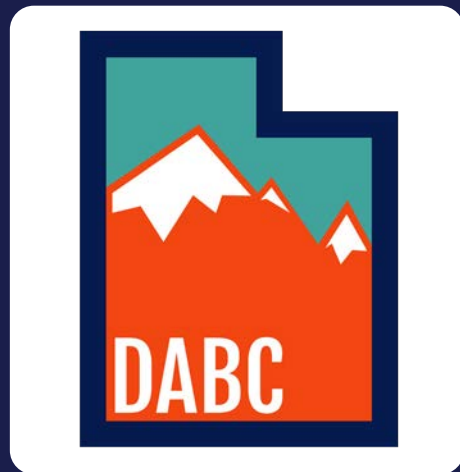


2020

YEAR IN RETAIL

SUMMARY OF SALES
JULY 1, 2019 - JUNE 30, 2020



The Department of
Alcoholic Beverage Control





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A WORD FROM DEPUTY DIRECTOR CADE MEIER

During the 2020 fiscal year, the department increased 4.36% in revenue from the year prior. This continued increase in revenue resulted in a compound annual growth rate of 4.26% from FY 2016 to FY 2020.

The pandemic resulted in changes to our customer's buying patterns and our daily operations. Supply lines were disrupted and operating store hours were reduced with additional cleaning and sanitizing procedures implemented.

The department continued building new stores and made efforts to relocate older stores. Additionally, the department acquired land for future stores in Sugarhouse and East Sandy. The new stores will help decrease demand on current stores and assist the department to improve customer satisfaction.

The implementation of new programs like Rare High Demand Product Drawing and our new mobile app for locating products has proven useful tools. We again look forward to finding new additional contributions from our wonderful employees and continued suggestions from our customers.

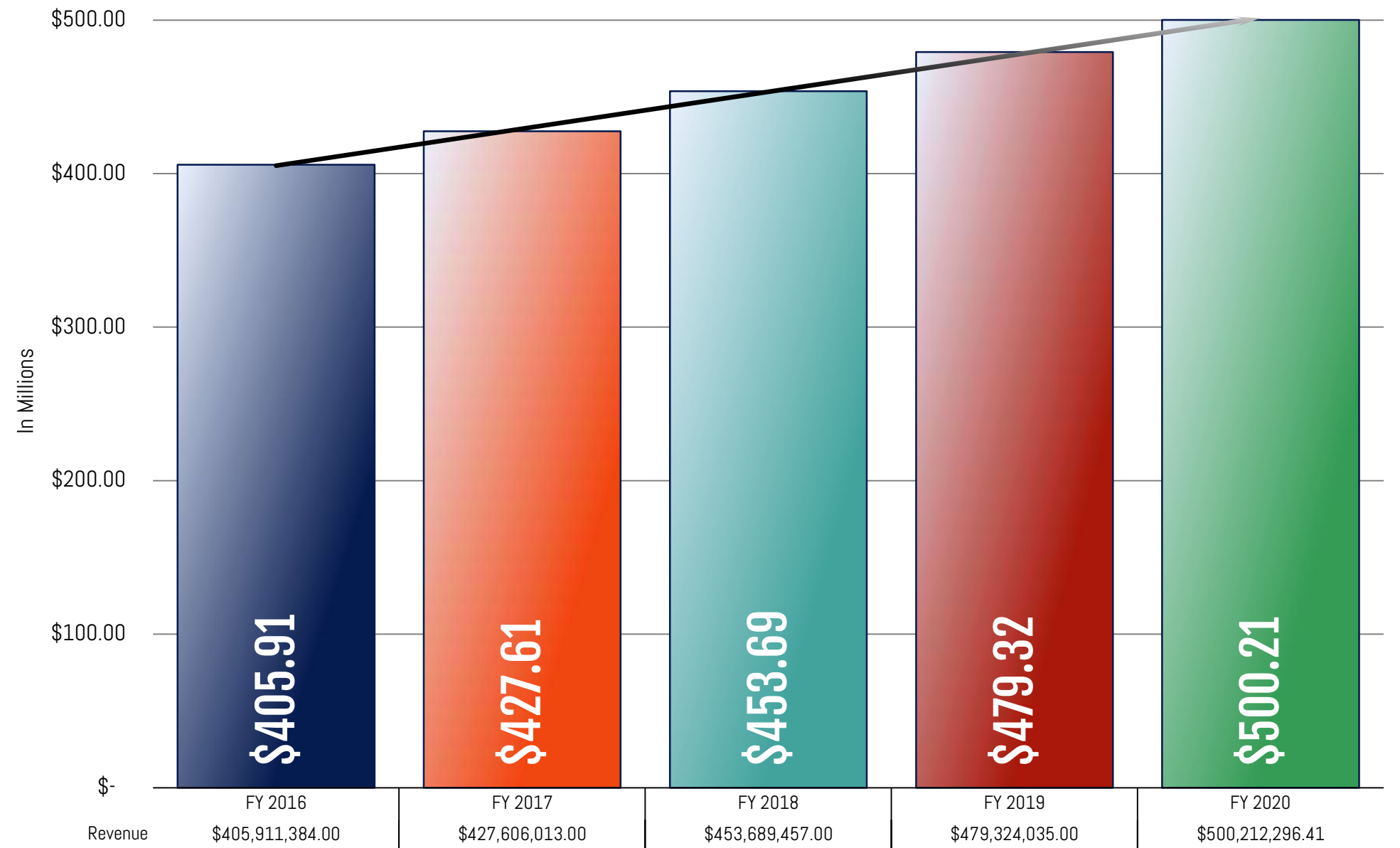
Sincerely,

Cade Meier
Deputy Director, DABC



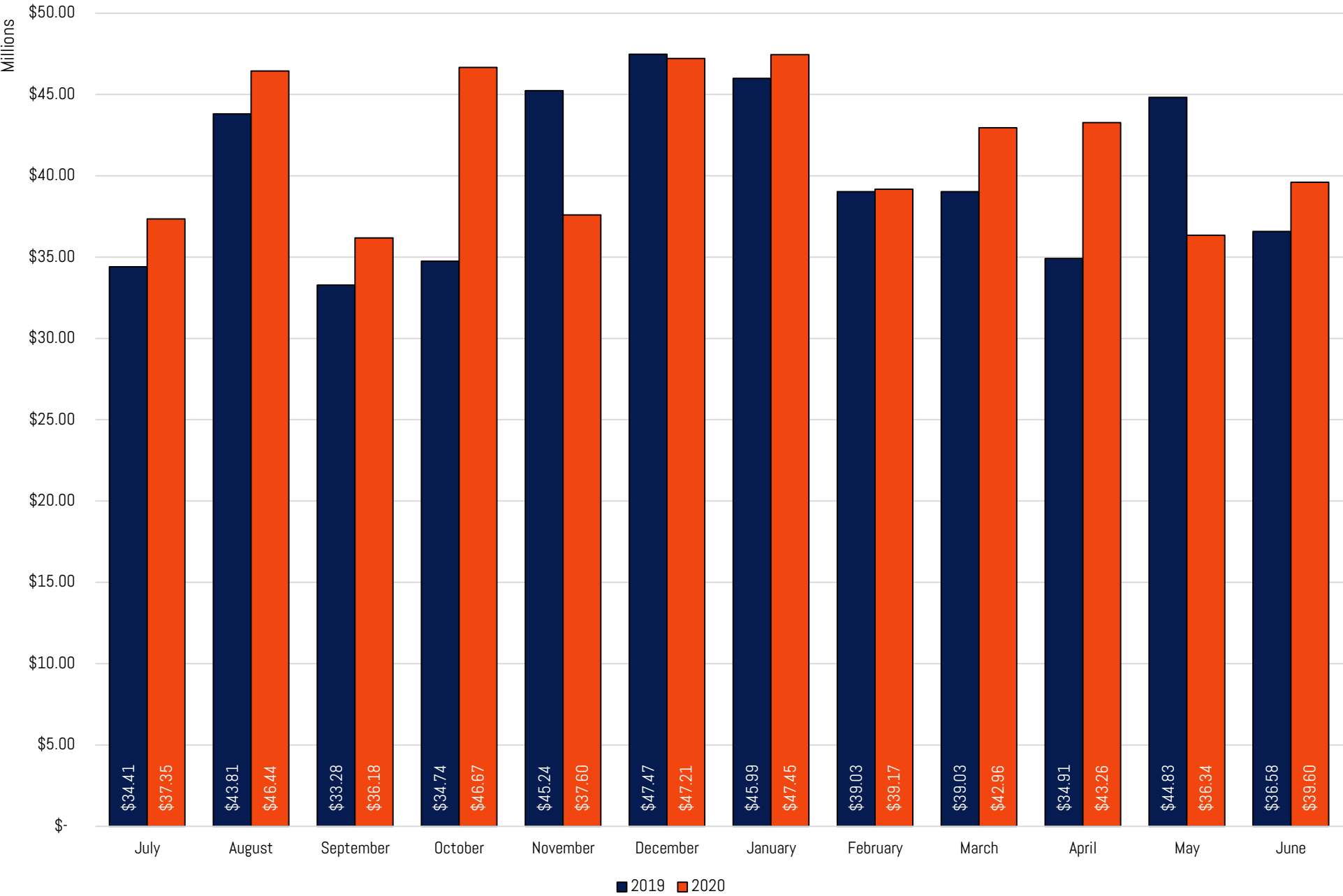
FIVE YEAR SALES SUMMARY

DABC sales revenue finished FY 2020 at approximately \$500.21 million - a 4.36% increase over FY 2019 sales. In the five year period FY 2016 - FY 2020, the DABC experienced a compound annual growth rate (CAGR) of 4.26%.



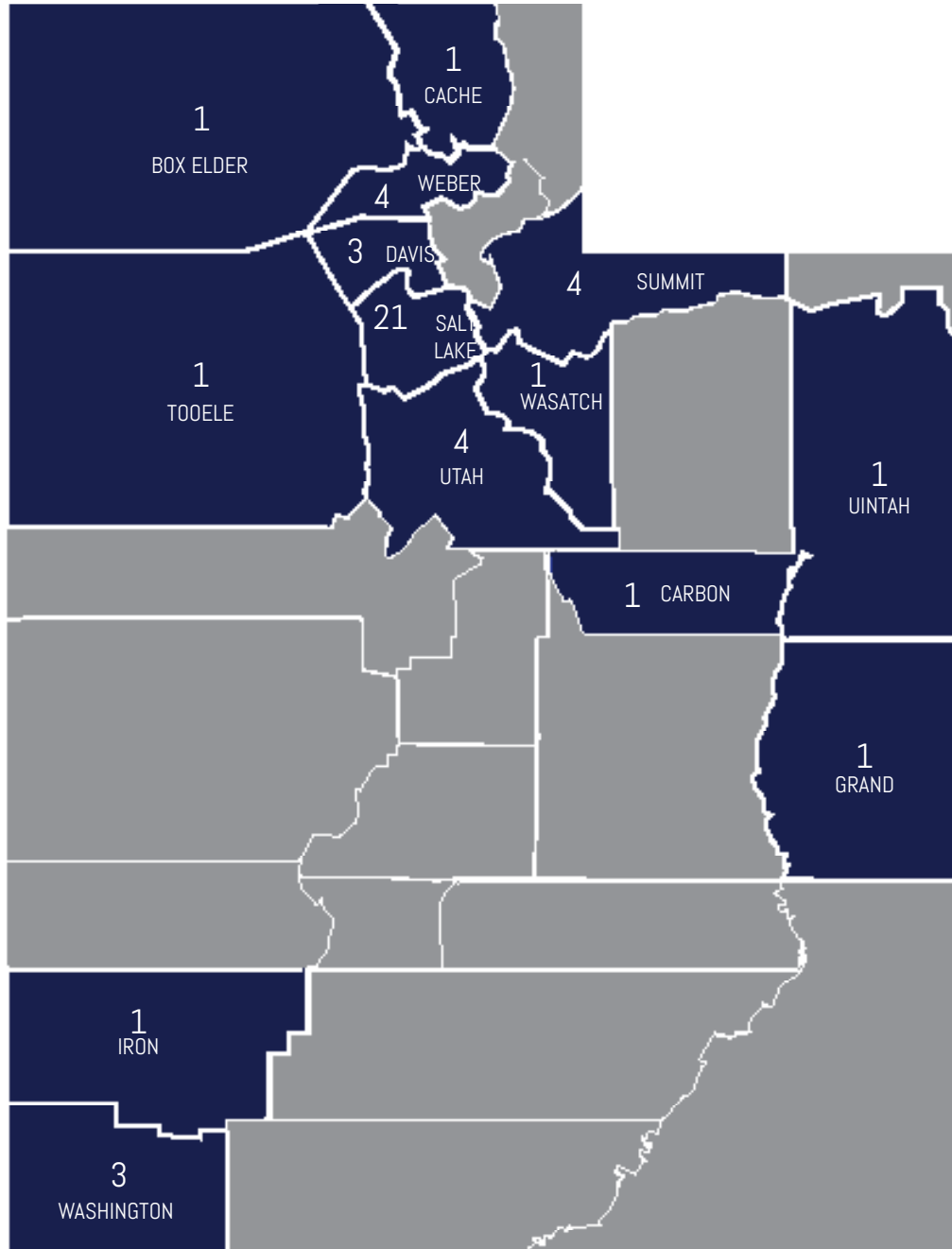
SALES BY FISCAL MONTH

(2019 - 2020)



DABC RETAIL STORES

As of June 30, 2020, The DABC operated 47 retail facilities



45 | 2

STANDARD STORES

CLUB/LICENSEE STORES

47 Stores Statewide

417,464 Square Feet

7,876.68 SQ. FT. Average Store Size

\$9,754,455.64 Average Store Sales

Store Personnel (as of June 30, 2020)

225 Full Time

329 Part Time

554 Total

The DABC opened a new store in Herriman in FY 2020. The new store has already aided in relieving pressure at nearby stores. This beautiful new store is a bold step forward in design and is a state of the art facility. It is both distinctive in form and energy efficient in design, meeting the requirements of the state of Utah's High Performance Building Standard. The building was created with sustainability in mind and incorporates many energy efficient and resource conserving features such as energy efficient mechanical systems, drought tolerant landscape, and renewable engineered wood products. The store features unique lighted fixtures, a color changing display case, and open floor space with tall ceilings enhancing the shopping experience.

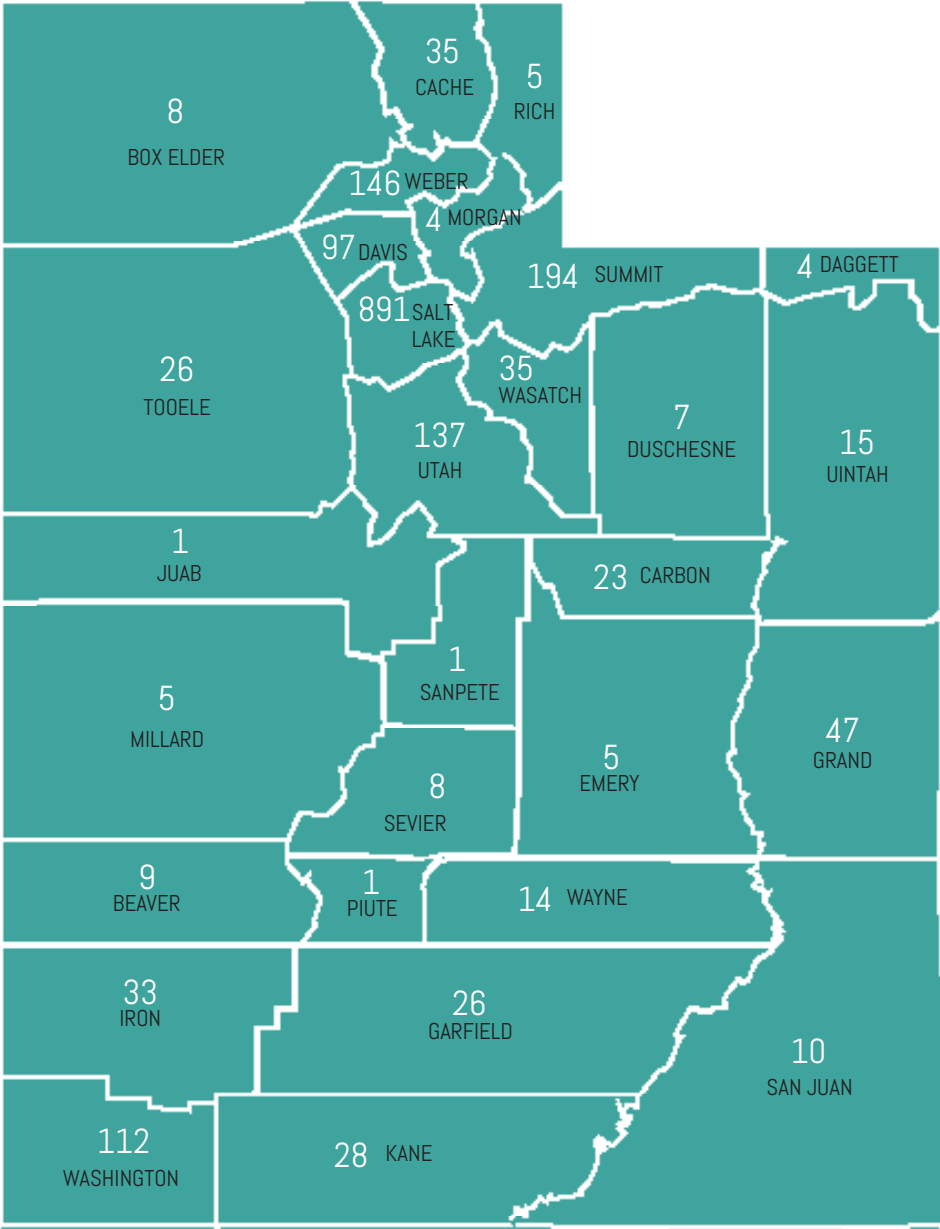
This store continues DABC efforts to be a community partner that Utah cities can be proud of.

TOP TEN STORES BY SALES

STORE	FY 2019	FY 2020	% CHANGE
SLC Club Store	\$ 30,278,024.00	\$ 21,825,380.04	-27.9%
Cottonwood Heights	\$ 21,454,180.00	\$ 20,706,310.53	-3.5%
Sandy	\$ 19,552,592.00	\$ 19,854,025.84	1.5%
Park City - Snowcreek	\$ 16,980,444.00	\$ 18,320,702.59	7.9%
Draper	\$ 14,617,545.00	\$ 15,621,446.47	6.9%
Holladay SLC	\$ 15,493,375.00	\$ 15,491,530.07	-0.01%
Park City - Kimball Junction	\$ 15,132,723.00	\$ 14,845,819.74	-1.9%
Sugarhouse SLC	\$ 15,939,572.00	\$ 14,429,412.04	-9.5%
Harris Ave SLC	\$ 11,766,913.78	\$ 14,060,637.42	19.5%
33rd S. & 33rd E. SLC	\$ 11,271,748.54	\$ 12,750,971.37	13.1%

ON-PREMISE RETAIL LICENSES

By County



1,927

ON-PREMISE RETAIL LICENSES

BEAVER	9	PIUTE	1
BOX ELDER	8	RICH	5
CACHE	35	SALT LAKE	891
CARBON	23	SAN JUAN	10
DAGGETT	4	SANPETE	1
DAVIS	97	SEVIER	8
DUCHESNE	7	SUMMIT	194
EMERY	5	TOOELE	26
GARFIELD	26	UINTAH	15
GRAND	47	UTAH	137
IRON	33	WASATCH	35
JUAB	1	WASHINGTON	112
KANE	28	WAYNE	14
MILLARD	5	WEBER	146
MORGAN	4		

As of 07/01/2020.

ON-PREMISE VS. OFF-PREMISE SALES

On-Premise:

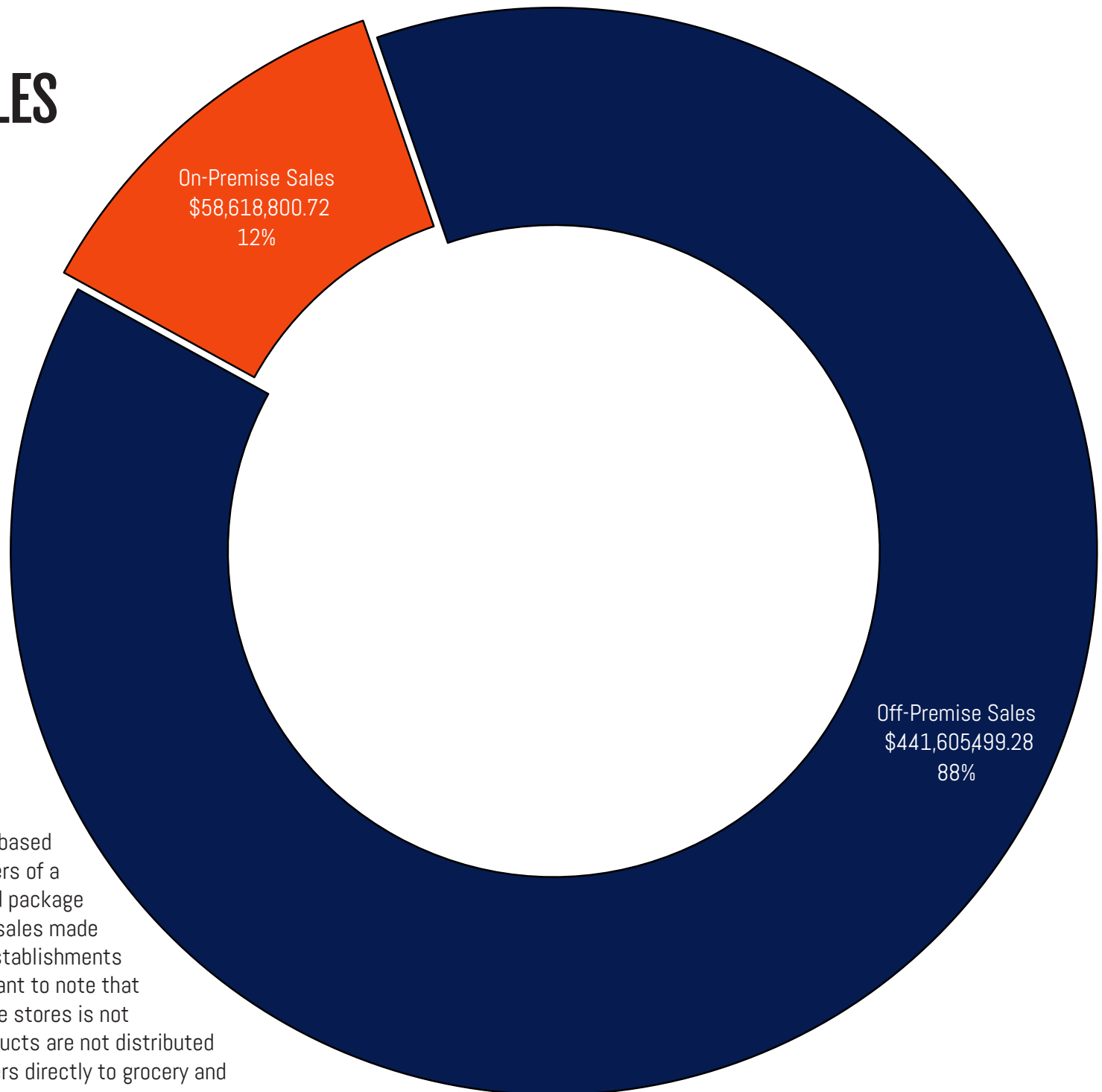
The sale of alcoholic beverages to be consumed on premises, such as in restaurants, banquet facilities, reception centers, qualified resorts, airport lounges, bars, and beer recreational retailers.

Off-Premise:

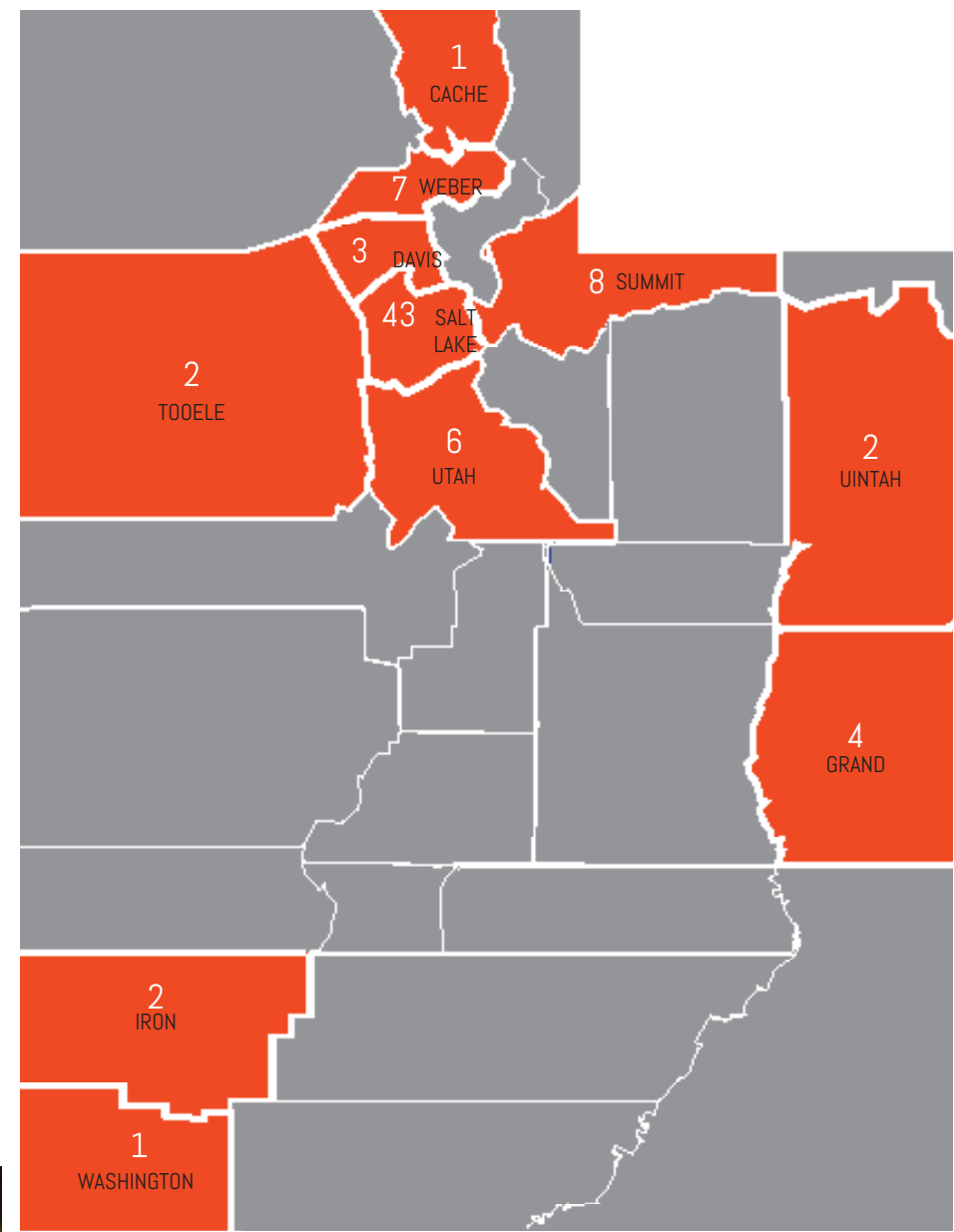
The sale of alcoholic beverages to be consumed off premises, such as the State Liquor and Wine retail stores, or package agencies.

NOTE:

The graph represents off-premise sales based on sales made to walk-in retail customers of a state liquor and wine store or a licensed package agency, whereas, on-premise sales are sales made by the agency to licensed on-premise establishments - like bars, restaurants, etc. It is important to note that sales of alcohol in grocery and convenience stores is not represented in this graph, as those products are not distributed by DABC, but by licensed beer wholesalers directly to grocery and convenience stores.



MANUFACTURING LICENSES



79

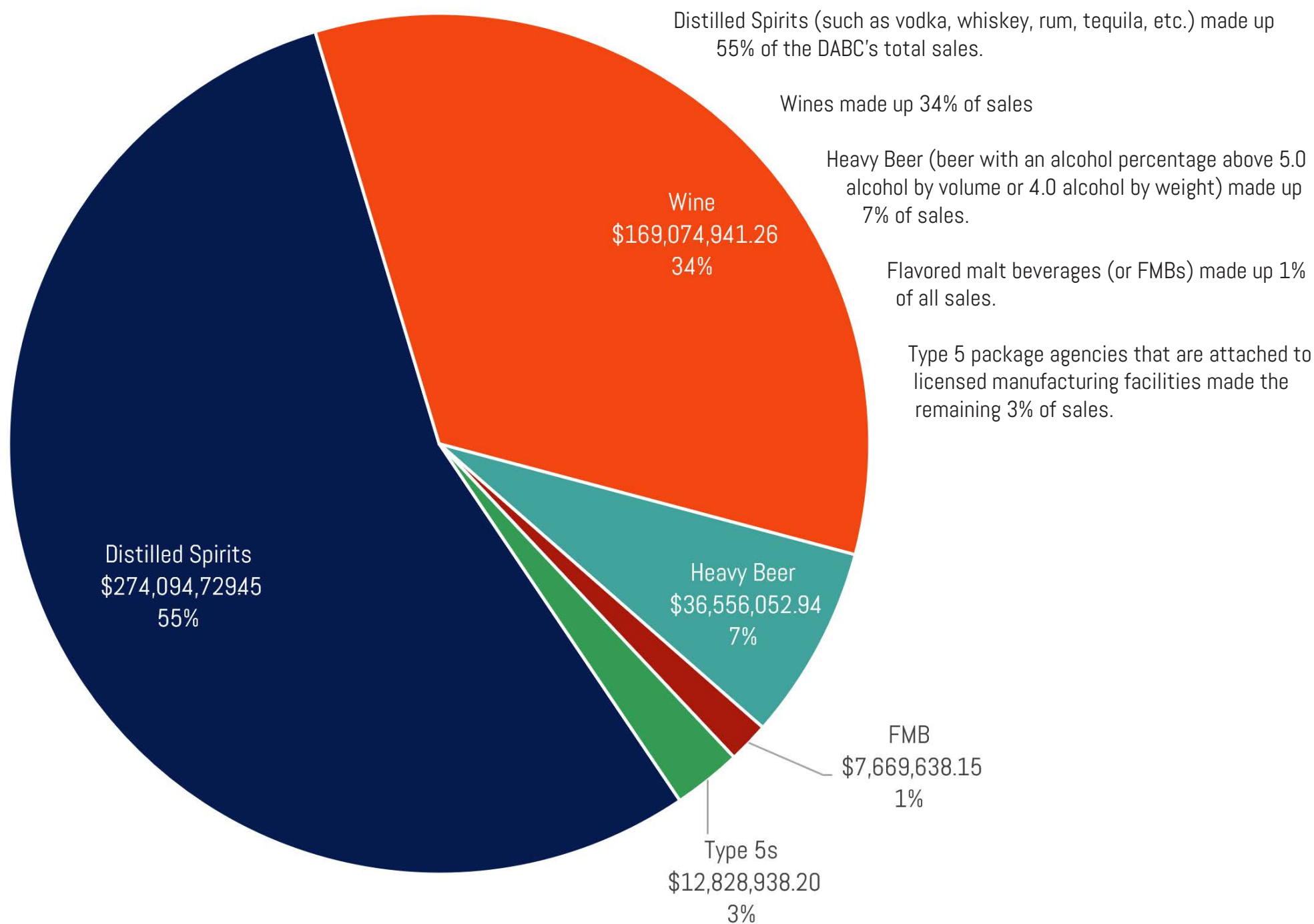
MANUFACTURING LICENSES

CACHE	1
DAVIS	3
GRAND	4
IRON	2
SALT LAKE	43
SUMMIT	8
TOOELE	2
UINTA	2
UTAH	6
WASATCH	1
WEBER	7

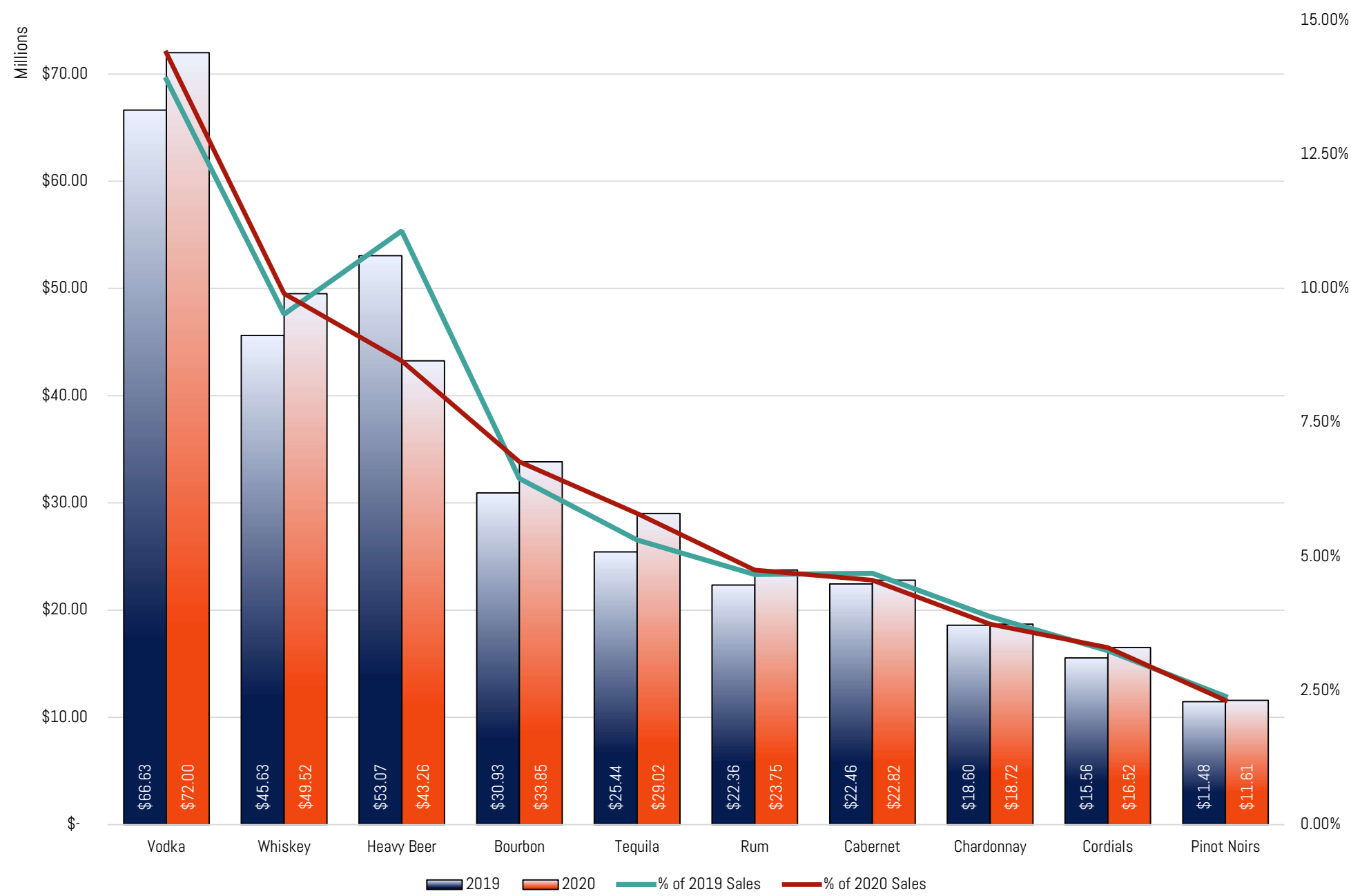
As of 07/01/2020.



SALES BY TYPE

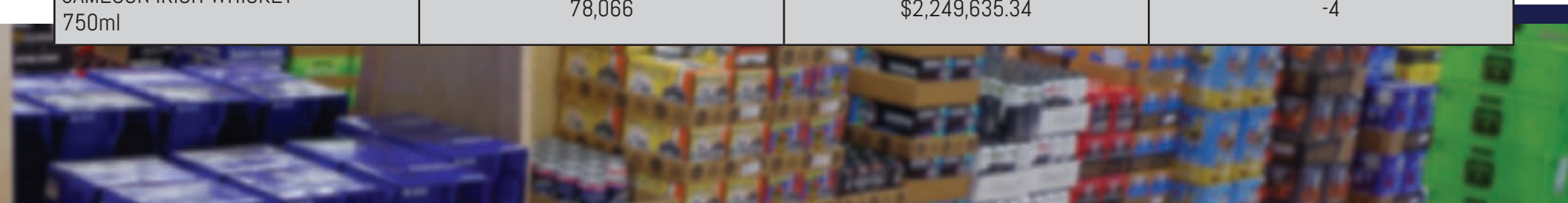


SALES BY TOP TEN CATEGORIES 2019-2020



TOP SELLING ITEMS 2020

NAME	BOTTLES	SALES	POSITION CHANGE FROM 2019
TITOS HANDMADE VODKA 1750ml	90,229	\$3,687,595.71	1
BARTON VODKA 1750ml	318,909	\$3,504,809.91	-1
PATRON SILVER TEQUILA 750ml	53,033	\$2,759,480.15	0
JACK DANIELS BLACK LABEL 1750ml	53,753	\$2,620,637.47	4
TITOS HANDMADE VODKA 1000ml	99,777	\$2,564,449.23	0
CROWN ROYAL 1750ml	46,631	\$2,538,073.69	4
TITOS HANDMADE VODKA 750ml	117,639	\$2,425,795.61	0
SMIRNOFF VODKA 1750ml	95,958	\$2,402,213.42	1
JACK DANIELS BLACK LABEL 1000ml	82,636	\$2,359,051.89	-4
JAMESON IRISH WHISKEY 750ml	78,066	\$2,249,635.34	-4



TOP SELLING BEERS 2020

NAME	BOTTLES	SALES	POSITION CHANGE FROM 2019
NATTY DADDY 355 ml	1,314,404	\$1,248,684.75	1
SQUATTERS HOP RISING DOUBLE IPA 355ml	488,718	\$1,021,420.62	-1
SQUATTERS HOP RISING DBLE IPA CAN 355ml	447,156	\$889,840.44	4
ICEHOUSE BEER 355ml	740,714	\$703,678.30	2
RED ROCK ELEPHINO IPA 500ml	169,330	\$675,626.70	0
SQUATTERS HOP RISING TROPICAL IPA 355 ml	318,498	\$633,811.02	5
BUD LIGHT PLATINUM 355 ml	373,411	\$616,128.15	1
SIERRA NEVADA PALE ALE CANS 355ml	296,083	\$559,596.87	1
UINTA DETOUR DOUBLE IPA CAN 355ml	225,292	\$493,389.48	4
LAGUNITAS LITTLE SUMPIN SUMPIN 355ml	199,958	\$469,901.30	5

TOP SELLING WINES 2020

NAME	BOTTLES	SALES	POSITION CHANGE FROM 2019
VEUVE CLICQUOT BRUT YELLOW LABEL 750ml	21,639	\$1,157,977.03	0
BOTA BOX PINOT GRIGIO 3000ml	54,972	\$1,152,285.65	1
BLACK BOX CABERNET 3000ml	48,574	\$1,088,894.64	3
MEIOMI PINOT NOIR 750ml	46,889	\$1,026,190.43	0
BLACK BOX CHARDONNAY CALIFORNIA 3000ml	43,336	\$1,001,349.30	0
LAMARCA PROSECCO 750ml	60,525	\$1,000,650.63	-4
FRANZIA CHILLABLE RED HOUSE WI 5000ml	54,912	\$883,279.56	2
FRANZIA SUNSET BLUSH HOUSE WIN 5000ml	54,515	\$873,351.09	0
KENDALL JACKSON CHARDONNAY VINTNE 750ml	50,211	\$824,982.17	-2
FRANZIA CHARDONNAY -AUSTRALIAN 5000ml	39,001	\$784,736.55	0

WINE SALES BY REGION

REGION	AMOUNT	% OF SALES
U.S.	\$123,095,870.32	75.81%
Italy	\$14,712,237.85	9.06%
France	\$5,547,076.32	3.42%
New Zealand	\$3,990,786.26	2.46%
Argentina	\$3,681,226.76	2.27%
Spain	\$2,940,073.38	1.81%
Other*	\$2,291,979.61	1.41%
Australia	\$2,244,644.62	1.38%
Chile	\$1,333,970.59	0.82%
Portugal	\$885,653.12	0.55%
Japan	\$670,242.00	0.41%
Germany	\$422,346.98	0.26%
South Africa	\$307,538.61	0.19%
Austria	\$211,356.58	0.13%
Greece	\$49,633.86	0.03%

* Other is composed of fortified wines, like vermouth, and other miscellaneous varieties of wine, that can be found in various regions.



A WORD FROM REGIONAL MANAGER VAL DUNAWAY

The DABC continued to show strong performance in fiscal year 2020 even with the many challenges we faced as a result of the global pandemic. We had many successes in fiscal year 2020 and continue to improve our processes to increase efficiency. We successfully opened our 47th store in Herriman and began construction on 2 more stores located in Saratoga Springs and Farmington. As sales continue to grow, other sites are being looked at to help with the increased demand. We continue to receive valuable feedback from the community and strive to improve on customer service and processes.

Some highlights for fiscal year 2020 include:

- Record holiday sales
- Provided incentives for employees who worked during the pandemic
- Pay raises for employees
- Approved several ASI's and bonuses for employee performance
- Added training computers and online modules to all stores
- Held store manager meeting and conducted training sessions
- New ordering system (DBM) implemented in all stores
- Continued working with PLM to delist slow selling products
- Completed planograms in several stores
- Began testing Symphony program in some stores for SPA items
- Reinvented the DABC website so more use friendly
- Met with DABC work group monthly to improve processes in the stores
- Added deliveries to include Saturdays during the holiday season
- Utilized a temp service to help staff the stores during the pandemic and the Park City stores during Sundance and ski the season



The entire DABC team, from administrative staff to store employees, continuously works together to ensure the success of the entire department by providing support help as needed and where needed. This helps keep the department running smoothly and helps provide the best shopping experience possible for our customers. I look forward to many more successes from our amazing team!

Respectfully,

Val Dunaway
Regional Manager, DABC



TRAINING

This year DABC Training has moved online. The DTS desktop support team fielded training computers to all DABC stores. This has given the DABC the ability to move required training away from in-person and paper-based training.

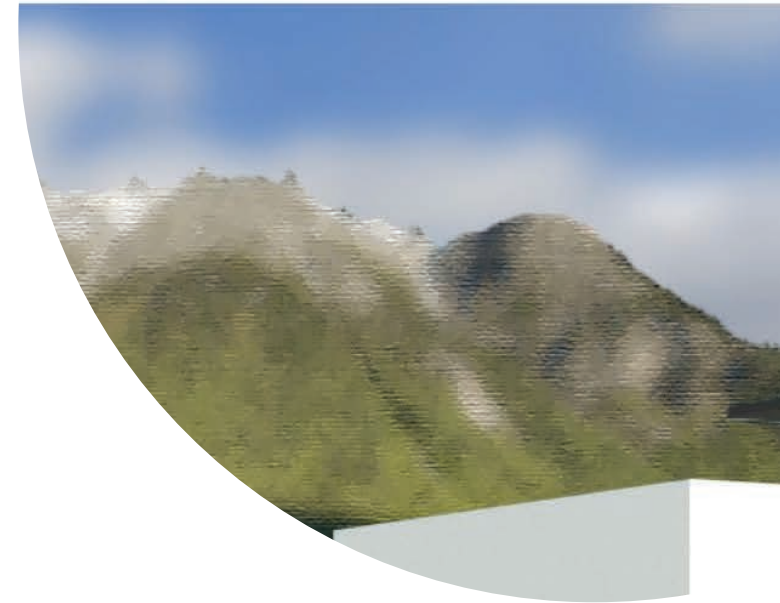
The new online program consists of both self-paced computer-based training and instructor-led virtual classrooms. In addition to required training, product knowledge training is now available online. Store employees across the state now have the opportunity to beef up their wine, beer, and spirits knowledge base.

Thank you to all Store Teams across the state for their adaptability and enthusiasm toward this new program.



Learning
Portal

Home



Comprehensive Driver Training

Launch the Course



Respect
in the

State of Utah
Ethics
Training



A MESSAGE FROM THE PURCHASING DIVISION

During the fiscal year 2020, the definition of beer/heavy beer changed in Utah from 4%ABV/3.2%ABW and went to 5%ABV/4% ABW. This law became effective in November of 2019. Many of our best selling brands moved from the DABC stores and into grocery and convenience stores.

High demand for ready-to-drink products and flavored malt beverages resulted in additional listings in these product categories. Likewise, the DABC experienced high demand for ultra premium tequilas.

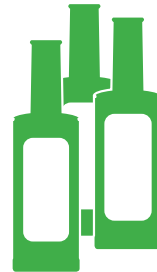
The COVID 19 pandemic created a shift in buying patterns as many on-premise licensees were closed due to restrictions, resulting in their decreased sales. The retail walk-in sales numbers increased due to the resulting restrictions on licensees. Our department experienced a shift in sales to large format sizes from regular and smaller size formats. We also saw a dip in some local manufacturer's products. Many licensees supported local manufacturers and while they were shut down, there was a noticeable difference in the purchase rates.



312
Items
Evaluated



41
New Items



414
Delisted





The Department of
Alcoholic Beverage Control