

1) Safety- Most Licensee orders are assembled and held in the back of an ABC store. This allows for more convenient loading of the Licensee's merchandise into their vehicle during pick-up. It also reduces the chance of a customer tripping/falling over the cases if they are held in the sales area. Not all locations are conducive to rear pick-up due to limited access created by delivery trucks and "dumpsters". There are also some locations where it is unsafe to open the back door during some hours of operation because of the crime rate in that area or poor lighting.

2) Availability of merchandise-Due to the varying sizes and product mixes in our stores, not all locations are stocked with every product that could be needed by a Licensee. While the Licensee could order additional merchandise, there are many locations that are simply not large enough to safely and adequately store the additional merchandise. There are also stores that receive shipments less frequently than once a week and ordering special merchandise for a Licensee in these locations could greatly reduce the service level we like to maintain for those customers. Assigning a Licensee to some of these locations often results in numerous man-hours being used to transfer merchandise from store-to-store for the Licensee.

3) Equipment expenses- In locations with sufficient space and a sufficient number of Licensees, workstations are set up in the back of the stores. This allows the store personnel to have frequently requested Licensee items set up on separate shelves in the back of stores. This reduces the time involved in "pulling" Licensee orders from the sales area that can result in repetitive stocking of those shelves to maintain a well stocked and attractive sales area. Many of these larger Licensee stores are also equipped with additional POS Terminals in the back of the store to improve the service provided to the Licensees. If requested by the Licensees, our stores are also provided with Fax Machines and/or phone answering machines to allow the Licensees to place their orders at any time, day or night. Although there are definite issues associated with licensees purchasing alcohol from any government store of their choosing, an exact figure cannot be obtained without further, lengthy analysis.

**9. Specific agency or political subdivisions affected: The Department and localities**

**10. Technical amendment necessary: No**

**11. Other comments: None**

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cc: Secretary of