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LCBO: ORGANiZATIONAL TRANSFORMATION

[Ramasastry Chandrasekhar](https://iveypubs.my.salesforce.com/003A000001IGNBa) wrote this case under the supervision of Jean-Louis Schaan solely to provide material for class discussion. The authors do not intend to illustrate either effective or ineffective handling of a managerial situation. The authors may have disguised certain names and other identifying information to protect confidentiality.

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It was July 2016. A month earlier, George Soleas had been appointed as president and chief executive officer (CEO) of the Liquor Control Board of Ontario (LCBO), a Crown corporation of the Canadian province of Ontario, and a beverage alcohol retailer with a near-monopoly position. Soleas had spent two decades with the LCBO, most recently as its executive vice-president. Since early 2016, he had been closely involved with the development of a new growth strategy for the LCBO. A road map for executing this strategy was also in progress.

The beverage alcohol market in Ontario was changing. The provincial government, which fully owned the LCBO, had decided to allow grocery stores to sell select beverage alcohol. The decision became effective December 2015, when the government awarded the first round of beer licences to 45 grocery stores operated by 13 large grocery chains.[[1]](#footnote-1) The plan, over the long term, was to allow up to 450 grocery stores in Ontario to sell beer, cider, and some wine to their customers. The grocery stores would try to wean market share away from the LCBO’s own retail stores located near them, even as the LCBO was required to take on the additional role of wholesale distributor to grocery stores in the province.

Soleas said:

A more competitive marketplace means we have to earn customer loyalty. And we have a new set of customers as the wholesaler to grocers. We have to start thinking differently and ask ourselves new questions. How do we manage this hybrid model? How do we leverage technology to keep up with our new, savvy competitors in grocery? How do we use digital analytics to provide unique customer experiences at our retail stores? How should LCBO become innovative as an organization, empowering our employees to come up with new and creative ideas of improving our efficiencies and retaining our customers?

the BEVERAGE ALCOHOL INDUSTRY

Canadians consumed more alcohol per capita than the worldwide average, according to a report by the World Health Organization. In 2016, Canadians aged 15 and older drank 10 litres of pure alcohol per capita. which was 3.6 times more than the world average. Of the nearly 200 countries included in the report, Canada ranked 40th.[[2]](#footnote-2) A report titled “Alcohol Consumption in Canada” issued by the country’s chief public health officer in 2015 said that an estimated 22 million Canadians, comprising 80 per cent of the population, consumed alcohol. The highest percentage of drinkers was in the 30- to 34-year-old range.[[3]](#footnote-3)

Canada’s beverage alcohol industry had revenues of $23.59 billion[[4]](#footnote-4) in 2015, and was growing approximately 3 per cent per year. The price increases averaged 1.9 per cent annually. On the supply side, 249 breweries manufactured beer products; however, Canada was a net importer of beer. On the demand side, 4,872 stores and agencies nationwide were licensed to sell alcoholic beverages for off-premises consumption. The industry had generated 45,128 jobs in 2015.

Beverage alcohol was a discretionary purchase. The growth drivers for the industry included per-capita disposable incomes; the number of adults aged 20–64; per-capita alcohol consumption; and the upgrade from low-cost alcohol in bulk to premium alcohol, which was available, typically, in smaller packaging.

The industry was in the mature life cycle stage, characterized by declining per-capita consumption, the rate of revenue growth being on par with the rate of economic growth, stabilization of technologies and processes, standardization of product portfolio, and rationalization of low-margin products. There was also little product innovation.

The industry was regulated by governments at the provincial level. Each Canadian province had its own liquor control board that managed the sale of alcohol to individual consumers. The industry therefore had little consolidation, leading to the emergence of national players. The entry barriers were high.

In 2015, the Ontario beverage alcohol market had generated revenues of $22.08 billion[[5]](#footnote-5) from 2,067 outlets (see Exhibit 1) including 214 agencies chosen through a competitive bidding process. The LCBO held the leading market share by value, while The Beer Store led in market share by volume (see Exhibit 2).

In November 2014, the provincial government appointed a five-member panel led by W. Edmund Clark, the former CEO of TD Bank Group, to advise on maximizing the returns of government assets such as the LCBO. The Premier’s Advisory Council on Government Assets issued three reports over three years recommending two key changes that were acted on. First, wine, beer, and cider, both domestic and imported, would be sold through grocery stores selected through a competitive process. Up to 450 grocery stores would sell beer and cider. Of these, 300 stores would also be allowed to sell wine, including through the relocation of stand-alone wine stores that would be allowed to operate within grocery stores, using a shared checkout. The phase-in period would continue over the next 10 years. Second, a new 10-year Beer Framework was agreed upon with the owners of The Beer Store, opening ownership to all Ontario brewers, appointing an independent beer ombudsman and extending the Ontario Deposit Return Program contract (among other elements).

A survey conducted by Ipsos in May 2015 on a sample size of 1,000 respondents in Canada had shown the following patterns of beverage alcohol consumption by Canadians.[[6]](#footnote-6) As per the survey findings, beer was the most popular beverage alcohol among Canadians (57 per cent sought beer; 42 per cent, wine; and 32 per cent, spirits). Evening was the most preferred time for alcohol consumption (66 per cent of consumers preferred the time between 5:00 p.m. and 10:00 p.m., while 18 per cent preferred between noon and 5:00 p.m.; 2 per cent, in the morning; and 14 per cent, at night). Most people (60.5 per cent) preferred alcohol consumption over the weekend, while 39.5 per cent preferred it on weekdays. The most common drinking occasion, for 27 per cent of respondents, was after work while relaxing at home; 21 per cent, while watching a game; and 17 per cent, while having a meal. Home was the preferred place for consuming alcohol for 58 per cent of respondents, while 16 per cent did so at someone else’s place, 10 per cent at a bar, 6 per cent at a restaurant, and 3 per cent at a hotel. A spouse or partner was the drinking companion for 29 per cent, while 21 per cent consumed alcohol with a group of two to four people, and 20 per cent consumed alone. Of those surveyed, 65 per cent had given their feedback for the survey in person, while 20 per cent did so through text messaging, 18 per cent through Facebook postings, and 7 per cent through tweets.

ThE LCBO

The LCBO focused on the demand side of the alcoholic beverages business within the province of Ontario. It was both a retailer and a distributor. As one of the largest buyers of alcohol products in the world, it was mandated to sell alcohol directly to the public. Set up as a government agency in 1927, the LCBO was incorporated in 1975 as a Crown corporation of the province of Ontario.

Driven by the vision of “serving as the destination of Ontarians for the world’s wines, beers and spirits,” the LCBO’s mission was not only to support the province’s small breweries, distilleries, and wineries, which were generating local jobs and bringing in tourism revenue, but also to be “the best in class, socially responsible, customer focused and [a] profitable retailer of alcohol.”[[7]](#footnote-7)

For the year ended March 2016, the LCBO had generated revenues of $5.57 billion and net income of $1.97 billion (see Exhibit 3). It had paid a dividend of $1.94 billion for the year to the provincial government, its sole shareholder. The company had five retail service centres (in Durham, London, Ottawa, Thunder Bay, and Toronto) that distributed 24,000 stock-keeping units to 654 stores in the province. Wine, spirits, and beer were the LCBO’s largest selling categories, in that order (see Exhibit 4). Although it ranked second in market share by volume after The Beer Store in 2016, the LCBO held the majority market share by value, at 53.2 per cent. It had been regularly improving its market share every year because, among other reasons, it was a broad service retailer carrying the full range of alcoholic beverages. It was also showing regular improvements, every year, in several growth metrics (see Exhibit 5).

In recommending a new distribution channel through grocery stores in April 2015, the Asset Review Council had reinforced the LCBO’s three prevailing areas of differentiation: the LCBO would still be the only organization to sell spirits, the only retailer to sell wines priced at less than $10.95, and the only alcoholic beverages retailer to be allowed to sell online.

The recommendation had also turned the spotlight on a major constraint—labour costs. A court-appointed arbitrator reviewed the hourly wage rate for both full-time and part-time store employees, who were known as customer service representatives (CSRs). It was believed that, under a ruling expected in February 2017, the hourly rate for CSRs would increase to $27.50, taking the company’s salary-to-sales ratio to 6 per cent. The ratio was lower than the retail industry in general because of the LCBO’s higher employee productivity. But the ruling would make the LCBO’s CSRs the highest paid in their category in the province.

As of March 2016, the LCBO had 6,665 full-time employees and approximately 1,000 part-time employees. In addition, each year during the six-week holiday season, 2,500 fixed-term employees (as they were called) were hired at an hourly rate of $15.

Patrick Ford, senior vice-president, Human Resources, explained:

We are known in Canadian retail as a desirable company to work for. The pay is competitive, but more than that they want to join us because we treat our people well. We take care of them and invest in them. For example, we fund relevant continuing education for almost any university and college course for any employee. Unlike a routine retail business operating on thin margins, which is prone to see it as an expenditure, we see it as an investment.

The LCBO was long accustomed to promoting people from within; however, of late, it had been making lateral recruitments at senior levels. The most recent hires included the senior vice-president (Information Technology [IT]) and chief information officer, and the senior vice-president of Supply Chain & Wholesale.

In January 2016, the LCBO started planning for an initiative called “Customer First,” which was a strategic response to the need for change triggered by the Asset Review Council. In Phase 1, the initiative was targeted at CSRs—the company’s front-line employees—and extended, in Phase 2, to the workforce company-wide. Developed internally by a team of eight trainers working in retail operations at the head office, the training was a day-long capsule aimed at making the recipients customer-centric so that they could better serve the needs of customers. The learnings were experiential. The training included segments such as greeting a walk-in customer, treating them as though the CSR was personally hosting them at the store, doing so graciously, engaging the customer in quality social interaction, anticipating their requirements, and suggesting alternatives in matching products to their specific needs.

Rafik Louli, vice-president, Retail Operations, said, “Customer First is ultimately meant to up our game and ensure that customers make the trip to the LCBO. Customers will remain loyal to the LCBO if we can offer them a different and superior experience, one that is led by our knowledgeable, dedicated and friendly front-line retail employees.”

An important piece of Customer First was product knowledge, particularly on the part of CSRs. This was a traditional advantage that the company would now be trying to leverage to the hilt in the new competitive scenario. For a grocery store, beverage alcohol was one of many products on its shelves. For the LCBO, it had extreme focus. A grocery store would not scale up its service around beverage alcohol to the level of an LCBO store.

Previously, the LCBO would have gone only so far in investing in innovative projects, in consideration of the dividend returned to the provincial government. But whenever it had, the payoff had been substantial. One example was the planogram the LCBO developed in 2014. Led by Soleas at the company’s largest retail service centre in Durham when he was heading the supply chain, the LCBO had automated the movement of crates (numbering 50 million per year), replacing the manual component, which had the potential for injury to operators. The innovation had improved operational efficiency and helped store managers deal better with new listings and product assortments. In a typical case of “smart” use of capital, the investment of $7.8 million was not only recovered in less than two years but also delivering annual savings of $5.1 million. In 2015, the LCBO competed against companies such as FedEx and U.S. Marine Corps to receive a global supply chain award for its algorithm, which had been awarded a patent.

In April 2016, the LCBO announced that it was ready to launch its e-commerce activity, effective July of that year. A customer could browse for wines, spirits, and beers online; place an order; and have the products either home-delivered for a fee of $12 or delivered to the nearest LCBO location for free. The company had taken the partnership route to develop the site from ground zero—with IBM for the basic platform and hosting infrastructure; Tangentia Inc., a Canadian IT services firm, for its implementation; Razorfish, a digital marketing agency, for design; Beanstream, a Canadian payments company, for transaction management services; Texas POS for point-of-sale transactions; Canada Post for home delivery; Teradata for big data management; Adobe Analytics and Microstrategy for content management; and Telus Corporation for customer relationship management.

Michael Eubanks, senior vice-president of IT and chief information officer, recalled:

It took a year to launch e-commerce. For a bricks-and-mortar enterprise, going digital from the ground up is transformational. I said to my team: “Let’s move away from the conventional waterfall method of software development where a new algorithm would not be deployed unless the preceding algorithm had been fully completed. Let’s use the agile method characterized by sprints, where each sprint would have well defined deliverables bound within specific timeframes.” Being agile helped us get ready for the launch ahead of an already aggressive schedule.

ISSUES FOR DISCUSSION ON THE WAY FORWARD

Soleas had been talking to employees across the board, in addition to trade partners, about the need to change. He mentioned examples of companies that had survived tipping points because they changed and those that had faded away because they neither anticipated nor managed those tipping points. His classic examples were Fuji versus Kodak and Netflix versus Blockbuster. He also cited Indigo, a Canadian retailer, as an example of a company that had prospered because it had transformed itself from a bookstore into a cultural department store by adding affiliated products.

The CEO highlighted such examples because he was convinced that the major barrier to change at the LCBO was not the employees’ lack of willingness to change but the lack of understanding of the road map for change. His priority was educating employees about the ways to change. The road map he envisaged comprised three interlinked paths: redefining the LCBO’s core capabilities, leveraging technology, and becoming innovative. However, he faced dilemmas with each of them.

Redefining Core Capabilities

The objectives of the Asset Review Council in positioning the LCBO as a wholesaler were twofold: on the supply side, protect producers from direct negotiations with the grocers; and on the demand side, protect consumers with an additional low-cost channel for beverage alcohol. The LCBO’s core competence was, however, in retailing. The company was organized for the business-to-consumer (B2C) market. Its business-to-business (B2B) transactions were limited to restaurant chains and The Beer Store, but were an integral part of its marketing channel rather than a stand-alone channel. With grocery stores as its new customers, the LCBO needed to gear up for a new wholesale channel. It needed to pursue a hybrid of retailing (involving consumers) and wholesaling (involving intermediaries). The move would be contrary to the prevailing trend in many industries of disintermediation, which aimed at reducing delivery costs by reaching consumers directly.

While the sales of individual LCBO stores located near grocery stores were at risk, the company’s consolidated revenue was not expected to fall since sales through the grocery channel would still accrue to the LCBO. Over the next five years, an estimated $1 billion in revenue was expected to move from the company’s retail stores to grocery chains; however, the LCBO would experience decreased margins because it would need to share its margins with the grocery retailers.

Grocery wholesaling represented a new business opportunity and a new customer base for the LCBO. Soleas was bringing aboard a new executive who had a mandate to build the wholesale channel on a solid foundation. Mandesh Dosanjh was to join the LCBO in November 2016 as senior vice-president, Supply Chain & Wholesale. Having worked for more than a decade and half with retailers such as Loblaws, it was hoped that Dosanjh would bring a fresh perspective to managing the grocery channel for the LCBO. He was to take a new team, with new systems and new processes, to the next level.

Said Dosanjh:

My priority is to develop strategic relationships with individual grocers. The LCBO will be one among many vendors for a grocery chain. Grocers determine assortments, merchandising, and promotion. Vendors do not. Of course, with beverage alcohol products, the control rests with the Alcohol and Gaming Commission of Ontario [AGCO], which is the regulatory body. Grocers will have to adapt to the new dynamic in retailing a regulated product.

There was also the matter of age. Only employees 18 years of age and older were allowed by law to handle beverage alcohol products. Many grocery retailers were hiring students aged 16 or 17 to manage checkout counters. In addition, the store ambiance varied. In a grocery store, the service was impersonal and had no bells and whistles. The LCBO had CSRs who were well versed with its products, provided personal service to customers, and were highly trained in responsible retailing practices.

Leveraging Technology

Eubanks had signed up with the LCBO in 2014 with a mandate to support the company’s digital transformation. He had seen chief information officers in general struggling to be perceived by their CEOs as business partners rather than service providers. They were also battling with their chief financial officers for budgets. He was struck by how his peers on the executive committee at the LCBO were supportive of technology. The company’s board and even the shareholder—the provincial government—believed that going digital was the way forward for the LCBO. The Asset Review Council had in fact suggested that the LCBO should deploy e-commerce to improve customer service and choice.

As Eubanks saw it, technology deployment would have three objectives: to empower staff, to engage with customers, and to enable efficiencies. He faced dilemmas with each objective.

For example, the company’s data warehouse was built around the conventional retail model of products and product assortments. The move toward customer centricity had required it to be rebuilt around individual customers. Doing so required the use of big data, which meant that the LCBO needed to access data from not only structured sources (such as database tables) but also unstructured sources (such as mobile phones, social networks, sensors, video archives, radio-frequency identification [RFID] chips, and Global Positioning Systems). It was detail-oriented.

Eubanks explained:

Let’s say that our retail division wants IT to personalize data for John Smith, a regular customer. I should first be able to identify John Smith in a consistent way from across many touch points in my database. Consistency makes consolidation of his interactions with LCBO actionable. If John Smith’s record varies in his interactions, say J Smith or Smith John or John S, I lose all dissimilar interactions completely. I potentially miss his engagement with me. If my data has no integrity, as we call it, it is not relevant to me. We are only talking of structured data. Look at unstructured data—the social media, the blogs. . . . The propensity for inconsistency is huge. It is a major issue we are facing in deploying technology to improve customer engagement.

The launch of e-commerce created opportunities for efficiency improvements in the company’s call centre operations. One example was call resolution, an important metric in call centre operations. Prior to mid-2016, customers were content with any issues being resolved by the end of the day or even the next day or sometimes two days, because the call centre worked only from 9:00 a.m. to 5:00 p.m. With 24/7 operations of e-commerce, customer expectations had changed. The company needed to gear up for much faster resolution, often in real time. The launch, per se, was a change driver for the LCBO.

Soleas was expecting e-commerce to generate $1 billion in revenues within five to seven years. The target could be reached only by bringing in fresh ideas and new skills in terms of creating apps and algorithms around customer centricity, which would also benefit e-commerce. Eubanks finalized a project known as LCBO Next, involving the set-up an off-site innovation hub at Communitech, a Waterloo-based technology hub. Among the ideas being developed and tested for potential use at the hub were a virtual assistant on customers’ smartphones to help guide selections at a store if all the floor staff were busy with other customers; a smartphone app with voice-recognition technology; and a beacon (similar to a taxi rooftop light) on CSRs’ name tags for easy identification in a large store.

Becoming Innovative

The LCBO needed to address two issue in becoming innovative.

First, it needed to find innovative ways of staying relevant to its customers. The emerging competition ushered in the risk of the LCBO becoming less relevant to customers. Grocers had honed their skills in terms staying relevant to their customers in four ways: deploying digital analytics to understand their customer pool, customizing their offers to the needs of individual customers, reaching customers through multiple channels, and regularly repositioning their brands to better align them with customer expectations.

Second, innovation projects at the LCBO had thus far been IT-centric. It was necessary to take innovation organization-wide, which meant creating conditions in which employees would not only come up with innovative ideas but also believe their ideas would be valued. Innovations were needed in such areas as developing alternative store formats (e.g., specialty boutiques for craft beers), securing productivity improvements, and management accounting and reporting.

The company was recruiting a new head of Strategy & Innovation, which signalled that innovation was both an integral part of strategy development and had top-level support.

Said Ford:

It is in democratizing innovation that the role of HR [human resources] kicks in. HR needs to help make sure that our senior executive team, comprising . . . the CEO and his core leadership team, is aligned on innovation as strategy. Alignment at the top on the value that it places on innovation has a demonstrative effect. The cascade follows. We also need to make sure everyone looks at innovation as an unequivocal and not necessarily explicit part of job description. This is where culture becomes crucial. We need to establish an organizational culture where innovation is valued and rewarded.

The arrival of grocery chains in the beverage alcohol market was an opportunity for the LCBO to strengthen its leadership position in the beverage alcohol industry. Soleas and his team were working on the road map.

Exhibit 1: NUMBER OF OUTLETS SELLING ALCOHOLIC BEVERAGES IN ONTARIO, 2012–2016

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Year Ending March** | **2012** | **2013** | **2014** | **2015** | **2016** |
| LCBO  LCBO Agency  Grocers  Winery Retail Stores  The Beer Store  On-site Brewery Retail  On-site Distillery Retail  Duty Free—Land Border Points  Duty Free—Airports | 623  214  -  472  442  45  5  10  4 | 634  219  -  479  446  52  7  10  4 | 639  217  -  491  447  73  12  10  5 | 651  212  -  504  450  113  14  10  5 | 654  212  60  507  451  150  18  10  5 |
| Total | 1,815 | 1,851 | 1,894 | 1,959 | 2,067 |

Note: LCBO = Liquor Control Board of Ontario

Source: Company files.

Exhibit 2: Ontario’s Beverage alcohol MARKET SHARES BY VOLUMES SOLD, 2012–2016

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Year Ending March (in %)** | **2012** | **2013** | **2014** | **2015** | **2016** |
| The Beer Store  LCBO  Other Legal Retailers  Illegal Stores  Ontario Winery Retail  Grocers | 53.9  34.7  6.2  3.5  1.7  - | 52.9  35.7  5.9  3.6  1.9  - | 51.4  36.3  6.3  4.0  2.0  - | 50.3  37.7  5.8  4.2  2.0  - | 48.8  38.2  6.7  4.1  2.1  0.1 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

Note: LCBO = Liquor Control Board of Ontario

Source: Company files.

Exhibit 3: Liquor Control Board of Ontario’s INCOME STATEMENT, 2012–2016

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Year Ending March**  **(in CA$ millions)** | **2012** | **2013** | **2014** | **2015** | **2016** |
| Revenue  Less: Cost of Sales | 4,711  2,347 | 4,893  2,434 | 4,999  2,491 | 5,216  2,590 | 5,572  2,785 |
| Gross Margin  Add: Other Income  Less: Selling and General  Income from Operations  Add: Finance Income  Less: Finance Costs | 2,364  37  741  1,661  2  4 | 2,459  33  780  1,712  1  4 | 2,507  56  816  1,747  1  5 | 2,626  31  835  1,822  2  5 | 2,787  54  870  1,970  1  4 |
| Net Income | 1,658 | 1,709 | 1,745 | 1,818 | 1,968 |

Source: Company files.

Exhibit 4: Liquor Control Board of Ontario’s REVENUE BY CATEGORY, 2012–2016

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Year Ending March**  **(in CA$ millions)** | **2012** | **2013** | **2014** | **2015** | **2016** |
| Domestic Spirits  Imported Spirits | 921  836 | 924  875 | 910  911 | 913  956 | 949  1,015 |
| Total Spirits | 1,757 | 1,799 | 1,821 | 1,869 | 1,963 |
| Domestic Wine  Imported Wine | 423  1,379 | 447  1,450 | 466  1,495 | 505  1,566 | 553  1,641 |
| Total Wine | 1,802 | 1,897 | 1,961 | 2,071 | 2,194 |
| Domestic Beer  Imported Beer | 411  570 | 430  590 | 443  596 | 471  617 | 518  682 |
| Total Beer | 981 | 1,020 | 1,039 | 1,088 | 1,200 |
| Domestic Spirit Coolers  Imported Spirit Coolers  Domestic Wine Coolers  Imported Wine Coolers  Domestic Beer Coolers  Imported Beer Coolers | 141  29  -  -  3  - | 143  29  1  1  1  4 | 137  31  1  2  1  8 | 130  43  3  3  1  8 | 141  62  2  4  -  4 |
| Total Coolers | 173 | 179 | 180 | 188 | 213 |
| Total Domestic  Total Imported  Other Sales | 1,899  2,813  (1) | 1,946  2,948  (2) | 1,958  3,043  (4) | 2,023  3,192  1 | 2,163  3,407  2 |
| Total LCBO | 4,711 | 4,892 | 4,997 | 5,216 | 5,572 |

Note: LCBO = Liquor Control Board of Ontario

Source: Company files.

Exhibit 5: Liquor Control BOard’s KEY GROWTH INDICATORS, 2012–2016

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Fiscal Year** | **2012** | **2013** | **2014** | **2015** | **2016** |
| Number of customer transactions | 124,530 | 126,460 | 126,840 | 130,885 | 137,244 |
| Average transaction value per customer (CA$) | 37.83 | 38.69 | 39.40 | 39.84 | 40.58 |
| Full-time equivalent employees | 6,067 | 6,212 | 6,348 | 6,469 | 6,665 |
| Product listings | 3,571 | 3,739 | 4,006 | 3,938 | 4,077 |
| Revenue growth over previous year (%) | 5.0 | 3.8 | 2.6 | 3.8 | 7.2 |
| Total expenses as % of total revenue | 15.7 | 15.9 | 16.2 | 16.0 | 15.5 |
| Net income as % of total revenue | 34.9 | 34.7 | 34.5 | 34.6 | 35.0 |
| Number of stores | 623 | 634 | 639 | 651 | 654 |
| Number of new stores/expansions | 15 | 30 | 25 | 23 | 14 |
| Dividend paid to the government (CA$ millions) | 1,630 | 1,700 | 1,740 | 1,805 | 1,935 |

Source: Company files.

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