$74,633,597**	**100.0%**

(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 2009 (Pre-Audit)" (this page).
Source: Policy Analysis and Support Services (PASS)

Comparison of Products Sold / Market Share, Fiscal Year 2009 vs. Fiscal Year 2008

Products	Cases Sold FY 09	Cases Sold FY 08	Market Share (%) FY 09	Market Share (%) FY 08	Change (%)
Vodka	1,125,096	966,393	29.9	26.8	16.4%
Domestic	655,784	611,207	17.4	16.9	7.3%
Imported	295,702	236,843	7.9	6.6	24.9%
Flavored	173,610	118,343	4.6	3.3	46.7%
Rum	398,904	397,826	10.6	11.0	0.3%
Domestic	253,481	345,427	6.7	9.6	(26.6%)
Imported	145,423	52,398	3.9	1.5	177.5%
Cordials	385,511	383,833	10.3	10.6	0.4%
Imported	208,697	215,448	5.5	6.0	(3.1%)
Domestic	176,814	168,385	4.7	4.7	5.0%
Straight bourbon whiskey	357,966	354,298	9.5	9.8	1.0%
Gin	252,982	255,097	6.7	7.1	(0.8%)
Domestic	187,992	188,317	5.0	5.2	(0.2%)
Imported	52,125	56,327	1.4	1.6	(7.5%)
Flavored	12,033	9,519	0.3	0.3	26.4%
Sloe	833	934	0.0	0.0	(10.9%)
Tequila	175,651	167,567	4.7	4.6	4.8%
Canadian whisky	173,198	172,181	4.6	4.8	0.6%
Brandy	145,523	151,642	3.9	4.2	(4.0%)
Grape	124,584	130,912	3.3	3.6	(4.8%)
Imported	9,814	9,813	0.3	0.3	0.0%
Blackberry	2,755	2,710	0.1	0.1	1.7%
Apricot	2,424	2,514	0.1	0.1	(3.6%)
Peach	2,293	2,440	0.1	0.1	(6.0%)
Apple	1,094	1,082	0.0	0.0	1.1%
Flavored	1,459	995	0.0	0.0	46.6%
Cherry	1,080	1,176	0.0	0.0	(8.1%)
Fruit	20	0	0.0	0.0	—
Scotch whiskey	137,725	144,002	3.7	4.0	(4.4%)
Tennessee whiskey	98,355	97,602	2.6	2.7	0.8%
Cognac\Armagnac	77,933	77,455	2.1	2.1	0.6%
Cocktails	84,066	79,443	2.2	2.2	5.8%
Domestic	78,730	71,368	2.1	2.0	10.3%
Imported	5,336	8,075	0.1	0.2	(33.9%)
Blended whiskey	95,290	76,573	2.5	2.1	24.4%
Specialty bottles	26,189	64,251	0.7	1.8	(59.2%)
Imported	20,027	49,970	0.5	1.4	(59.9%)
Domestic	6,162	14,280	0.2	0.4	(56.8%)
Domestic whiskey	43,452	40,279	1.2	1.1	7.9%
Irish whiskey	17,852	14,030	0.5	0.4	27.2%
Egg nog	3,966	10,970	0.1	0.3	(63.8%)
Corn whiskey	4,168	3,212	0.1	0.1	29.8%
Bottled in bond	532	1,581	0.0	0.0	(66.3%)
Miscellaneous mixers	0	1,401	0.0	0.0	(100.0%)
Rock & rye	1,393	1,341	0.0	0.0	3.9%
Straight rye whiskey	1,385	695	0.0	0.0	99.2%
Alcohol	46	52	0.0	0.0	(11.5%)
Vermouth	15,963	16,765	0.4	0.5	(4.8%)
Imported	8,169	9,936	0.2	0.3	(17.8%)
Domestic	7,794	6,828	0.2	0.2	14.1%
Virginia wine	12,262	5,561	0.3	0.2	120.5%
Nonalcoholic mixers	113,845	111,552	3.0	3.1	2.1%
Nonbeverage item	11,669	10,847	0.3	0.3	7.6%
Statewide totals*	**3,760,921**	**3,606,462**	**100.0**	**100.0**	**4.3%**

* Excludes miscellaneous records and confiscated items.
Source: Wholesale/Retail Operations

Analysis of Store Performance, Fiscal Year 2009

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		**9,532,869**	**665,479,479**	**109,746,330**	**555,733,149**	**322,660,179**	**233,072,971**	**80,126,429**	**152,946,542**	**41,543,486**	**111,403,056**	**33.2%**
137 692 Hwy. 58, E.	Norton City	22,444	1,500,526	247,355	1,253,171	726,650	526,521	181,219	345,302	93,680	251,622	33.3%
194 16427-E Wise St.	Wise Co.	8,548	556,764	92,229	464,535	268,729	195,806	53,890	141,916	34,726	107,190	35.8%
206 18 E. 4th St., N.	Wise Co.	11,874	722,497	119,748	602,749	349,776	252,973	101,258	151,715	45,058	106,657	31.3%
218 Main St., Rt. 23, S.	Scott Co.	9,095	512,210	84,552	427,658	247,471	180,187	116,828	63,359	31,969	31,389	22.6%
Far Southwest		**51,961**	**3,291,997**	**543,884**	**2,748,113**	**1,592,626**	**1,155,487**	**453,196**	**702,291**	**205,433**	**496,858**	**31.6%**
87 4027 College Ave.	Tazewell Co.	15,455	1,034,492	170,881	863,611	501,324	362,287	180,616	181,671	64,559	117,112	27.8%
174 One Plaza Dr.	Buchanan Co.	8,769	586,528	96,936	489,593	284,707	204,886	104,363	100,523	36,599	63,923	27.4%
197 12686 Gov. G. C. Perry Hwy.	Tazewell Co.	18,357	1,141,978	188,221	953,757	553,490	400,267	140,050	260,217	71,298	188,920	33.0%
230 722 E. Riverside	Tazewell Co.	8,610	529,413	87,457	441,957	256,569	185,388	78,657	106,732	33,038	73,693	30.4%
365 Food City Shp. Ctr.	Dickenson Co.	7,209	450,611	74,508	376,103	217,548	158,555	137,516	21,039	28,115	(7,077)	15.0%
Southwest		**58,400**	**3,743,023**	**618,002**	**3,125,021**	**1,813,638**	**1,311,383**	**641,202**	**670,181**	**233,609**	**436,572**	**28.2%**
58 3002 Lee Hwy.	Bristol City	25,941	1,746,736	288,115	1,458,620	848,463	610,158	199,150	411,007	109,038	301,969	33.8%
96 974 E. Stuart Dr.	Galax City	21,190	1,204,928	198,464	1,006,464	584,962	421,501	151,059	270,443	75,238	195,205	32.7%
135 1173 N. Main St.	Smyth Co.	23,945	1,385,138	229,283	1,155,855	671,908	483,947	172,935	311,012	86,405	224,607	32.8%
141 441 W. Stuart Dr.	Carroll Co.	15,142	834,420	136,625	697,796	405,519	292,277	122,271	170,005	52,163	117,842	30.5%
153 325 W. Main St.	Wythe Co.	23,628	1,464,121	240,971	1,223,150	709,699	513,450	128,768	384,682	91,436	293,246	36.5%
201 545 W. Main St.	Washington Co.	37,767	2,422,177	399,559	2,022,618	1,175,762	846,856	207,668	639,188	151,200	487,988	36.6%
343 2123 Euclid Ave.	Bristol City	23,424	1,403,563	231,463	1,172,100	680,764	491,335	163,900	327,435	87,620	239,816	33.6%
Wytheville/Hillsville		**171,036**	**10,461,083**	**1,724,481**	**8,736,602**	**5,077,078**	**3,659,523**	**1,145,751**	**2,513,773**	**653,099**	**1,860,674**	**34.3%**
67 290 Peppers Ferry Rd.	Montgomery Co.	30,342	2,022,476	333,419	1,689,058	981,683	707,375	251,221	456,153	126,264	329,889	32.8%
195 100 N. Franklin St.	Montgomery Co.	25,650	1,536,114	253,923	1,282,191	744,586	537,605	225,507	312,099	95,849	216,249	30.6%
199 3745 Virginia Ave.	Giles Co.	14,548	786,541	129,756	656,785	381,405	275,380	135,930	139,450	49,098	90,352	28.0%
327 1332 S. Main St.	Montgomery Co.	75,401	4,868,081	805,366	4,062,716	2,363,817	1,698,899	390,769	1,308,130	303,706	1,004,424	37.2%
345 1072 Memorial Square Dr.	Pulaski Co.	20,410	1,148,981	190,115	958,866	556,436	402,430	156,240	246,190	71,679	174,510	31.7%
356 97 Walker St.	Radford City	41,429	2,415,852	399,490	2,016,362	1,171,328	845,033	237,524	607,509	150,732	456,777	35.4%
Radford/Blacksburg		**207,780**	**12,778,045**	**2,112,068**	**10,665,977**	**6,199,255**	**4,466,722**	**1,397,192**	**3,069,530**	**797,328**	**2,272,202**	**34.3%**
115 1423 Williamson Rd., N.E.	Roanoke City	57,693	4,044,398	668,116	3,376,282	1,959,102	1,417,180	256,462	1,160,718	252,392	908,326	39.0%
123 531 Main St.	Clifton Forge City	6,795	405,457	66,934	338,524	196,429	142,094	106,223	35,871	25,306	10,565	19.1%
124 123 W. Main St.	Covington City	14,044	855,265	141,816	713,449	414,108	299,340	126,911	172,430	53,333	119,096	30.5%
186 1483 W. Main St.	Salem City	44,138	2,682,716	442,771	2,239,946	1,300,215	939,730	236,660	703,070	167,446	535,624	36.5%
229 3434 Orange Ave., N.E.	Roanoke City	16,731	1,026,127	169,648	856,479	497,659	358,820	154,579	204,241	64,026	140,215	30.2%
259 1398 Towne Square Blvd.	Roanoke City	44,288	2,823,948	464,706	2,359,242	1,370,883	988,359	275,325	713,034	176,364	536,670	35.5%
269 602 Brandon Ave., S.W.	Roanoke City	60,146	3,944,239	648,790	3,295,449	1,917,853	1,377,596	469,383	908,212	246,349	661,863	33.2%
289 3341 Melrose Ave., N.W.	Roanoke City	31,393	2,065,449	342,659	1,722,790	997,385	725,404	209,492	515,913	128,786	387,127	35.3%
309 3901 Brambleton Ave., S.W.	Roanoke Co.	55,783	3,477,766	572,037	2,905,729	1,689,473	1,216,256	315,046	901,210	217,216	683,994	36.1%
337 1113 Vinyard Rd.	Roanoke Co.	31,870	1,834,338	302,871	1,531,468	889,212	642,255	183,827	458,428	114,484	343,944	35.3%
364 56 Kingston Dr.	Botetourt Co.	23,086	1,451,125	238,683	1,212,442	704,226	508,216	180,185	328,031	90,635	237,395	32.8%
Roanoke		**385,965**	**24,610,829**	**4,059,031**	**20,551,798**	**11,936,548**	**8,615,251**	**2,514,093**	**6,101,158**	**1,536,337**	**4,564,821**	**35.0%**
57 1028 Richmond Ave.	Staunton City	15,252	1,001,711	165,506	836,205	486,447	349,758	251,104	98,654	62,510	36,144	20.1%
68 1739 S. High St.	Harrisonburg City	4,844	286,514	47,136	239,378	138,390	100,988	135,016	(34,028)	17,895	(51,923)	(1.7%)
113 39 1/2 E. Main St.	Bath Co.	6,749	513,042	84,999	428,042	250,743	177,299	119,889	57,410	31,998	25,412	21.5%
122 201 State St.	Staunton City	21,104	1,394,514	229,971	1,164,543	676,517	488,026	158,443	329,583	87,055	242,529	33.9%
140 445 E. Nelson St.	Lexington City	40,145	2,494,603	410,311	2,084,292	1,211,675	872,617	300,820	571,797	155,810	415,987	33.1%

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 2009

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	42,564	2,583,416	427,520	2,155,897	1,251,774	904,122	213,609	690,513	161,163	529,351	37.0%
147 Water St.111	Highland Co.	2,279	132,359	21,154	111,205	64,705	46,501	48,896	(2,396)	8,313	(10,709)	7.9%
184 2035 E. Market St.	Rockingham Co.	73,540	4,804,899	790,410	4,014,489	2,332,416	1,682,073	370,921	1,311,152	300,101	1,011,051	37.5%
302 132 Lee Jackson Hwy.	Staunton City	24,250	1,499,917	246,202	1,253,715	728,119	525,596	213,403	312,193	93,721	218,472	31.0%
338 125 Lucy Ln.	Waynesboro City	49,391	3,124,885	514,656	2,610,229	1,515,668	1,094,561	302,020	792,542	195,126	597,415	35.6%
339 Augusta Plz., Rt. 612	Augusta Co.	16,142	990,721	163,933	826,788	479,895	346,893	137,012	209,881	61,806	148,075	31.5%
Staunton/Waynesboro		**296,260**	**18,826,580**	**3,101,797**	**15,724,783**	**9,136,349**	**6,588,435**	**2,251,134**	**4,337,301**	**1,175,496**	**3,161,804**	**33.3%**
47 380 Gateway Dr.	Winchester City	20,139	1,368,574	224,836	1,143,737	663,656	480,082	217,572	262,510	85,499	177,011	29.4%
52 786 Shopping Center Rd.	Shenandoah Co.	13,948	873,650	144,288	729,362	423,192	306,170	127,048	179,122	54,523	124,599	30.8%
56 182 Delco Plz.	Frederick Co.	24,507	1,702,834	279,295	1,423,539	826,283	597,256	200,057	397,199	106,416	290,783	33.5%
75 226 Elizabeth Dr.	Stephens City	18,314	1,194,667	197,571	997,096	577,731	419,365	161,224	258,140	74,537	183,603	31.9%
139 235 Sunnyside Cir.	Frederick Co.	32,311	2,127,477	350,067	1,777,410	1,032,317	745,093	205,025	540,069	132,869	407,199	35.6%
142 411-F South St.	Warren Co.	41,947	2,736,452	450,544	2,285,908	1,326,931	958,978	314,899	644,079	170,882	473,197	33.8%
167 21 Crowe St.	Clarke Co.	11,907	782,721	128,968	653,753	378,493	275,260	146,876	128,384	48,871	79,513	26.6%
173 14817 Spotswood Trail	Page Co.	13,707	854,471	140,774	713,696	415,199	298,498	123,594	174,903	53,352	121,551	30.7%
193 1412 W. 211 Bypass	Page Co.	18,370	1,108,210	182,273	925,937	538,307	387,631	139,256	248,375	69,218	179,157	32.6%
261 2218 Valley Ave.	Winchester City	33,278	2,225,050	366,898	1,858,152	1,079,345	778,806	208,328	570,478	138,905	431,573	35.9%
293 5814 Main St.	Shenandoah Co.	12,762	763,722	126,316	637,405	370,436	266,969	49,691	217,278	47,649	169,629	38.8%
318 462 N. Main St.	Shenandoah Co.	15,215	885,315	146,109	739,206	428,870	310,336	120,780	189,555	55,259	134,297	31.7%
Winchester/Front Royal		**256,407**	**16,623,142**	**2,737,940**	**13,885,202**	**8,060,758**	**5,824,443**	**2,014,350**	**3,810,093**	**1,037,980**	**2,772,113**	**33.1%**
33 12631 Galveston Court	Prince William Co.	16,058	1,201,150	198,097	1,003,053	582,638	420,415	281,576	138,839	74,983	63,856	21.8%
39 10410 Bristow Center Dr.	Prince William Co.	20,807	1,533,670	251,643	1,282,027	745,029	536,998	269,504	267,494	95,837	171,657	27.6%
40 Dulles Retail Plz.	Loudoun Co.	10,138	870,019	143,086	726,933	422,234	304,699	287,112	17,586	54,341	(36,755)	12.2%
41 2315 Woodland Crossing	Fairfax Co.	9,633	808,102	133,154	674,949	391,348	283,601	320,914	(37,313)	50,455	(87,769)	5.6%
42 7702 Richmond Hwy.	Alexandria City	23,018	1,712,224	282,415	1,429,808	828,331	601,478	308,139	293,338	106,884	186,454	27.4%
45 8428 Old Keene Mill Rd.	Fairfax Co.	18,022	1,307,934	215,735	1,092,200	633,121	459,078	220,355	238,724	81,647	157,077	28.5%
49 881 N. Quincy St.	Arlington Co.	35,924	2,927,241	476,635	2,450,606	1,422,085	1,028,521	354,046	674,475	183,194	491,282	33.1%
54 42015 Village Center Plz.	Loudoun Co.	19,698	1,639,959	270,123	1,369,836	796,798	573,038	287,613	285,425	102,401	183,024	27.6%
55 9528 Liberia Ave.	Manassas City	29,410	2,208,279	363,456	1,844,823	1,071,527	773,296	288,909	484,387	137,909	346,479	32.1%
61 22330 Sterling Blvd.	Loudoun Co.	23,999	1,822,588	300,471	1,522,117	884,101	638,017	290,006	348,010	113,785	234,225	29.3%
63 8951 Ox Rd.	Fairfax Co.	14,847	1,141,418	187,991	953,427	554,802	398,626	248,999	149,627	71,273	78,354	23.3%
73 43150 Broadlands Shp. Ctr. Plz.	Loudoun Co.	23,314	1,951,656	319,783	1,631,874	947,934	683,940	297,740	386,200	121,990	264,210	29.9%
76 1212 W. Broad St.	Falls Church City	22,499	1,787,892	293,549	1,494,342	868,881	625,461	341,978	283,484	111,709	171,775	26.0%
78 5331 Merchants View Square	Prince William Co.	16,639	1,272,775	209,312	1,063,463	618,301	445,162	235,790	209,373	79,499	129,874	26.6%
80 6206 Little River Tnpk.	Alexandria City	27,719	2,209,618	363,454	1,846,163	1,067,606	778,558	313,894	464,664	138,009	326,655	31.2%
81 6230-J N. King's Hwy.	Alexandria City	26,513	2,048,392	337,301	1,711,091	992,709	718,382	209,764	508,618	127,912	380,707	35.1%
82 46930 Cedar Lakes Plz.	Fairfax Co.	42,376	3,380,687	553,373	2,827,315	1,639,484	1,187,831	321,273	866,558	211,354	655,203	35.7%
83 7263 Arlington Blvd.	Fairfax Co.	16,055	1,251,616	206,000	1,045,616	607,387	438,229	269,527	168,703	78,164	90,538	23.7%
84 13053 E. Jackson Hwy.	Fairfax Co.	22,029	1,695,388	278,698	1,416,690	823,893	592,796	262,170	330,627	105,904	224,723	29.7%
85 2928 Chain Bridge Rd.	Fairfax Co.	26,777	2,085,072	341,744	1,743,328	1,011,867	731,461	324,076	407,385	130,321	277,064	29.7%
90 12965 Fair Lakes Shp. Ctr.	Fairfax Co.	29,335	2,373,988	387,437	1,986,551	1,153,897	832,654	353,068	479,586	148,503	331,083	30.3%
93 6124 Rose Hill Dr.	Fairfax Co.	15,599	1,164,901	191,668	973,233	566,253	406,980	217,667	189,313	72,753	116,560	26.5%
99 601 Post Dr.	Herndon City	28,684	2,329,059	384,717	1,944,342	1,130,865	813,477	372,292	441,185	145,348	295,837	29.2%
109 1731 Wilson Blvd.	Arlington Co.	28,058	2,360,260	385,849	1,974,410	1,148,955	825,455	321,022	504,433	147,596	356,837	31.5%
111 5722 Union Mill Rd.	Fairfax Co.	27,363	2,162,261	356,182	1,806,079	1,047,233	758,846	314,723	444,123	135,012	309,111	30.8%
119 901 N. St. Asaph St.	Alexandria City	48,797	4,079,983	672,927	3,407,057	1,978,808	1,428,248	328,414	1,099,834	254,692	845,142	37.2%
120 5926 Kingstowne Ctr.	Fairfax Co.	36,189	3,057,964	500,855	2,557,109	1,487,109	1,070,000	343,884	726,116	191,155	534,960	33.9%

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 2009

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.	14,518	1,123,765	185,073	938,692	545,747	392,945	244,180	148,765	70,171	78,594	23.5%
131 Bradlick Shp. Ctr.	Fairfax Co.	19,591	1,480,159	244,493	1,235,666	715,315	520,352	252,828	267,523	92,371	175,152	28.4%
133 9130 Mathis Ave.	Manassas City	35,248	2,576,934	425,389	2,151,545	1,250,905	900,640	347,293	553,348	160,837	392,510	31.7%
136 18 Fairfax St., SE	Loudoun Co.	33,357	2,500,862	412,479	2,088,382	1,215,121	873,261	308,459	564,802	156,116	408,686	32.8%
166 210 Fort Evans Rd.	Loudoun Co.	38,038	3,069,899	505,349	2,564,550	1,492,571	1,071,979	302,679	769,301	191,711	577,589	35.3%
168 1001 N. Fillmore St.	Arlington Co.	23,475	1,924,236	315,127	1,609,109	933,315	675,794	284,760	391,034	120,288	270,746	30.4%
170 1238 Elden St.	Fairfax Co.	31,056	2,468,873	408,360	2,060,514	1,197,564	862,949	331,150	531,799	154,032	377,767	31.8%
181 106 Washington St.	Loudoun Co.	8,465	692,017	113,356	578,661	336,430	242,232	110,490	131,741	43,257	88,484	29.2%
203 3678 King St.	Alexandria City	34,121	2,737,043	451,799	2,285,245	1,326,514	958,731	374,245	584,486	170,832	413,654	31.6%
208 44110 Ashburn Village Shp. Ctr.	Loudoun Co.	21,487	1,729,248	284,639	1,444,609	841,540	603,069	288,608	314,461	107,991	206,470	28.4%
210 11160 S. Lakes Dr.	Fairfax Co.	23,921	2,050,907	336,761	1,714,146	993,875	720,271	261,319	458,952	128,140	330,812	32.6%
212 167 Hillwood Ave.	Falls Church City	13,621	964,569	158,626	805,943	468,337	337,606	258,095	79,511	60,248	19,264	18.4%
215 320 23rd St., S	Arlington Co.	20,202	1,737,936	286,051	1,451,885	842,394	609,491	287,356	322,135	108,535	213,600	28.7%
219 8338 Leesburg Pike	Fairfax Co.	81,305	8,103,077	1,336,796	6,766,281	3,931,753	2,834,527	1,094,405	1,740,123	505,809	1,234,313	31.7%
224 13944 Lee Jackson Hwy.	Fairfax Co.	39,987	3,244,174	533,827	2,710,347	1,579,613	1,130,734	415,221	715,513	202,610	512,902	32.3%
228 1524 Belle View Blvd.	Fairfax Co.	31,366	2,468,213	401,931	2,066,282	1,201,698	864,584	318,838	545,746	154,464	391,282	32.1%
231 436 E. Maple Ave.	Fairfax Co.	33,167	2,523,939	412,084	2,111,854	1,229,528	882,326	454,129	428,197	157,870	270,326	27.0%
234 9574 Old Keene Mill Rd.	Fairfax Co.	23,251	1,682,932	277,452	1,405,480	815,920	589,559	300,387	289,173	105,066	184,107	27.4%
235 8628 Richmond Hwy.	Fairfax Co.	28,368	2,238,929	369,474	1,869,455	1,086,384	783,071	411,942	371,129	139,750	231,379	26.8%
236 7200 Little River Tnpk., E.	Fairfax Co.	36,144	2,557,462	421,484	2,135,979	1,231,373	904,606	265,673	638,933	159,674	479,259	35.2%
241 11260 James Swart Cir.	Fairfax City	43,585	3,529,025	576,978	2,952,047	1,710,274	1,241,773	397,217	844,556	220,678	623,878	34.0%
248 4709 Lee Hwy.	Arlington Co.	32,135	2,435,676	399,004	2,036,672	1,184,794	851,878	288,463	563,415	152,250	411,165	33.3%
260 6198 Arlington Blvd.	Fairfax Co.	21,758	1,706,014	280,768	1,425,246	825,493	599,754	288,697	311,057	106,543	204,514	28.4%
264 16661 Rivers Ridge Blvd.	Prince William Co.	24,476	1,872,824	309,190	1,563,634	906,035	657,598	250,977	406,621	116,888	289,732	32.0%
267 1446 Chain Bridge Rd.	Fairfax Co.	44,919	3,784,211	620,983	3,163,228	1,838,993	1,324,235	402,014	922,221	236,465	685,756	34.5%
268 6400 Springfield Plaza	Fairfax Co.	46,028	3,536,662	583,268	2,953,393	1,715,034	1,238,359	400,973	837,387	220,779	616,607	33.9%
271 13586 Jefferson Davis Hwy.	Prince William Co.	47,867	3,680,055	608,724	3,071,331	1,786,252	1,285,079	379,902	905,177	229,595	675,582	34.9%
273 9421 Lorton Market St.	Fairfax Co.	20,670	1,604,397	264,651	1,339,746	777,636	562,110	255,651	306,459	100,152	206,307	29.4%
286 7555 New Linton Hall Rd.	Prince William Co.	40,976	3,148,448	518,775	2,629,673	1,533,945	1,095,727	297,392	798,335	196,580	601,756	35.6%
294 3556-E S. Jefferson St.	Fairfax Co.	44,761	3,685,256	603,827	3,081,429	1,787,454	1,293,975	504,660	789,315	230,350	558,964	31.6%
295 8095 Sudley Rd.	Prince William Co.	56,868	4,295,554	708,734	3,586,820	2,082,043	1,504,777	550,856	953,921	268,131	685,791	32.5%
296 8966 Burke Lake Rd.	Fairfax Co.	22,804	1,598,641	263,488	1,335,153	774,610	560,542	301,357	259,185	99,808	159,377	26.5%
297 4607 Duke St.	Alexandria City	25,993	2,071,403	341,912	1,729,491	1,002,310	727,181	339,225	387,956	129,287	258,669	29.0%
301 4292 Merchants Plz.	Prince William Co.	43,666	3,335,394	548,603	2,786,791	1,617,279	1,169,512	402,350	767,162	208,325	558,837	33.2%
316 4108 Fortuna Village Ctr.	Prince William Co.	25,320	1,926,107	316,752	1,609,355	935,586	673,769	329,613	344,156	120,306	223,850	28.1%
317 9512 Main St.	Fairfax City	26,713	2,003,717	328,698	1,675,019	971,449	703,570	337,748	365,822	125,215	240,608	28.4%
319 2435 N. Hamilton St.	Arlington Co.	21,815	1,728,513	284,407	1,444,106	836,590	607,516	324,177	283,339	107,953	175,385	26.6%
322 14151 Germain Dr.	Fairfax Co.	47,676	3,607,614	595,559	3,012,055	1,743,688	1,268,367	486,649	781,718	225,164	556,554	31.9%
323 609-O E. Main St.	Loudoun Co.	25,629	1,919,458	316,404	1,603,053	929,830	673,224	260,455	412,768	119,835	292,933	31.7%
346 8105 Lee Hwy.	Fairfax Co.	32,407	2,508,908	412,133	2,096,776	1,216,483	880,292	306,758	573,534	156,743	416,791	33.0%
352 2555 John Milton Dr.	Fairfax Co.	21,970	1,674,876	275,629	1,399,247	812,850	586,397	225,324	361,074	104,600	256,474	31.8%
353 4255 Cheshire Plaza	Prince William Co.	54,174	4,113,422	678,438	3,434,983	1,994,416	1,440,567	514,188	926,379	256,780	669,599	32.8%
357 1454 North Pt. Village Shp. Ctr.	Fairfax Co.	37,336	3,220,644	528,902	2,691,742	1,563,974	1,127,768	360,522	767,246	201,219	566,026	34.0%
358 2201 N. Pershing Dr.	Arlington Co.	75,818	6,756,931	1,120,875	5,636,056	3,276,755	2,359,301	472,237	1,887,064	421,320	1,465,744	38.3%
362 100 Edds Ln.	Loudoun Co.	31,751	2,479,407	406,418	2,072,989	1,179,633	893,356	312,510	580,846	154,965	425,881	33.6%
367 20070 Ashbrook Commons Plz.	Loudoun Co.	16,033	1,348,359	222,253	1,126,106	654,747	471,359	294,256	177,103	84,181	92,922	23.4%
368 10308 Willard Way	Fairfax Co.	28,127	2,030,537	335,384	1,695,153	986,763	708,391	303,930	404,461	126,720	277,740	30.2%
369 6343-A Columbia Pike	Falls Church City	26,192	1,904,098	314,336	1,589,762	917,030	672,732	279,741	392,991	118,842	274,149	30.9%
371 5739 Burke Centre Pkwy.	Fairfax Co.	27,287	2,004,260	329,803	1,674,458	973,129	701,329	243,940	457,389	125,173	332,216	33.0%

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(continued)

ANALYSIS OF STORE PERFORMANCE, FISCAL YEAR 2009

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)
372 3161 Duke St.	Alexandria City	23,494	1,917,957	316,827	1,601,129	931,139	669,990	272,837	397,153	119,691	277,462	31.0%
374 2955-A S. Glebe Rd.	Arlington Co.	44,113	3,485,051	575,134	2,909,918	1,688,532	1,221,385	347,092	874,293	217,529	656,764	35.3%
Northern Virginia		**2,332,546**	**185,172,688**	**30,473,059**	**154,699,629**	**89,813,840**	**64,885,789**	**25,628,223**	**39,257,566**	**11,564,474**	**27,693,092**	**31.4%**
37 15149 Montanus Dr.	Culpeper Co.	20,045	1,393,781	229,550	1,164,231	676,677	487,554	216,235	271,320	87,031	184,288	29.7%
51 265 Turkey Sag Trail	Fluvanna Co.	16,190	1,043,679	171,127	872,552	507,491	365,062	131,674	233,388	65,227	168,160	32.5%
66 11083-E Marsh Rd.	Fauquier Co.	18,152	1,198,911	197,675	1,001,236	582,676	418,561	208,923	209,638	74,847	134,791	27.7%
72 5309-A Lyndon Dr.	Orange Co.	24,760	1,555,800	255,750	1,300,049	755,809	544,241	170,328	373,913	97,184	276,728	34.2%
88 4199-B Winchester Rd.	Fauquier Co.	13,688	937,201	154,763	782,439	455,121	327,318	136,310	191,008	58,491	132,517	30.7%
163 583 N. Madison Rd.	Orange Co.	14,741	904,854	149,684	755,170	437,407	317,763	141,100	176,662	56,452	120,210	29.8%
227 S. Main St.	Orange Co.	8,522	527,665	87,177	440,488	255,325	185,163	98,305	86,858	32,928	53,930	26.7%
274 28 Madison Plaza Dr.	Madison Co.	10,243	632,439	104,080	528,359	306,696	221,663	136,496	85,167	39,497	45,670	23.7%
303 175 Lee Hwy.	Fauquier Co.	56,173	3,963,311	652,369	3,310,942	1,924,575	1,386,367	391,488	994,879	247,507	747,372	35.3%
329 185 Southgate Shp. Ctr.	Culpeper Co.	26,818	1,747,094	287,801	1,459,294	846,529	612,765	242,122	370,643	109,089	261,554	31.4%
	Warrenton/Culpeper	209,332	13,904,734	2,289,974	11,614,761	6,748,305	4,866,456	1,872,980	2,993,475	868,254	2,125,221	31.8%
46 183 Community St.	Charlottesville City	18,323	1,343,358	221,426	1,121,931	651,635	470,296	173,635	296,661	83,869	212,792	32.3%
70 8875 Seminole Trail	Greene Co.	13,406	841,499	138,442	703,057	407,694	295,363	153,237	142,126	52,557	89,570	27.1%
125 304 Pantops Ctr.	Albemarle Co.	37,436	2,541,851	418,918	2,122,932	1,232,499	890,433	251,100	639,333	158,698	480,635	35.4%
126 Rt. 151	Nelson Co.	9,075	629,949	102,083	527,866	307,998	219,868	117,835	102,033	39,460	62,573	26.1%
138 Rts 22 & 23	Louisa Co.	25,032	1,461,472	240,694	1,220,778	708,644	512,134	149,193	362,941	91,259	271,683	35.1%
185 500 W. Main St.	Charlottesville City	36,632	2,710,347	448,331	2,262,015	1,311,539	950,476	267,079	683,397	169,096	514,302	35.5%
189 Scottsville Shp. Ctr.	Albemarle Co.	8,503	516,109	85,278	430,830	249,551	181,279	93,408	87,871	32,206	55,664	27.3%
202 1902 Emmet St.	Charlottesville City	55,910	4,320,332	715,278	3,605,055	2,093,432	1,511,623	418,584	1,093,039	269,494	823,545	35.6%
253 1147 Emmet St.	Charlottesville City	53,160	3,746,776	616,216	3,130,560	1,821,432	1,309,128	376,434	932,694	234,023	698,671	35.1%
321 85 Calloway Dr.	Nelson Co.	10,285	617,199	102,037	515,162	298,980	216,182	123,822	92,360	38,511	53,850	25.3%
359 1653 Seminole Trail	Albemarle Co.	29,347	1,999,058	329,051	1,670,007	970,442	699,565	348,170	351,395	124,840	226,555	27.8%
Charlottesville		**297,109**	**20,727,948**	**3,417,755**	**17,310,194**	**10,053,846**	**7,256,348**	**2,472,498**	**4,783,850**	**1,294,013**	**3,489,838**	**33.3%**
117 309 Twelfth St.	Lynchburg City	38,165	2,365,902	392,119	1,973,783	1,142,032	831,751	189,901	641,850	147,549	494,301	37.5%
160 1128 E. Lynchburg Salem Tnpk.	Bedford City	25,312	1,496,167	247,263	1,248,904	724,427	524,477	179,843	344,634	93,361	251,273	33.3%
176 Hwys. 501 & 40, S	Campbell Co.	8,423	481,317	79,851	401,466	231,927	169,539	125,966	43,573	30,011	13,562	19.4%
262 20401 Timberlake Rd.	Campbell Co.	37,624	2,336,060	385,561	1,950,499	1,132,716	817,783	231,368	586,415	145,808	440,607	35.4%
266 2118 Wards Rd.	Lynchburg City	37,612	2,379,718	393,765	1,985,954	1,152,100	833,854	243,793	590,061	148,459	441,602	35.1%
279 18013 Forest Rd.	Bedford Co.	36,897	2,394,828	394,142	2,000,687	1,160,382	840,305	228,641	611,664	149,560	462,104	35.8%
281 4049 S. Amherst Hwy.	Amherst Co.	24,078	1,438,172	237,905	1,200,267	695,065	505,203	191,872	313,331	89,725	223,605	32.1%
285 Ambriar Shp. Ctr.	Amherst Co.	11,220	673,799	111,095	562,703	326,459	236,244	135,039	101,205	42,065	59,141	25.3%
287 Boonsboro Shp. Ctr.	Lynchburg City	20,724	1,387,958	228,823	1,159,134	676,347	482,787	181,019	301,768	86,650	215,117	32.0%
347 1301-I N. Main St.	Campbell Co.	19,236	1,151,787	189,924	961,864	557,065	404,799	158,540	246,259	71,904	174,356	31.6%
354 U.S. Rt. 460, W	Appomattox Co.	15,816	912,747	151,310	761,437	439,969	321,468	146,305	175,163	56,921	118,243	29.5%
Lynchburg		**275,107**	**17,018,456**	**2,811,757**	**14,206,698**	**8,238,487**	**5,968,211**	**2,012,288**	**3,955,923**	**1,062,013**	**2,893,910**	**33.5%**
132 4960 Greenboro Rd.	Henry Co.	16,687	978,759	162,189	816,570	474,091	342,478	136,245	206,233	61,042	145,191	31.4%
146 639 W. Main St.	Danville City	20,570	1,243,527	205,587	1,037,940	601,838	436,103	225,633	210,470	77,591	132,879	27.2%
154 235 N. Union St.	Danville City	12,528	705,448	116,858	588,590	341,590	247,000	114,625	132,375	44,000	88,375	29.1%
191 942 Tanyard Rd.	Franklin Co.	31,740	1,849,891	305,600	1,544,291	895,560	648,730	177,104	471,627	115,442	356,184	35.8%
213 12990 B. T. Washington Hwy.	Franklin Co.	33,348	2,135,266	351,870	1,783,396	1,038,580	744,816	236,271	508,545	133,317	375,229	34.1%
276 221 Nor-Dan Dr.	Danville City	26,937	1,698,381	280,690	1,417,691	820,048	597,643	196,222	401,421	105,979	295,442	33.9%
277 985 Fairystone Park Hwy.	Henry Co.	22,155	1,212,374	200,623	1,011,751	586,327	425,424	173,532	251,892	75,633	176,259	31.1%
283 Tightsqueeze Plz.	Pittsylvania Co.	12,588	715,247	118,185	597,062	346,102	250,959	138,563	112,396	44,633	67,763	26.0%

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(4) "Rate of return" = (adjusted net profit + state taxes) ÷ gross sales

(continued)

ANALYSIS OF STORE PERFORMANCE, FISCAL YEAR 2009

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)
291 243 W. Commonwealth Blvd.	Martinsville City	39,826	2,422,618	399,753	2,022,865	1,173,245	849,620	267,203	582,417	151,218	431,199	34.3%
324 301 S. Main St.	Patrick Co.	9,379	536,328	88,849	447,479	259,637	187,842	75,145	112,696	33,451	79,245	31.3%
373 3308 Riverside Dr.	Danville City	24,924	1,614,476	266,665	1,347,811	782,705	565,106	226,380	338,726	100,755	237,972	31.3%
Danville/Martinsville		**250,681**	**15,112,316**	**2,496,871**	**12,615,445**	**7,319,723**	**5,295,722**	**1,966,922**	**3,328,800**	**943,060**	**2,385,740**	**32.3%**
59 3136 Halifax Rd.	South Boston	37,683	2,211,196	366,027	1,845,169	1,069,526	775,643	362,998	412,645	137,934	274,710	29.0%
143 812 E. Atlantic St.	Mecklenburg Co.	35,582	2,144,718	355,466	1,789,252	1,037,972	751,280	194,343	556,936	133,754	423,182	36.3%
157 302 New Hicks St.	Brunswick Co.	10,782	616,339	102,453	513,885	297,661	216,224	139,915	76,309	38,415	37,894	22.8%
172 112 N. Main St.	Mecklenburg Co.	10,472	560,255	93,136	467,119	269,469	197,650	111,146	86,504	34,919	51,585	25.8%
214 608 Virginia Ave.	Mecklenburg Co.	13,142	779,362	128,980	650,382	377,004	273,378	101,791	171,587	48,619	122,968	32.3%
South Boston		**107,661**	**6,311,870**	**1,046,063**	**5,265,807**	**3,051,631**	**2,214,175**	**910,194**	**1,303,981**	**393,642**	**910,339**	**31.0%**
152 1506 S. Main St.	Prince Edward Co.	43,066	2,592,523	428,882	2,163,640	1,253,666	909,974	244,497	665,478	161,742	503,736	36.0%
161 501-F Main St.	Lunenburg Co.	9,528	511,532	85,078	426,454	246,660	179,794	117,485	62,309	31,879	30,429	22.6%
164 107 E. Carolina Ave.	Nottoway Co.	9,808	579,055	96,241	482,814	279,275	203,539	113,862	89,677	36,092	53,585	25.9%
178 Main St., P.O. Box 264	Buckingham Co.	10,184	585,362	97,234	488,128	281,346	206,782	105,916	100,866	36,490	64,376	27.6%
196 Main St.	Charlotte Co.	6,293	339,056	56,101	282,955	163,621	119,334	113,282	6,052	21,152	(15,100)	12.1%
275 1527 S. Main St.	Nottoway Co.	16,002	952,300	158,194	794,106	459,863	334,243	166,547	167,696	59,363	108,333	28.0%
351 15127 Patrick Henry Hwy.	Amelia Co.	10,271	588,584	97,692	490,892	283,476	207,416	133,094	74,322	36,696	37,626	23.0%
Farmville		**105,151**	**6,148,411**	**1,019,422**	**5,128,989**	**2,967,907**	**2,161,082**	**994,682**	**1,166,400**	**383,414**	**782,986**	**29.3%**
38 New Kent Crossing Shp. Ctr.	New Kent Co.	23,505	1,499,517	246,365	1,253,152	727,849	525,304	186,055	339,248	93,679	245,570	32.8%
77 1800 S. Creek Dr.	Powhatan Co.	13,135	841,430	139,446	701,984	408,430	293,554	120,241	173,313	52,476	120,837	30.9%
86 2610 Buford Rd.	Richmond City	26,762	1,851,780	304,296	1,547,484	900,536	646,949	252,247	394,702	115,681	279,021	31.5%
89 34-A Broad Street Rd.	Goochland Co.	18,983	1,297,191	213,769	1,083,423	630,534	452,889	148,942	303,947	80,991	222,956	33.7%
97 6504 Hull St.	Richmond City	36,487	2,574,152	425,141	2,149,011	1,247,106	901,906	257,150	644,755	160,648	484,107	35.3%
101 3100-A W. Broad St.	Richmond City	41,594	2,889,728	477,617	2,412,111	1,399,957	1,012,154	337,919	674,235	180,316	493,919	33.6%
102 1901 W. Main St.	Richmond City	15,811	1,031,409	170,709	860,700	498,881	361,819	202,793	159,027	64,341	94,685	25.7%
104 7028 Woodlake Commons	Chesterfield Co.	29,688	2,058,270	338,046	1,720,224	998,818	721,406	263,814	457,592	128,594	328,998	32.4%
108 10242 Staples Mill Rd.	Henrico Co.	22,456	1,487,190	242,290	1,244,900	724,921	519,980	193,056	326,924	93,062	233,862	32.0%
114 4575 Whitehill Blvd.	Prince George	2,726	209,699	34,157	175,542	101,255	74,287	69,244	5,043	13,123	(8,079)	12.4%
116 12635 Jefferson Davis Hwy.	Chesterfield Co.	52,660	3,567,118	585,440	2,981,678	1,729,801	1,251,877	326,573	925,304	222,893	702,410	36.1%
150 5654 Brook Rd.	Henrico Co.	28,471	1,897,925	313,279	1,584,646	918,797	665,849	274,215	391,633	118,459	273,174	30.9%
169 10 N. Thompson St.	Richmond City	67,996	5,239,265	861,034	4,378,230	2,542,650	1,835,580	351,328	1,484,252	327,292	1,156,960	38.5%
171 8700 W. Broad St.	Henrico Co.	38,619	2,857,629	472,439	2,385,190	1,387,060	998,130	277,499	720,630	178,303	542,327	35.5%
180 500 Goddin St.	Henrico Co.	7,303	459,795	76,489	383,306	220,961	162,344	96,576	65,769	28,654	37,115	24.7%
182 1217 W. Broad St.	Richmond City	17,115	1,044,034	172,831	871,203	505,033	366,171	177,806	188,365	65,126	123,239	28.4%
187 2421 Venable St.	Richmond City	24,415	1,526,434	253,943	1,272,491	731,993	540,498	158,625	381,873	95,124	286,749	35.4%
190 13121 Rittenhouse Dr.	Chesterfield Co.	42,159	2,944,204	483,056	2,461,148	1,428,764	1,032,384	281,916	750,467	183,982	566,486	35.6%
205 2288 John Rolfe Pkwy.	Henrico Co.	14,874	1,032,674	170,078	862,596	501,930	360,665	164,289	196,376	64,483	131,893	29.2%
207 10106 Brook Rd.	Henrico Co.	33,047	2,494,461	407,434	2,087,027	1,211,868	875,159	252,312	622,847	156,014	466,833	35.0%
242 1601 Willow Lawn Dr.	Henrico Co.	31,899	2,229,619	366,631	1,862,988	1,082,572	780,416	265,528	514,887	139,267	375,621	33.3%
243 209 N. Washington Hwy.	Hanover Co.	34,851	2,150,013	354,471	1,795,541	1,043,769	751,772	226,142	525,630	134,225	391,406	34.7%
247 9685 W. Broad St.	Henrico Co.	24,354	1,716,055	282,143	1,433,911	832,201	601,710	259,515	342,195	107,191	235,004	30.1%
251 2924 North Ave.	Richmond City	13,106	800,002	133,062	666,940	383,625	283,315	150,003	133,312	49,857	83,455	27.1%
252 618 W. Southside Plaza	Richmond City	45,851	3,117,462	517,381	2,600,081	1,503,344	1,096,737	230,649	866,087	194,367	671,720	38.1%
254 7015 Three Chopt Rd.	Richmond City	27,470	1,912,059	313,416	1,598,644	931,342	667,302	237,936	429,366	119,506	309,860	32.6%
270 809 E. Parham Rd.	Henrico Co.	34,713	2,243,870	370,646	1,873,224	1,087,609	785,615	299,813	485,802	140,032	345,770	31.9%
284 13214 Midlothian Tnpk.	Chesterfield Co.	34,472	2,310,236	380,822	1,929,415	1,123,571	805,844	245,510	560,335	144,232	416,102	34.5%
292 1521 Parham Rd.	Henrico Co.	26,593	1,796,309	295,873	1,500,436	872,502	627,934	235,532	392,403	112,164	280,239	32.1%

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 2009

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)
300 9502 Chamberlayne Rd.	Hanover Co.	20,637	1,316,495	217,083	1,099,412	637,850	461,562	210,512	251,050	82,186	168,864	29.3%
304 2734 Fairground Rd.	Goochland Co.	14,296	913,363	150,905	762,458	442,574	319,883	137,680	182,203	56,997	125,206	30.2%
305 3910 Mechanicsville Tnpk.	Henrico Co.	30,444	2,042,983	338,929	1,704,054	983,273	720,781	273,424	447,356	127,385	319,971	32.3%
308 11252 Patterson Ave.	Henrico Co.	12,122	808,961	133,488	675,473	393,530	281,943	126,031	155,912	50,495	105,417	29.5%
314 4338 S. Laburnum Ave.	Henrico Co.	61,457	4,326,711	706,766	3,619,945	2,094,198	1,525,748	405,475	1,120,272	270,607	849,665	36.0%
315 7048 Commons Plaza	Chesterfield Co.	30,242	2,044,556	337,987	1,706,568	986,908	719,660	240,511	479,149	127,573	351,575	33.7%
326 2105 Academy Rd.	Powhatan Co.	14,965	943,382	156,209	787,174	456,470	330,704	128,482	202,222	58,845	143,378	31.8%
330 5722 Hopkins Rd.	Chesterfield Co.	34,046	2,226,064	367,844	1,858,220	1,077,272	780,948	239,949	540,999	138,910	402,089	34.6%
331 3406 Pump Rd.	Henrico Co.	50,752	3,925,567	642,475	3,283,092	1,910,689	1,372,403	371,770	1,000,633	245,426	755,208	35.6%
332 4018 Glenside Dr.	Henrico Co.	18,598	1,111,022	183,272	927,750	538,236	389,514	158,025	231,489	69,353	162,135	31.1%
334 7057 Mechanicsville Tnpk.	Hanover Co.	40,388	2,623,404	432,895	2,190,509	1,271,539	918,969	250,913	668,056	163,750	504,306	35.7%
348 7036 Forest Hill Ave.	Richmond City	45,673	3,171,409	521,404	2,650,005	1,540,470	1,109,535	298,011	811,524	198,099	613,425	35.8%
350 11108 Midlothian Tnpk.	Chesterfield Co.	62,921	4,529,756	746,775	3,782,980	2,199,186	1,583,795	332,661	1,251,134	282,794	968,339	37.9%
360 2901 Hermitage Rd.	Richmond City	87,714	6,993,466	1,163,015	5,830,451	3,391,287	2,439,164	230,554	2,208,610	435,852	1,772,758	42.0%
363 9949 Hull St.	Chesterfield Co.	38,737	2,528,375	417,169	2,111,207	1,225,649	885,558	290,277	595,281	157,822	437,459	33.8%
366 1370 Gaskins Rd.	Henrico Co.	29,609	2,108,290	344,355	1,763,935	1,025,668	738,267	316,673	421,594	131,862	289,732	30.1%
Richmond		**1,423,715**	**98,693,332**	**16,262,874**	**82,430,458**	**47,852,477**	**34,577,981**	**10,554,174**	**24,023,806**	**6,162,038**	**17,861,769**	**34.6%**
35 2757 Jefferson Davis Hwy.	Stafford Co.	15,510	1,122,462	184,926	937,536	544,495	393,041	164,066	228,975	70,085	158,891	30.6%
44 18035 Jefferson Davis Hwy.	Caroline Co.	13,990	892,758	147,397	745,361	431,659	313,703	140,295	173,407	55,719	117,688	29.7%
62 1416 Carl D. Silver Pkwy.	Fredericksburg City	32,776	2,541,596	418,269	2,123,328	1,233,616	889,712	278,802	610,911	158,728	452,182	34.2%
64 43 Town and Country Dr.	Stafford Co.	21,055	1,413,292	232,851	1,180,441	685,458	494,983	193,875	301,108	88,243	212,865	31.5%
74 10857 Tidewater Trail	Fredericksburg City	12,177	800,855	131,997	668,858	388,088	280,770	156,417	124,352	50,000	74,352	25.8%
95 Cosner's Corner Shp. Ctr.	Fredericksburg City	22,167	1,548,730	253,889	1,294,841	752,051	542,789	239,617	303,172	96,795	206,377	29.7%
103 6348 Jefferson Davis Hwy.	Spotsylvania Co.	15,901	995,104	163,760	831,344	482,012	349,332	168,804	180,528	62,147	118,381	28.4%
121 507 William St.	Fredericksburg City	22,549	1,568,109	258,851	1,309,258	760,909	548,349	180,846	367,503	97,873	269,631	33.7%
183 560 Celebrate Virginia Pwky.	Stafford Co.	20,927	1,463,080	240,752	1,222,328	709,797	512,531	259,840	252,691	91,374	161,317	27.5%
200 356 Garrisonville Rd.	Stafford Co.	47,334	3,515,076	579,138	2,935,938	1,706,827	1,229,110	333,376	895,734	219,474	676,260	35.7%
209 5055 Jefferson Davis Hwy.	Spotsylvania Co.	34,041	2,308,945	380,395	1,928,551	1,120,515	808,036	247,310	560,726	144,168	416,559	34.5%
221 15423 Dahlgren Rd.	King George Co.	8,226	544,432	90,039	454,393	263,471	190,922	92,216	98,707	33,968	64,739	28.4%
239 320 W. Broaddus Ave.	Caroline Co.	7,399	431,299	71,182	360,117	208,434	151,683	91,773	59,911	26,920	32,990	24.2%
245 1271 Jefferson Davis Hwy.	Fredericksburg City	19,778	1,321,731	218,519	1,103,212	641,565	461,647	219,212	242,435	82,470	159,965	28.6%
313 4189 Plank Rd.	Spotsylvania Co.	38,488	2,594,136	427,235	2,166,901	1,259,679	907,222	287,254	619,968	161,985	457,983	34.1%
Fredericksburg		**332,318**	**23,061,605**	**3,799,198**	**19,262,406**	**11,188,575**	**8,073,831**	**3,053,702**	**5,020129**	**1,439,949**	**3,580,180**	**32.0%**
130 Beachgate Shp. Ctr.	Westmoreland Co.	9,129	559,214	92,543	466,671	270,470	196,201	117,278	78,924	34,886	44,038	24.4%
149 Times Square Shp. Ctr.	Richmond Co.	8,423	478,687	79,323	399,363	231,142	168,222	143,602	24,620	29,854	(5,234)	15.5%
192 101 S. Main St.	Lancaster Co.	39,528	2,396,087	395,647	2,000,439	1,162,566	837,874	306,457	531,417	149,542	381,875	32.4%
220 109 East End Place	Westmoreland Co.	6,882	394,182	65,060	329,122	190,668	138,454	68,673	69,781	24,603	45,178	28.0%
238 Rt. 360	Northumberland Co.	14,087	794,229	130,746	663,483	384,804	278,679	109,305	169,373	49,598	119,775	31.5%
Northern Neck		**78,049**	**4,622,398**	**763,320**	**3,859,079**	**2,239,649**	**1,619,430**	**745,315**	**874,115**	**288,483**	**585,632**	**29.2%**
32 16273 General Puller Hwy.	Middlesex Co.	14,911	874,873	143,863	731,010	424,279	306,731	81,833	224,898	54,646	170,251	35.9%
155 York River SC	Gloucester Co.	30,216	1,958,255	324,023	1,634,231	948,875	685,357	226,561	458,796	122,166	336,630	33.7%
175 416 14th St.	King William Co.	18,337	1,132,792	186,685	946,107	548,571	397,536	168,751	228,785	70,726	158,059	30.4%
179 Virginia St., P.O. Box 238	Middlesex Co.	10,593	612,486	101,378	511,109	298,124	212,985	89,506	123,478	38,208	85,271	30.5%
198 Rappahannock Shp. Ctr.	Essex Co.	19,161	1,157,738	191,106	966,632	560,084	406,548	170,179	236,369	72,260	164,109	30.7%
233 Main St.	Gloucester Co.	23,472	1,479,154	243,954	1,235,200	716,831	518,368	175,919	342,449	92,337	250,113	33.4%
257 4915 Tappahannock Hwy.	King William Co.	15,540	938,521	155,336	783,185	453,609	329,576	132,484	197,092	58,546	138,546	31.3%

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(continued)

ANALYSIS OF STORE PERFORMANCE, FISCAL YEAR 2009

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)
333 10972 Buckley Hall	Mathews Co.	13,942	795,946	131,203	664,743	386,031	278,713	144,740	133,973	49,692	84,281	27.1%
West Point / Mathews		**146,172**	**8,949,765**	**1,477,548**	**7,472,217**	**4,336,403**	**3,135,813**	**1,189,972**	**1,945,841**	**558,581**	**1,387,260**	**32.0%**
60 4330 Westgate Dr.	Dinwiddie Co.	34,988	2,172,673	360,312	1,812,361	1,050,580	761,781	228,783	532,998	135,482	397,516	34.9%
118 18 Washington St., W.	Petersburg City	17,093	1,131,380	188,322	943,058	553,972	389,086	167,567	221,519	70,498	151,022	30.0%
144 301 Market Drive, Ste. H	Emporia City	25,588	1,566,195	259,818	1,306,378	757,651	548,726	212,424	336,302	97,657	238,645	31.8%
151 210 N. Main St.	Hopewell City	18,945	1,095,519	181,605	913,914	529,985	383,929	141,984	241,945	68,319	173,626	32.4%
232 3107-3 Blvd.	Colonial Heights City	40,988	2,612,891	429,421	2,183,471	1,265,200	918,271	275,588	642,683	163,224	479,459	34.8%
240 Rt. 460	Sussex Co.	10,497	603,335	99,842	503,493	292,243	211,250	84,887	126,363	37,638	88,725	31.3%
255 3330 S. Crater Rd.	Petersburg City	37,717	2,453,645	406,255	2,047,390	1,188,303	859,087	313,126	545,961	153,051	392,910	32.6%
310 5232 Oaklawn Blvd.	Prince George Co.	37,441	2,581,172	427,833	2,153,339	1,248,445	904,894	213,760	691,133	160,972	530,162	37.1%
Petersburg/Hopewell		**223,256**	**14,216,811**	**2,353,407**	**11,863,404**	**6,886,380**	**4,977,024**	**1,638,119**	**3,338,905**	**886,841**	**2,452,064**	**33.8%**
43 235 Carmichael Way	Chesapeake City	12,754	853,246	140,492	712,753	414,125	298,628	187,482	111,146	53,281	57,865	23.2%
53 11409 Windsor Blvd.	Isle of Wight Co.	10,150	606,008	100,424	505,584	292,992	212,592	85,973	126,619	37,795	88,824	31.2%
69 1620 Cedar Rd.	Chesapeake City	27,428	1,849,593	304,960	1,544,633	897,765	646,868	235,050	411,818	115,468	296,350	32.5%
71 213 Virginia Beach Blvd.	Virginia Beach City	8,088	507,861	83,778	424,083	246,119	177,964	111,624	66,340	31,702	34,638	23.3%
79 1437 Sam's Dr.	Chesapeake City	35,548	2,601,345	429,913	2,171,432	1,259,672	911,760	278,331	633,429	162,324	471,105	34.6%
98 2476 Nimmo Pkwy.	Virginia Beach City	12,748	871,159	143,549	727,610	422,584	305,026	192,707	112,320	54,392	57,928	23.1%
105 869 Lynnhaven Pkwy.	Virginia Beach City	30,291	2,157,148	355,309	1,801,838	1,044,800	757,038	175,494	581,544	134,695	446,849	37.2%
106 2973 Shore Dr.	Virginia Beach City	43,561	2,980,752	490,169	2,490,583	1,449,630	1,040,952	271,841	769,112	186,182	582,930	36.0%
107 141 W. Virginia Beach Blvd.	Norfolk City	56,760	4,487,391	745,352	3,742,039	2,170,648	1,571,391	600,116	971,275	279,734	691,541	32.0%
110 1136 London Blvd.	Portsmouth City	15,661	1,087,688	180,880	906,808	523,739	383,069	171,118	211,951	67,788	144,163	29.9%
128 159 W. Ocean View Dr.	Norfolk City	42,677	2,734,540	452,449	2,282,091	1,324,252	957,839	262,703	695,136	170,596	524,539	35.7%
129 1615 General Booth Blvd.	Virginia Beach City	34,641	2,341,688	386,118	1,955,569	1,136,840	818,729	233,188	585,541	146,187	439,354	35.3%
134 2301 Colley Ave.	Norfolk City	62,052	4,409,037	730,400	3,678,637	2,135,835	1,542,801	388,322	1,154,479	274,994	879,485	36.5%
165 550 E. Liberty St.	Chesapeake City	25,764	1,698,291	282,329	1,415,961	819,077	596,884	142,645	454,239	105,849	348,390	37.1%
188 4334 Holland Rd.	Virginia Beach City	40,420	2,741,461	452,119	2,289,343	1,329,441	959,901	262,732	697,170	171,138	526,031	35.7%
211 6550 Town Point Rd.	Suffolk City	21,261	1,532,049	252,660	1,279,389	742,869	536,520	223,686	312,834	95,640	217,194	30.7%
216 1100 Armory Dr.	Franklin City	28,683	1,745,913	289,377	1,456,535	844,593	611,942	209,988	401,954	108,882	293,072	33.4%
225 405 30th St.	Virginia Beach City	72,815	4,973,435	819,644	4,153,792	2,415,289	1,738,503	409,308	1,329,195	310,514	1,018,681	37.0%
226 7525 Tidewater Dr.	Norfolk City	73,811	4,959,369	821,985	4,137,384	2,398,830	1,738,554	423,191	1,315,363	309,288	1,006,076	36.9%
237 3812 George Washington Hwy.	Portsmouth City	28,823	1,891,328	314,061	1,577,267	913,947	663,320	260,528	402,792	117,908	284,884	31.7%
246 5020 Ferrell Pkwy.	Virginia Beach City	26,205	1,826,449	301,755	1,524,694	885,407	639,287	221,132	418,155	113,978	304,178	33.2%
249 2350 E. Little Creek Rd.	Norfolk City	40,054	2,609,522	432,113	2,177,409	1,263,455	913,955	250,117	663,838	162,771	501,067	35.8%
256 1612 Laskin Rd.	Virginia Beach City	129,024	9,759,604	1,615,103	8,144,501	4,736,066	3,408,435	543,550	2,864,885	608,837	2,256,048	39.7%
263 5900 Virginia Beach Blvd.	Norfolk City	57,213	4,059,889	671,723	3,388,166	1,963,301	1,424,865	385,514	1,039,351	253,280	786,071	35.9%
278 3333 Virginia Beach Blvd.	Virginia Beach City	86,395	6,278,365	1,035,524	5,242,841	3,047,875	2,194,966	439,498	1,755,468	391,925	1,363,543	38.2%
280 1103 S. Military Hwy.	Chesapeake City	87,416	6,471,946	1,071,904	5,400,042	3,138,613	2,261,429	404,182	1,857,247	403,677	1,453,570	39.0%
288 5748 Churchland Blvd.	Portsmouth City	34,655	2,363,886	390,680	1,973,205	1,143,179	830,026	259,895	570,131	147,506	422,625	34.4%
298 821 W. Constance Rd.	Suffolk City	36,586	2,133,521	354,046	1,779,475	1,031,581	747,893	196,614	551,280	133,024	418,256	36.2%
299 1917 S. Church St.	Isle of Wight Co.	35,611	2,271,265	375,805	1,895,460	1,102,032	793,428	189,140	604,288	141,694	462,594	36.9%
306 2085 Lynnhaven Pkwy.	Virginia Beach City	41,410	2,926,870	482,434	2,444,436	1,419,138	1,025,298	300,970	724,329	182,732	541,596	35.0%
307 Providence Square Shp. Ctr.	Virginia Beach City	32,111	2,177,732	359,552	1,818,181	1,057,155	761,026	220,906	540,120	135,917	404,203	35.1%
311 4020 Victory Blvd.	Portsmouth City	35,114	2,407,552	398,984	2,008,568	1,163,297	845,271	271,088	574,183	150,149	424,034	34.2%
312 2815-G Godwin Blvd.	Suffolk City	26,748	1,801,641	297,261	1,504,380	872,755	631,626	290,062	341,563	112,459	229,104	29.2%
325 22718 Main St.	Southampton Co.	7,630	425,449	70,662	354,787	205,723	149,064	66,921	82,143	26,522	55,621	29.7%
328 836 Eden Way Ln.	Chesapeake City	34,587	2,530,595	418,470	2,112,125	1,227,304	884,821	263,112	621,709	157,891	463,819	34.9%
336 1079 Independence Blvd.	Virginia Beach City	61,428	4,117,508	679,457	3,438,051	1,999,663	1,438,388	406,319	1,032,069	257,009	775,059	35.3%
349 237 S. Battlefield Blvd.	Chesapeake City	37,448	2,578,832	425,807	2,153,025	1,253,107	899,918	294,143	605,775	160,948	444,827	33.8%

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 2009

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)
355 4300 Portsmouth Blvd.	Chesapeake City	37,471	2,587,832	426,588	2,161,244	1,256,447	904,797	292,046	612,751	161,562	451,189	33.9%
361 812 Airline Blvd.	Portsmouth City	42,702	2,996,192	496,612	2,499,579	1,450,006	1,049,574	339,754	709,820	186,854	522,966	34.0%
370 1169 Nimmo Pkwy.	Virginia Beach City	41,729	2,788,481	458,109	2,330,372	1,356,233	974,139	258,051	716,088	174,205	541,882	35.9%
Norfolk/Virginia Beach		**1,615,471**	**112,142,434**	**18,538,561**	**93,603,873**	**54,355,383**	**39,248,490**	**11,019,040**	**28,229,450**	**6,997,299**	**21,232,151**	**35.5%**
48 6610-I Mooretown Rd.	Williamsburg City	32,256	2,054,746	338,753	1,715,993	996,466	719,527	218,313	501,214	128,278	372,936	34.6%
92 227 Fox Hill Rd.	Hampton City	16,511	1,099,582	181,318	918,265	532,456	385,809	183,790	202,018	68,644	133,374	28.6%
112 199 W. Queen's Way	Hampton City	29,165	1,999,953	331,485	1,668,469	967,377	701,092	285,592	415,500	124,725	290,774	31.1%
148 4640-3 Monticello Ave.	James City Co.	54,723	3,954,491	647,175	3,307,316	1,922,583	1,384,733	381,583	1,003,150	247,236	755,913	35.5%
158 3214 Jefferson Ave.	Newport News City	26,875	1,792,695	298,290	1,494,405	858,293	636,112	244,302	391,810	111,713	280,096	32.3%
217 619 Pilot House Dr.	Newport News City	33,794	2,472,668	409,304	2,063,364	1,198,301	865,063	243,638	621,425	154,246	467,179	35.4%
222 209 Village Ave.	York Co.	39,540	2,839,640	466,086	2,373,554	1,378,439	995,115	255,016	740,099	177,434	562,666	36.2%
244 4909 W. Mercury Blvd.	Hampton City	47,713	3,295,130	545,925	2,749,204	1,593,057	1,156,148	226,316	929,832	205,515	724,317	38.5%
250 2078 Nickerson Blvd.	Hampton City	26,933	1,764,587	290,998	1,473,589	852,864	620,725	236,328	384,397	110,157	274,240	32.0%
258 3831 Kecoughtan Rd.	Hampton City	22,265	1,457,160	241,322	1,215,838	704,318	511,520	216,202	295,318	90,889	204,429	30.6%
265 20 Towne Centre Way	Hampton City	21,078	1,513,492	250,517	1,262,975	734,650	528,325	186,287	342,038	94,413	247,625	32.9%
272 55 Hidenwood Shp. Ctr.	Newport News City	20,193	1,349,570	223,020	1,126,550	654,507	472,042	213,841	258,201	84,215	173,987	29.4%
282 1118-A & B W. Mercury Blvd.	Hampton City	59,589	4,561,869	752,271	3,809,598	2,209,417	1,600,181	437,825	1,162,356	284,784	877,572	35.7%
290 5226 George Washington Hwy.	York Co.	28,537	1,853,702	306,075	1,547,627	899,483	648,143	215,279	432,864	115,692	317,173	33.6%
320 1246 Richmond Rd.	Williamsburg City	29,887	1,978,849	322,876	1,655,972	962,057	693,915	239,412	454,503	123,791	330,712	33.0%
335 801-F Merrimac Trail	York Co.	35,046	2,449,085	404,844	2,044,242	1,187,890	856,351	266,403	589,948	152,816	437,132	34.4%
340 13002-A & -B Warwick Blvd.	Newport News City	38,455	2,764,411	456,067	2,308,344	1,339,608	968,736	275,383	693,353	172,559	520,794	35.3%
341 621 Stoney Creek Ln.	Newport News City	55,205	4,013,190	661,704	3,351,485	1,944,731	1,406,754	393,290	1,013,464	250,538	762,926	35.5%
342 10872 Warwick Blvd.	Newport News City	22,978	1,562,922	258,671	1,304,251	756,971	547,280	244,422	302,859	97,498	205,360	29.7%
Newport News/Hampton		**640,743**	**44,777,742**	**7,386,702**	**37,391,040**	**21,693,470**	**15,697,570**	**4,963,221**	**10,734,349**	**2,795,144**	**7,939,205**	**34.2%**
156 22485 Lankford Hwy.	Northampton Co.	15,033	938,437	155,043	783,394	455,042	328,352	123,844	204,508	58,562	145,946	32.1%
162 7107 Lankford Hwy.	Accomack Co.	9,085	592,294	97,791	494,503	286,480	208,023	132,235	75,788	36,966	38,822	23.1%
177 6371 Pension St.	Accomack Co.	9,796	628,395	102,551	525,844	305,754	220,090	133,558	86,531	39,309	47,222	23.8%
223 4090-B Lankford Hwy.	Northampton Co.	14,234	795,165	131,561	663,604	385,843	277,762	138,131	139,630	49,607	90,023	27.9%
344 Four Corners Plaza Shp. Ctr.	Accomack Co.	19,602	1,216,221	201,483	1,014,739	588,572	426,166	158,871	267,296	75,856	191,439	32.3%
Eastern Shore		**67,749**	**4,170,512**	**688,428**	**3,482,084**	**2,021,692**	**1,460,392**	**686,639**	**773,753**	**260,301**	**513,452**	**28.8%**
31 Mount Vernon Distillery	—	0	70,423	13,805	56,617	46,164	10,453	0	10,453	4,232	6,221	28.4%
34 Belmont Farms Distillery	—	0	53,422	10,384	43,038	29,995	13,043	0	13,043	3,217	9,825	37.8%
Distilleries		**0**	**123,844**	**24,189**	**99,655**	**76,159**	**23,496**	**0**	**23,496**	**7,450**	**16,046**	**32.5%**
Statewide Totals		**9,532,869**	**665,479,479**	**109,746,330**	**555,733,149**	**322,660,179**	**233,072,971**	**80,126,429**	**152,946,542**	**41,543,486**	**111,403,056**	**33.2%**

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

2009 Establishments by License Category—Cities

Cities	Liquor by the Drink (1)	All Others (2)	Bed and Breakfast	Beer/Wine Importers	Beer/Wine Wholesalers	Brewery	Carrier Licensee	Caterer Establishments	Clubs	Convenience Stores	Delicatessens	Distillery	Drug Stores	Gourmet / Gourmet Brew Shops	Grocery / Grocery-Gourmet Stores	Hotels/Resorts	Restaurants (Mixed Beverage) (3)	Restaurants (Beer and Wine)	Winery	Grand Total
Alexandria	wet	6	0	8	6	3	1	4	6	33	2	0	12	29	15	13	130	181	2	**451**
Bedford	wet	1	0	0	0	0	0	0	0	2	0	0	0	0	5	1	3	7	1	**20**
Bristol	wet	0	0	0	1	0	0	1	0	13	1	0	2	4	9	2	14	23	0	**70**
Buena Vista	wet	0	0	0	0	0	0	0	0	2	0	0	1	2	5	0	1	6	0	**17**
Charles City County	wet	0	2	0	0	0	0	0	0	2	0	0	0	0	3	0	2	4	0	**13**
Charlottesville	wet	5	1	5	6	1	0	8	7	21	2	0	5	21	17	3	95	134	1	**332**
Chesapeake	wet	6	0	6	9	0	0	1	10	76	1	1	11	28	48	3	112	164	2	**478**
Colonial Heights	wet	0	0	0	0	0	0	0	2	10	0	0	3	2	6	2	18	27	0	**70**
Covington	wet	0	0	0	0	0	0	0	0	4	0	0	1	0	3	0	1	3	0	**12**
Danville	wet	2	1	0	1	0	0	1	6	39	0	0	4	2	31	2	20	42	0	**151**
Emporia	wet	0	0	0	0	0	0	0	0	10	0	0	2	0	4	0	2	2	0	**20**
Fairfax	wet	1	0	0	0	0	0	1	3	5	0	0	4	9	11	0	36	54	0	**124**
Falls Church	wet	0	0	0	0	0	0	0	1	5	0	0	2	1	5	0	14	34	0	**62**
Franklin	wet	0	0	0	0	0	0	0	1	6	0	0	0	1	4	0	5	8	0	**25**
Fredericksburg	wet	2	0	0	0	0	0	2	2	21	0	0	1	7	5	4	52	78	0	**174**
Galax	wet	0	0	0	0	0	0	0	1	3	0	0	1	2	4	0	7	10	0	**28**
Hampton	wet	9	1	2	2	2	1	1	19	45	0	0	7	13	39	8	50	91	0	**290**
Harrisonburg	wet	1	1	0	0	1	0	2	6	20	0	0	5	8	15	3	31	59	0	**152**
Hopewell	wet	1	0	0	0	0	0	0	6	15	0	0	1	2	8	0	12	17	0	**62**
James City County	wet	3	0	1	1	1	0	3	3	14	2	1	4	9	10	4	45	67	3	**171**
Lexington	wet	2	1	0	0	0	0	2	0	0	0	0	1	4	1	0	8	15	0	**34**
Lynchburg	wet	3	1	0	4	1	0	4	7	27	0	0	5	8	27	6	44	68	0	**205**
Manassas	wet	0	1	0	0	0	1	1	3	10	0	0	2	6	16	0	26	45	0	**111**
Manassas Park	wet	0	0	0	0	0	0	0	0	6	0	0	0	0	5	0	4	9	0	**24**
Martinsville	wet	2	0	0	0	0	0	0	2	9	0	0	0	3	5	1	9	12	0	**43**
Newport News	wet	7	0	2	2	0	1	4	13	68	1	0	6	16	55	8	98	159	0	**440**
Norfolk	wet	14	2	0	3	0	3	9	30	55	0	0	10	23	73	10	166	221	0	**619**
Norton	wet	0	0	0	2	0	0	0	0	4	1	0	1	0	2	2	1	3	0	**16**
Petersburg	wet	2	0	2	4	0	0	1	8	32	0	0	2	2	20	1	15	30	0	**119**
Poquoson	wet	0	0	0	0	0	0	0	1	1	0	0	1	2	3	0	4	10	0	**22**
Portsmouth	wet	5	0	0	0	0	2	0	14	32	0	0	5	7	31	0	42	55	0	**193**
Radford	wet	1	0	0	0	0	0	1	0	5	2	0	1	0	8	1	10	11	0	**40**
Richmond	wet	13	4	8	8	2	1	13	24	131	5	1	16	18	65	8	236	317	0	**870**
Roanoke	wet	3	0	0	3	2	2	5	10	77	0	0	3	10	33	4	82	115	0	**349**
Salem	wet	4	0	2	2	0	0	1	5	22	0	0	3	3	6	1	11	28	0	**88**
Staunton	wet	1	2	0	0	2	0	3	4	11	1	0	2	5	11	3	14	26	2	**87**
Suffolk	wet	4	0	0	0	0	0	0	5	25	2	0	3	10	22	4	31	43	0	**149**
Virginia Beach	wet	22	2	3	4	1	2	9	14	103	3	1	24	61	103	18	414	553	0	**1,337**
Waynesboro	wet	0	0	0	0	0	0	0	2	8	0	0	3	5	13	0	12	22	0	**65**
Williamsburg	wet	5	9	0	0	0	0	3	0	6	0	0	2	6	4	7	41	57	0	**140**
Winchester	wet	5	1	4	2	1	0	1	6	8	0	0	4	8	16	3	35	58	0	**152**
Grand Total		**130**	**29**	**43**	**60**	**17**	**14**	**81**	**221**	**986**	**23**	**4**	**160**	**337**	**766**	**122**	**1,953**	**2,868**	**11**	**7,825**

NOTES:

(1) "Liquor by the Drink": "Dry"—not approved for liquor by the drink; "Wet"— approved for liquor by the drink.

(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 2009

2009 Establishments by License Category—Counties

Counties	Liquor by the Drink (1)	All Others (2)	Bed and Breakfast	Beer/Wine Importers	Beer/Wine Wholesalers	Brewery	Carrier Licensee	Caterer Establishments	Clubs	Convenience Stores	Delicatessens	Distillery	Drug Stores	Gourmet / Gourmet Brew Shops	Grocery / Grocery-Gourmet Stores	Hotels/Resorts	Restaurants (Mixed Beverage) (3)	Restaurants (Beer and Wine)	Winery	Grand Total
Accomack	wet	4	6	2	2	0	0	0	3	29	1	0	2	6	16	3	23	43	1	**141**
Albemarle	wet	18	5	2	9	3	0	5	9	26	2	1	2	27	23	5	39	73	19	**268**
Alleghany	wet	0	0	0	0	0	0	0	5	9	0	0	1	1	11	0	6	16	0	**49**
Amelia	wet	0	0	0	0	0	0	0	1	13	0	0	1	0	3	0	1	4	0	**23**
Amherst	wet	1	0	0	1	0	0	1	2	14	1	0	2	0	16	0	10	19	2	**69**
Appomattox	wet	0	0	0	0	0	0	0	2	5	0	0	0	1	12	0	2	6	0	**28**
Arlington	wet	3	0	1	0	2	6	3	6	49	1	0	17	25	36	24	203	286	0	**662**
Augusta	wet	1	1	1	4	0	0	1	3	23	0	0	3	5	24	1	11	22	1	**101**
Bath	wet	1	1	0	0	0	0	0	0	7	0	0	0	1	4	1	6	11	0	**32**
Bedford	wet	9	3	0	3	0	0	1	6	23	0	0	4	3	19	1	20	39	4	**135**
Bland	dry	0	0	0	0	0	0	0	0	1	0	0	0	0	6	0	0	1	0	**8**
Botetourt	wet	2	0	0	4	0	0	0	1	16	0	0	1	1	11	0	3	15	3	**57**
Brunswick	wet	2	0	0	1	0	0	0	0	15	0	0	1	0	7	1	4	10	0	**41**
Buchanan	dry	0	0	0	0	0	0	0	1	15	2	0	2	1	12	0	0	4	0	**37**
Buckingham	wet	1	0	0	0	0	0	0	0	5	1	0	0	0	15	0	3	4	0	**29**
Campbell	wet	0	0	0	1	0	0	0	4	34	0	0	3	1	29	1	8	20	1	**102**
Caroline	wet	0	1	0	0	0	0	0	2	22	0	0	1	2	7	0	4	14	0	**53**
Carroll	wet	2	0	0	2	0	0	0	1	18	0	0	1	0	11	1	3	6	2	**47**
Charles City	wet	0	2	0	0	0	0	0	0	2	0	0	0	0	3	0	2	4	0	**13**
Charlotte	dry	0	1	0	0	0	0	0	1	10	0	0	1	0	15	1	0	3	0	**32**
Chesterfield	wet	7	0	2	2	2	0	6	6	95	1	0	22	26	58	4	141	208	1	**581**
Clarke	wet	4	0	0	1	0	0	0	3	7	0	0	0	3	5	0	5	11	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	6	1	1	3	0	0	1	5	15	0	1	3	3	27	2	20	34	2	**124**
Cumberland	wet	0	0	0	0	0	0	0	0	6	0	0	0	0	3	0	0	3	0	**12**
Dickenson	wet	0	0	0	0	0	0	0	1	8	1	0	0	0	7	0	0	3	0	**20**
Dinwiddie	wet	2	0	0	0	0	0	0	1	21	0	0	1	1	10	0	3	7	0	**46**
Essex	wet	1	1	0	0	0	0	0	1	9	1	0	1	1	7	0	6	10	2	**40**
Fairfax	wet	25	0	51	39	3	0	20	28	89	6	2	58	126	120	42	570	858	0	**2,037**
Fauquier	wet	14	2	3	14	0	0	3	4	28	1	0	4	12	19	4	33	50	18	**209**
Floyd	dry	1	1	0	1	3	0	0	2	5	0	1	0	1	3	0	1	8	2	**29**
Fluvanna	wet	0	0	0	0	0	0	0	0	5	0	0	1	3	3	0	4	12	0	**28**
Franklin	wet	3	0	0	1	0	0	1	2	29	0	0	3	5	19	0	22	37	1	**123**
Frederick	wet	4	2	2	6	0	0	2	4	23	1	0	2	12	29	3	26	36	3	**155**
Giles	wet	1	1	0	0	0	0	0	4	10	3	0	2	0	11	1	1	7	0	**41**
Gloucester	wet	1	0	0	0	0	0	0	4	19	1	0	2	4	12	0	16	25	0	**84**
Goochland	wet	1	1	0	0	0	0	0	3	9	0	0	0	3	7	0	10	21	2	**57**
Grayson	dry	1	0	0	0	0	0	0	0	5	2	0	0	0	5	0	1	4	0	**18**
Greene	wet	2	1	0	1	0	0	0	1	7	0	0	0	2	5	0	6	10	2	**37**
Greensville	wet	0	0	0	0	0	0	0	1	12	0	0	0	0	1	0	1	1	0	**16**
Halifax	wet	3	0	0	3	0	0	0	3	14	0	0	1	0	36	1	9	25	4	**99**
Hanover	wet	3	0	6	6	0	0	3	7	41	1	0	5	9	26	1	40	77	1	**226**
Henrico	wet	9	0	12	17	0	0	9	17	127	1	0	22	36	53	20	179	252	0	**754**
Henry	wet	2	0	0	0	0	0	1	8	38	0	0	4	1	32	1	4	20	0	**111**
Highland	dry	0	0	0	0	0	0	0	0	3	0	0	0	0	6	1	0	1	0	**11**
Isle of Wight	wet	1	1	0	0	0	0	0	4	19	0	0	2	9	7	1	8	16	0	**68**
James City	wet	3	0	1	1	1	0	3	3	14	2	1	4	9	10	4	45	67	3	**171**
King & Queen	wet	0	0	0	0	0	0	0	0	4	1	0	0	0	4	0	1	2	0	**12**
King George	wet	1	0	0	1	0	0	0	0	10	0	0	0	2	4	0	6	14	1	**39**
King William	wet	0	0	0	0	0	0	0	3	7	0	0	1	2	6	0	6	12	0	**37**
Lancaster	wet	3	1	0	1	0	1	0	4	5	0	0	1	2	12	3	19	27	2	**81**
Lee	dry	0	0	0	0	0	0	0	4	21	0	0	1	0	7	0	0	4	0	**37**
Loudoun	wet	21	3	9	27	3	16	10	8	44	3	0	14	45	44	11	149	252	24	**683**
Louisa	wet	5	0	0	1	0	0	0	2	13	0	0	1	0	19	2	7	13	2	**65**
Lunenburg	wet	1	0	0	0	0	0	0	4	9	0	0	0	0	10	0	1	4	0	**29**
Madison	wet	1	3	0	2	0	0	0	0	6	0	0	0	1	5	1	3	7	9	**38**
Mathews	wet	0	0	0	0	0	0	0	2	6	0	0	0	3	1	0	3	5	0	**20**
Mecklenburg	wet	0	1	0	2	0	0	0	10	33	0	0	2	0	21	1	11	18	1	**100**
Middlesex	wet	5	1	0	0	0	0	0	1	6	0	0	0	4	5	0	12	15	0	**49**
Montgomery	wet	0	2	0	0	1	0	4	2	28	2	0	3	6	27	2	44	73	0	**194**
Nelson	wet	12	4	1	6	2	0	1	2	10	1	0	0	1	13	2	4	9	10	**78**
New Kent	wet	1	0	0	1	0	0	0	0	9	0	0	2	3	6	0	8	15	1	**46**
Northampton	wet	4	1	1	4	0	1	1	2	14	0	0	1	1	6	1	13	20	2	**72**
Northumberland	wet	4	0	0	1	0	1	0	2	5	0	0	1	1	8	0	5	10	1	**39**
Nottoway	wet	0	0	1	3	0	0	0	4	12	0	0	0	0	7	0	4	12	0	**43**
Orange	wet	4	4	0	1	0	0	0	3	17	0	0	3	3	6	0	9	18	3	**71**

(continued)

2009 ESTABLISHMENTS BY LICENSE CATEGORY—COUNTIES (CONTINUED)

Counties	Liquor by the Drink (1)	All Others (2)	Bed and Breakfast	Beer/Wine Importers	Beer/Wine Wholesalers	Brewery	Carrier Licensee	Caterer Establishments	Clubs	Convenience Stores	Delicatessens	Distillery	Drug Stores	Gourmet / Gourmet Brew Shops	Grocery / Grocery-Gourmet Stores	Hotels/Resorts	Restaurants (Mixed Beverage) (3)	Restaurants (Beer and Wine)	Winery	Grand Total
Page	wet	4	3	0	0	0	0	0	6	11	1	0	0	1	13	2	7	17	2	**67**
Patrick	dry	1	2	0	0	0	0	0	1	13	0	0	1	0	15	0	1	8	1	**43**
Pittsylvania	wet	2	1	1	4	0	0	0	5	31	0	0	1	0	35	0	1	14	1	**96**
Powhatan	wet	1	0	0	0	0	0	1	1	14	0	0	0	1	2	0	12	16	1	**49**
Prince Edward	wet	1	0	0	0	0	0	2	2	13	0	0	2	1	10	0	11	20	1	**63**
Prince George	wet	1	0	0	0	0	0	0	2	12	0	0	2	1	8	0	9	13	0	**48**
Prince William	wet	11	0	10	13	0	1	3	12	57	2	0	17	41	85	6	160	240	1	**659**
Pulaski	wet	2	0	0	1	1	0	1	6	11	2	0	3	1	27	0	5	15	1	**76**
Rappahannock	wet	5	6	0	4	0	0	0	0	3	0	1	0	2	5	0	2	6	5	**39**
Richmond	wet	1	0	0	5	0	0	1	0	1	0	0	1	1	7	0	2	7	2	**28**
Roanoke	wet	1	0	5	6	0	0	2	4	34	0	0	5	7	15	0	36	59	2	**176**
Rockbridge	wet	2	4	0	1	0	0	2	3	17	0	0	0	0	12	4	5	12	2	**64**
Rockingham	wet	2	1	0	1	2	0	0	5	38	0	0	2	3	13	0	8	25	2	**102**
Russell	dry	0	0	0	0	0	0	0	2	16	0	0	1	1	5	0	2	5	1	**33**
Scott	wet	0	1	0	0	0	0	0	0	11	0	0	1	1	16	0	1	5	0	**36**
Shenandoah	wet	5	2	0	3	0	0	0	9	13	0	0	3	6	30	3	14	36	6	**130**
Smyth	wet	1	1	2	5	0	0	0	2	19	1	0	1	1	15	1	3	14	2	**68**
Southampton	wet	0	0	0	0	0	0	0	2	13	0	0	1	1	12	0	3	4	0	**36**
Spotsylvania	wet	6	0	0	3	0	0	0	6	53	1	1	11	16	23	1	46	75	2	**244**
Stafford	wet	8	0	2	4	0	0	1	6	44	1	0	8	7	18	0	41	68	2	**210**
Surry	wet	0	0	0	0	0	0	0	0	8	0	0	0	0	2	0	1	4	0	**15**
Sussex	wet	1	0	1	1	0	0	1	1	16	0	0	0	1	11	0	0	7	0	**40**
Tazewell	wet	2	0	1	0	0	0	0	3	23	1	0	2	2	29	0	7	17	0	**87**
Warren	wet	1	2	0	1	0	0	0	5	16	0	0	1	4	19	1	20	33	2	**105**
Washington	wet	3	5	1	3	0	0	1	2	33	2	0	1	5	15	2	10	22	2	**107**
Westmoreland	wet	6	1	0	2	0	0	0	7	8	0	0	2	3	12	0	12	18	5	**76**
Wise	wet	1	0	0	1	0	0	0	1	33	0	0	3	2	7	0	5	14	1	**68**
Wythe	wet	2	0	1	3	0	0	0	3	19	2	0	1	1	21	0	10	12	2	**77**
York	wet	6	0	0	1	2	0	0	3	22	0	0	4	10	16	5	29	59	2	**159**
Grand Total		**276**	**80**	**120**	**234**	**25**	**26**	**91**	**311**	**1,859**	**49**	**8**	**283**	**534**	**1,512**	**172**	**2,267**	**3,778**	**180**	**11,805**

NOTES:

(1) "Liquor by the Drink": "Dry"—not approved for liquor by the drink; "Wet"— approved for liquor by the drink.

(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 2009

(Left) Opened on June 25, 1934, six months after the repeal of Prohibition, Virginia ABC Store 123 at 531 Main Street in Clifton Forge holds a unique place in ABC history as the only store to remain in its original location for 75 years. On the eve of the store's 75th anniversary, ABC Board Commissioners Susan Swecker and Frank Hall, and representatives from the Wholesale/ Retail Division and Bureau of Law Enforcement hosted an open house focusing on Clifton Forge's unique place in ABC history and the agency's public safety mission.

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) ABC Board members, executives and employees at the grand opening in 2009 of Store 114, Colonial Heights.

COMMONWEALTH of VIRGINIA

Department of Alcoholic Beverage Control

COMMISSIONERS
SUSAN R. SWECKER, CHAIR
FRANKLIN P. HALL
WILLIAM J. PANTELE

CHIEF OPERATING OFFICER/ SECRETARY TO THE BOARD
W. CURTIS COLEBURN, III

2901 HERMITAGE ROAD
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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, 2009.

FINANCIAL HIGHLIGHTS

- The Department's operating revenues increased 3.6% in Fiscal Year 2009, due in part to the continued expansion of the retail store network and national trends for increased distilled spirit consumption.
- ABC operations returned record profits to the Commonwealth in Fiscal Year 2009 of $111.8 million.
- Three new stores were opened throughout Fiscal Year 2009 generating $2.2 million in additional sales. Five stores were relocated to improved market areas and ten 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 2009 ended with a total of 133 Stores operating on Sundays. The total Sunday sales for Fiscal Year 2009 reached $18.4 million, an increase of $5.8 million from Fiscal Year 2008 to Fiscal Year 2009.

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, 2009. 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, 2009. 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 2009 with a total of $54.6 million in current assets including $45.8 million in inventory of alcohol merchandise for resale, a $2.0 million increase. The increase in inventory is a result of 3 new stores being opened in Fiscal Year 2009. New products being introduced in the market and vendor price increases to ABC also impacts the value of ABC inventory.
- The change in Net Capital Assets from Fiscal Year 2008 to Fiscal Year 2009 is due to the following factors: $0.5 million of depreciation related to the change in the useful life of a vehicle, the write-off of carpet, furniture, fixtures as fixed assets $1.6 million and other annual depreciation of $4.0 million.
- In total, assets decreased from $66.8 million in Fiscal Year 2008 to $63.6 million in Fiscal Year 2009.

Net Assets	Fiscal Year 2009	Fiscal Year 2008	Change
Current and other assets	$ 54,598,358	$ 51,706,648	$2,891,710
Capital assets, net	9,029,096	15,116,106	(6,087,010)
Total assets	63,627,453	66,822,754	(3,195,301)
Current liabilities	58,192,122	60,532,870	(2,340,748)
Noncurrent liabilities	2,818,823	3,602,258	(783,435)
Total liabilities	61,010,945	64,135,128	(3,124,183)
Net assets:			
Invested in capital assets	8,065,261	13,381,590	(5,316,329)
Unrestricted	(5,448,753)	(10,693,964)	5,245,211
Total net assets	$ 2,616,508	$ 2,687,626	$ (71,118)

- Total Liabilities decreased from last fiscal year end. Current liabilities owed by the Department decreased $2.3 million from last fiscal year. The 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. Noncurrent liabilities netted a slight decrease due to the normal scheduled monthly payments according to the Master Equipment Leasing Program (MELP) through the Department of Treasury used to obtain the point of sale cash registers and software in Fiscal Years 2002 and 2003 plus the $3.7 million MELP increase in Fiscal Years 2006 and 2007 to finance a portion of the new warehouse racking system (see Note 6).
- 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 million line of credit with the State Comptroller to meet day-to-day operations. At June 30, 2009, the amount borrowed was $28,109,858 (see Note 4).
- ABC's gross margin on alcohol (percent of revenue including state tax on sales left after subtracting cost of goods sold and state tax on sales) increased to 35.0% in Fiscal Year 2009 from 34.2% in Fiscal Year 2008.

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 2009 reached an all time high of $665 million, up $24 million over Fiscal Year 2008. The gross revenue after state tax on sales of alcohol increased from $535.5 million to $555.8 million or 3.8%. License and permit fees remained constant in Fiscal Year 2009 totaling $11.3 million same as the $11.3 million in Fiscal Year 2008. Federal grants and contracts receipts as well as miscellaneous revenues were down slightly. Other sources of revenue include lottery, wine wholesalers tax, penalties and mixed beverage taxes on common carriers.

Operating Revenues	Fiscal Year 2009	Fiscal Year 2008	Changed
Sales of alcohol	$ 555,843,013	$ 535,540,716	$20,302,297
Sales of lottery tickets	3,050,857	3,141,190	(90,333)
License and permit fees	11,347,857	11,331,249	16,608
Wine wholesalers tax	2,758,136	2,618,252	139,884
Penalties	1,467,143	1,565,923	(98,780)
Federal grants and contracts	915,757	944,567	(28,810)
Mixed beverage tax on common carriers	23,320	26,177	(2,857)
Miscellaneous	620,749	660,746	(39,997)
Net operating revenues	**$ 576,026,832**	**$ 555,828,820**	**$ 20,198,012**

EXPENSES:

In Fiscal Year 2009 operating expenses (not including cost of sales, alcohol and lottery) increased from $132.8 million to $138.6 million, an increase of 4.3%. Approximately 70.0% 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% for lottery cost of sales. Following cost of merchandise is personal services, which accounts for 17.1% of total expenses. The remaining 12.7% is made up of contractual services (e.g. store rents), continuous charges (utilities) and other miscellaneous charges. Expenses for personal services, rents and utilities increased in Fiscal Year 2009 in order to support the growth in ABC's sales and profits. Other drivers of expense increases are depreciation, technology, credit card fees and store communications. These trends are expected to continue as the Department strives to open additional new stores.

Operating Expenses	Amount Fiscal Year 2009	% Expenses FY09	Amount Fiscal Year 2008	Difference
Cost of sales, alcohol	$ 323,086,495	69.6%	$ 316,599,864	$6,486,631
Cost of sales, lottery	2,868,913	.6%	2,977,423	(108,510)
	325,955,408	70.2%	319,577,287	6,378,121
Personal services	79,535,146	17.1%	78,399,498	1,135,648
Continuous charges	22,967,554	4.9%	21,131,537	1,836,017
Contractual services	23,038,603	5.0%	20,413,033	2,625,570
Supplies and materials	2,697,330	0.6%	2,381,444	315,886
Depreciation	6,421,757	1.4%	8,340,859	(1,919,102)
Expendable equipment	3,532,611	0.8%	1,750,627	1,781,984
Other	362,359	0.1%	401,767	(39,408)
	138,555,360	29.8%	132,818,765	5,736,595
Total Operating Expenses	**$ 464,510,767**	**100.0%**	**$ 452,396,052**	**$12,114,715**

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 2009, approximately $67.6 million of the agency's $111.8 million in net profits were transferred to other state agencies. The majority, $65.4 million, transfers to the Department of Mental Health, Mental Retardation and Substance Abuse Services incurred for care, treatment, study and rehabilitation of alcoholics. The remaining $46.4 million was distributed to the General Fund in accordance with the Code of Virginia.

Revenues, Expenses and Changes in Net Assets	Fiscal Year 2009	Fiscal Year 2008	Change
Net operating revenues	$ 576,026,832	$ 555,828,820	$ 20,198,012
Total operating expenses	464,510,767	452,396,052	12,114,715
Nonoperating revenues/(expenses)	234,955	(48,020)	282,975
Net profit before transfers	111,751,021	103,384,748	8,366,273
Transfers of profits to the General Fund of the Commonwealth	(44,235,757)	(37,244,286)	(6,991,471)
Appropriation Act transfers	(67,586,382)	(66,165,997)	(1,420,385)
Total transfers	(111,822,139)	(103,410,283)	(8,411,856)
Net increase after transfers	(71,118)	(25,535)	(45,583)
Total net assets - beginning	2,687,626	2,713,161	(25,535)
Total net assets - ending	$ 2,616,508	$ 2,687,626	(71,118)

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

- During Fiscal Year 2010, the Department anticipates a significant decrease in the growth rate in sales. Because of the stagnant economy, the Department is currently forecasting a 2.9% increase in sales to $685 million, the lowest growth rate since the late 1990's.
- ABC's expenses continue to increase, largely because of escalating store rents and the impact of planned technology upgrades such as point of sale replacement that is required to meet the security standards of the Payment Card Industry. ABC expects a significant increase in depreciation as these projects reach their conclusion in 2010.
- Presently, the Appropriations Act requirement for ABC profits is $104.7 million for Fiscal Year 2010. While ABC expects to exceed this amount, the greatest risk to reaching the profit requirements are sluggish sales, particularly during the holiday sales season.

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

Walter J. Kucharski, Auditor

Auditor of Public Accounts
P.O. Box 1295
Richmond, Virginia 23218

September 28, 2009

The Honorable Timothy M. Kaine
Governor of Virginia

The Honorable M. Kirkland Cox
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, 2009, 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 aggregate remaining fund information 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, 2009, 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 above present fairly, in all material respects, the financial position of the Department of Alcoholic Beverage Control as of June 30, 2009, 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.

The management's discussion and analysis is not a required part of the basic financial statements, but is supplementary information required by the accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

In accordance with Government Auditing Standards, we have also issued our report dated September 28, 2009, 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. 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

RNW:alh

DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL
STATEMENT OF NET ASSETS
As of June 30, 2009

ASSETS		
Current assets:		
Cash and cash equivalents (Note 2 and 8)	$	2,409,176
Petty cash		160,000
Receivables		3,805,455
Inventory - Alcohol (Note 1)		45,813,272
Inventory - Lottery tickets		100,032
Prepaid insurance expenses		1,903,023
Investments held by Treasurer of Virginia (Note 8)		407,399
Total current assets		54,598,358
Noncurrent assets:		
Nondepreciable capital assets (Note 3)		1,827,702
Depreciable capital assets, net (Note 3)		7,201,394
Other assets, net (Note 3)		-
Total noncurrent assets		9,029,096
Total assets		63,627,453
LIABILITIES		
Current liabilities:		
Accounts payable		19,302,073
Installment notes payable (Note 6)		776,891
Unearned revenue		271,772
Due to Commonwealth of Virginia (Note 4)		34,556,259
Obligations under securities lending (Note 8)		746,961
Compensated absences payable (Note 7)		2,538,166
Total current liabilities		58,192,122
Noncurrent liabilities:		
Installment notes payable (Note 6)		186,944
Compensated absences payable (Note 7)		2,631,879
Total noncurrent liabilities		2,818,823
Total liabilities		61,010,945
NET ASSETS		
Invested in capital assets, net of related debt		8,065,261
Unrestricted net assets		(5,448,753)
Total net assets	$	2,616,508

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, 2009

Operating revenues:		
Sales of alcohol	$	555,843,013
Sales of lottery tickets		3,050,857
License and permit fees		11,347,857
Wine wholesalers tax		2,758,136
Penalties		1,467,143
Federal grants and contracts		915,757
Mixed beverage tax on common carriers		23,320
Miscellaneous		620,749
Total operating revenues		576,026,832
Operating expenses:		
Cost of sales of alcohol		323,086,495
Cost of sales of lottery tickets		2,868,913
Personal services		79,535,146
Continuous charges		22,967,554
Contractual charges		23,038,603
Supplies and materials		2,697,330
Depreciation and amortization		6,421,757
Expendable equipment		3,532,611
Other		362,359
Total operating expenses		464,510,767
Operating income		111,516,065
Nonoperating revenues (expenses):		
Rents		127,623
Income from security lending transactions (Note 8)		201,496
Expenses from security lending transactions (Note 8)		(201,496)
Interest income		128,029
Seized assets		(20,697)
Total nonoperating revenues (expenses)		234,955
Net profit before transfers		111,751,021
Transfers out:		
Transfers of profits to the General Fund of the Commonwealth		(44,235,757)
Appropriation Act transfers		(67,586,382)
Total transfers		(111,822,139)
Net increase after transfers		(71,118)
Total net assets - July 1, 2008		2,687,626
Total net assets - June 30, 2009	$	2,616,508

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, 2009

Cash flows from operating activities:		
Cash received from sales	$	558,531,016
Cash received from licenses and fees		11,488,928
Cash received from other revenue		5,703,115
Cash payments for cost of sales		(327,241,711)
Cash payments for personal services		(79,553,836)
Cash payments for other expenses		(52,888,266)
Net cash provided by operating activities		116,039,244
Cash flows from noncapital financing activities:		
Note payable to the Commonwealth		28,109,858
Due to the Commonwealth repayments		(31,493,946)
Cash received from nonoperating activities		106,924
Cash received from taxes		165,918,124
Transfers of tax collections to the General Fund of the Commonwealth		(140,052,303)
Transfers of tax collections to the Department of Taxation		(26,128,226)
Transfers of profit to the General Fund of the Commonwealth		(44,093,182)
Appropriation Act transfers		(67,586,382)
Net cash used for noncapital financing activities		(115,219,133)
Cash flows from capital and related financing activities:		
Acquisition of equipment		(230,707)
Interest Income		174,883
Sale of depreciable assets		32,551
Note payable pincipal payments		(770,681)
Note payable interest payments		(46,854)
Net cash used for capital financing activities		(840,808)
Net decrease in cash and cash equivalents		(20,697)
Cash and cash equivalents - July 1, 2008		2,250,311
Cash and cash equivalents - June 30, 2009	$	2,229,614
Reconciliation of cash and cash equivalents		
Cash and cash equivalents		2,409,176
Petty cash		160,000
Securities lending cash equivalent		(339,562)
	$	2,229,614
Reconciliation of net profit to net cash provided by operating activities:		
Operating income		111,516,065
Adjustments to reconcile net profit to net cash provided by operating activities:		
Depreciation and amortization		6,421,757
Change in assets and liabilities:		
Increase in accounts receivable		(444,846)
Increase in inventory		(2,032,916)
Decrease in compensated absences		(91,589)
Increase in accounts payable		819,512
Increase in prepaid items		(289,810)
Increase in unearned revenue		141,071
Net cash provided by operating activities	$	116,039,244

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, 2009

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 and its localities.

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.

The Department has the option to apply all Financial Accounting Standards Board (FASB) pronouncements issued after November 30, 1989, unless FASB conflicts with GASB. The Department has elected to apply FASB pronouncements issued after the applicable date.

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 1, 2008	Acquired	Deleted	Balance at June 30, 2009
Nondepreciable capital assets				
Land	$ 1,827,702	$ -	$ -	$ 1,827,702
Construction in-progress	-	-	-	-
Total nondepreciable capital assets	1,827,702	-	-	1,827,702
Depreciable capital assets				
Buildings	9,571,382	-	-	9,571,382
Equipment	41,849,566	230,707	(240,832)	41,839,441
Total depreciable capital assets	51,420,948	230,707	(240,832)	51,410,823
Less accumulated depreciation:				
Building	9,254,623	12,551	-	9,267,174
Equipment	28,877,921	6,272,615	(208,281)	34,942,255
Total accumulated depreciation	38,132,544	6,285,166	(208,281)	44,209,429
Depreciable capital assets, net	13,288,404	(6,054,459)	(32,551)	7,201,394
Total capital assets, net	$15,116,106	$(6,054,459)	$ (32,551)	$9,029,096

The Department capitalizes all property, plant, and equipment that have a cost or value equal to or greater than $5,000. Property, plant, and equipment 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, and equipment is provided on a straight-line basis over their estimated lives of from ten to thirty years on buildings and from three to eight years on equipment.

Change in Estimated Life

The Department changed the estimated life of a vehicle when calculating depreciation from eight years to five years. The result of this change was an additional $472,045 in depreciation expense for this fiscal year.

Insurance Recovery

An insurance recovery of $116,311 has been applied for and is expected to be received in Fiscal Year 2010 resulting from fire and water damage to the inventory that occurred in September 2008 at Store Location #68, Harrisonburg, Virginia.

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, 2009, the Department had outstanding $28,109,858 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 1, 2008	Increase	Decrease	Balance at June 30, 2009
$31,493,946	$28,109,858	$ (31,493,946)	$28,109,858

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 2009 Virginia Acts of Assembly required $9,886,363 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 Mental Health, Mental Retardation and Substance Abuse 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, 2009, is summarized below.

	State Tax on Sales	Liter Tax on Wine	Total
Balance due to the General Fund, July 1, 2008	$ 31,114	$ 435,493	$ 466,607
Receipts for fiscal year	109,642,969	30,050,875	139,693,844
Transfers to the General Fund	(109,454,230)	(30,598,073)	(140,052,303)
Balance due to the General Fund, June 30, 2009	$ 219,853	$ (111,705)	$ 108,148

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, 2009, is summarized below.

Balance due to the Department of Taxation, July 1, 2008	$ 1,976,010
Sales tax collections	26,224,280
Transfers to the Department of Taxation	(26,128,226)
Balance due to the Department of Taxation, June 30, 2009	$2,072,064

D. Earned Surplus

The Appropriation Act, Chapter 781 of the 2009 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 $4,154,486 due to the General Fund at June 30, 2009.

5. LEASE COMMITMENTS

The Department is committed under various operating lease agreements for retail store buildings. Rent expense under operating lease agreements amounted to $19,042,035 for the year. A summary of future obligations under lease agreements as of June 30, 2009, follows.

Year Ending June 30, 2009	
2010	$15,719,795
2011	13,738,474
2012	9,900,129
2013	6,935,693
2014	3,465,870
2015-2018	1,682,206
Total obligations	$51,442,167

6. INSTALLMENT NOTES PAYABLE

During Fiscal Years 2005 and 2006 the Department entered into an additional five-year installment purchase agreement for the warehouse racking system. The interest rate charges range from 2.7397 percent to 3.5922 percent. Principal and interest payments of this commitment for fiscal years subsequent to June 30, 2009 are as follows.

Fiscal Year	Principal	Interest	Total Obligations
2010	776,891	20,579	797,470
2011	186,944	1,963	188,907
Total	$ 963,835	$ 22,542	$ 986,377

The following schedule presents the changes in long-term debt.

Balance at July 1, 2008	Increase	Decrease	Balance at June 30, 2009
$ 1,734,516	$ 0	$ (770,681)	$ 963,835

7. 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, 2009. 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 1, 2008	Short Term Decrease	Long Term Decrease	Balance at June 30, 2009	Amounts due within one year
$ 5,261,634	$ (85,046)	$ (6,543)	$ 5,170,045	$ 2,538,166

8. 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.

9. COLLECTIONS OF MALT BEVERAGE TAX

During the year ended June 30, 2009, the Department collected $44,582,722 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.

10. 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.

11. 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.

12. 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, 2009, the bailment inventory was valued at $37,822,900.

COMMONWEALTH of VIRGINIA

Office of the Governor

Timothy M. Kaine
Governor

July 27, 2009

Dear Friends,

I am pleased to extend my sincere congratulations to the Virginia Department of Alcoholic Beverage Control on its 75th Anniversary in the year 2009.

Virginia ABC was established in 1934, just three months after the repeal of Prohibition, to oversee the sale of distilled spirits and enforce liquor control throughout the state. Seventy-five years later, the agency has contributed more than $6 billion to the Commonwealth, including more than $1.3 billion in the last five years alone. These funds have provided valuable support to the Virginia Department of Behavioral Health and Developmental Services, localities, other state agencies, and Virginia's General Fund.

Since its creation, the agency has strived for and maintained the highest standards of excellence. Today, ABC is a profitable and efficiently run business operating more than 330 retail locations throughout the Commonwealth. It is also an outstanding public safety agency with a Bureau of Law Enforcement, an Administrative Hearings Division, and is a national leader in alcohol prevention and community education initiatives. ABC is also being recognized as an example of environmental sustainability with its increased emphasis on "going green."

Without a doubt, one of the organization's greatest strengths has been its committed and experienced workforce. Hundreds of employees have devoted many, if not all working years to ABC, resulting in stabilized and uniform best practices. In fact, nearly 25 percent of its full-time employees have dedicated more than 20 years of service to the agency. On this 75th Anniversary, we pay tribute to the thousands of employees, current and retired, who have contributed to this award-winning system.

On behalf of the Commonwealth, I salute ABC as it celebrates this historic milestone, and offer my best wishes for continued service and success.

Sincerely,

Timothy M. Kaine

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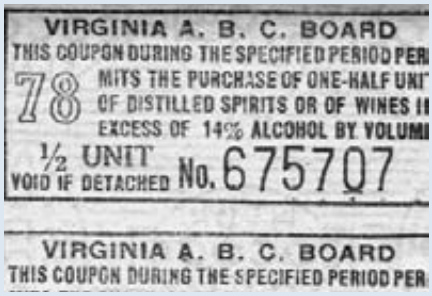

75 ABC

75th ANNIVERSARY ◆ 1934–2009

CONTROL ◆ SERVICE ◆ REVENUE

ABC has come a long way since Virginia citizens voted to enact "a plan of liquor control" in 1934

- **The Pullman Company received the first ABC license in April 1934 and today there are more than 15,000 licensed establishments in Virginia.**
- **The first four ABC stores opened in May 1934 and today ABC operates 332 stores statewide, 18 of which are owned, the rest are leased.**
- **ABC special agents were granted full police powers statewide in 1936; mainly enforcing the laws against bootlegging and moonshining. Today agent duties are wide ranging; from investigating narcotics trafficking to tax embezzlement, in addition to monitoring licensed establishments for compliance with Virginia laws.**
- **The ABC warehouse moved from Harrison and West Broad Streets in Richmond to its current location at 2901 Hermitage Road in 1971. Recent warehouse automation enables the agency to maintain excellent product service levels. The system is capable of processing 20,000 cases in a normal eight-hour shift.**
- **In the last 75 years, ABC has contributed more than $6 billion to the Commonwealth of Virginia's General Fund. In the last five years, ABC has contributed $1.5 billion. All ABC contributions go directly into the General Fund.**

In addition to being a major source of revenue for the Commonwealth, ABC is: a public safety agency enforcing criminal and ABC laws in more than 15,000 licensed establishments; a leader in alcohol education/prevention programs and compliance training for sellers and servers of alcohol; and an administrative hearing agency addressing issues with establishments holding ABC licenses.

While much has changed in the 75 years since its inception, ABC remains committed to providing excellent customer service, enhancing public safety and maximizing revenue returned to the Commonwealth of Virginia.

Historic ABC photos, left (top to bottom):
ABC agents destroy illegal still, ca. 1940s; Department of Prohibition Inspector, ca. 1919; ABC ration coupons, ca. 1942; first female store employees in Roanoke, 1970; conventional ABC store, ca. 1930s; ABC Special Agent Floyd Vincent, killed in the line of duty, January 22, 1950.

Modern ABC photos, right (top to bottom):
ABC special agents at firing range; ABC store associate with customer (this photo was created for the 2009 Hidden Epidemic conference); YADAPP conference, organized by ABC; ABC store associate; ABC's modern central warehouse; Special Agent John Hughes checks IDS at a licensed establishment.