

LCBO: Looking Forward

Cool Climate Oenology and Viticulture Institute (CCOVI)

March 5, 2018





**Over 665
Stores**



**5
Warehouses**



630,000
Tests on
29,000
Products from
80 countries



**9,200
Employees**



A background image featuring several wine bottles and glasses filled with different colored wines (red, white, and orange) arranged on a surface. The image is slightly blurred and has a light blue overlay.

LCBO

Vintages

Food & Drink



LCBO by the Numbers

Net sales of
+\$5.9B

Net Income
+\$2.1B

for 2016/17



Canadian Dollars

LCBO: Looking Forward

Corporate Social Responsibility



LCBO

Always Taking Care

Environmental Sustainability



 **Bring back your empty bottles and cans to The Beer Store for a full deposit refund.**

To learn more about the Ontario Deposit Return Program, visit bagitback.ca.

LCBO | Always Taking Care

Information/AlwaysTakingCare

Product Quality & Safety



 **Your safety is our priority.**

The LCBO Quality Assurance Dept. conducts over 500,000 tests a year, ensuring everything you buy meets the highest standards.

LCBO | Always Taking Care

Information/AlwaysTakingCare

Community Involvement & Fundraising



 **Your donations make all the difference.**

Together, your donations at LCBO stores have helped raise over \$9.5 million for charities across Canada. Thank you.

LCBO | Always Taking Care

Information/AlwaysTakingCare

Responsible Retailing & Moderate Consumption



 **You may be refused service.**

The LCBO reserves the right to challenge and refuse service to any minors, intoxicated persons, or those buying for either party.

LCBO | Always Taking Care

Information/AlwaysTakingCare



Environmental Sustainability



Number of beverage alcohol containers
returned through ODRP program since 2007

3 billion**



Role of LCBO QA Programs



Consumer protection

- Safe and authentic products
- Sound quality
- Socially responsible



Role of LCBO QA Programs



Quality Assurance Programs

- Regulatory compliance
- Quality Monitoring programs
- Product Recall process

Consultant & Expert Opinion

- Health Canada 
- European Food Safety Authority 
- Industry
- Academia



Sound Quality



Chemical Analysis

- 28,800 products
- 630,000 tests



Sensory Analysis

- 6,900 products



Label Review

- 28,500 reviews



Packaging Reviews

- 6,500 reviews



Community Involvement & Fundraising

Thank You!

Your generous donations in December raised a record

\$5.8 MILLION

for Ontario's children's hospitals and MADD Canada!



SickKids®



LCBO | Always
Taking Care

GIVING BACK { IN OUR COMMUNITY }

“

“We’ve been running the *Giving Back in Our Community* campaign for eighteen years and to celebrate a milestone in our fundraising with a new record is humbling. The impact our five charity partners have in the communities they serve and to the children and families they support is immeasurable and we are so proud to enable their important work,”

- George Soleas, President & CEO, LCBO.

”



Responsible Retailing

Responsibility Starts Here.

As a socially responsible retailer, the LCBO has the right to refuse the sale of beverage alcohol if it appears you may be buying for a minor (under 19 years old).

IT'S NOT PERSONAL. IT'S THE LAW.


LCBO | Always Taking Care

IT'S NOT PERSONAL. IT'S THE LAW.

We cannot sell you alcoholic beverages unless your birthday is on or before today's date in

1998

HAVE YOUR ID READY



Do I look 25 to you?

At the LCBO, we never guess. That's why we asked to see over 14.4 million IDs last year.

So, if you're 25 or younger, have your ID ready.

LCBO | Always Taking Care

Did you know that only people 19+ can legally handle alcohol in LCBO stores?

If you're shopping with someone who is under 19, please use a basket, shopping cart, or ask for assistance.

LCBO | Always Taking Care





 dialaskitchen • Following
Paid partnership with lcbo

dialaskitchen Next weekend I'm having a few friends over for a pre-Christmas get-together and making sure I have all kinds of appetizers and snacks for after dinner too, like these fig and mascarpone + ricotta and sun-dried tomato crostini. My friends and I love a good cocktail, so whenever I know my guests will be drinking alcohol, I always make sure to have plenty of food to pass around throughout the night so they stay full. Find out more great tips for how to be a responsible host at lcbo.com/responsibility.
#lcbohostsresponsibly #sponsored

Load more comments

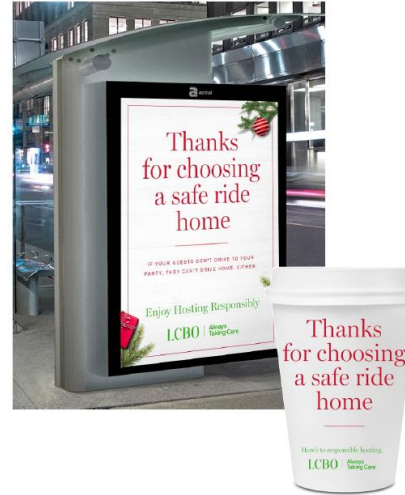
dialaskitchen @amberl3igh thank you Amber!! Xoxo

dialaskitchen @melinamagnatta_ we need to make this soon @rebecazulch ❤️

❤️ 5,164 likes

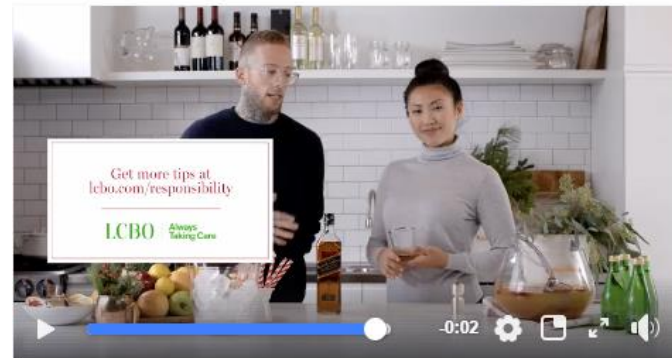
DECEMBER 14, 2017


Add a comment...



 **Always Taking Care**
Published by Amy Waters [?] · December 14, 2017 ·

Prettyugly Bar Bartenders Robin Goodfellow & Evelyn C cocktail, so LCBO teamed up with them to talk zero pro perfect pour. Watch their tips and find the recipe they cr holiday event @ <http://bit.ly/2B0l8yd> #LCBOHostsResponsibly



 Your video is popular with women between the ages 45-54 [Boost Post](#)


642 Views

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The Art of the (Responsible) Dinner Party

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By Janet Boyd

Good company, festive libations and tasty treats are all must haves for any successful holiday party. When you plan this year's gathering, it's important to make sure your guests not only have a great time, but stay safe as well.

A perfect beer pour is 12oz
Enjoy Hosting Responsibly
[LEARN MORE](#)

LCBO Always Taking Care

TOP STORIES



BANNERS: PERFECT POUR X3



LCBO: Looking Forward

Our Evolving Market



Our Evolving Market



473

516



184

280



LCBO: Looking Forward

1

**Strategy:
Customer
Centricity**

2

**Organization
Design**

3

Core Team



LCBO MISSION:

**We are the best-in-class, customer-first,
responsible retailer and wholesaler, supporting our
local communities and delivering value to Ontarians**

LCBO VISION:

**To deliver remarkable experiences as the trusted destination
for the world's wines, beers and spirits**



Our strategy and ways of working

1

RETAIL STORES

2

ECOMMERCE

3

WHOLESALE



**Customer-
centricity**



Accountability



Collaboration



**Organizational
Structure**





Customer Centric Attributes

Data Driven

Measurement

It's a
mindset,
not a
project

Focused on
product
& experience

Agile and
Responsive

Engaged with
Customers -
All stages,
all channels

Design
Thinking



LCBO: Looking Forward

1

**Strategy:
Customer
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LCBO: Looking Forward

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LCBO: Looking Forward

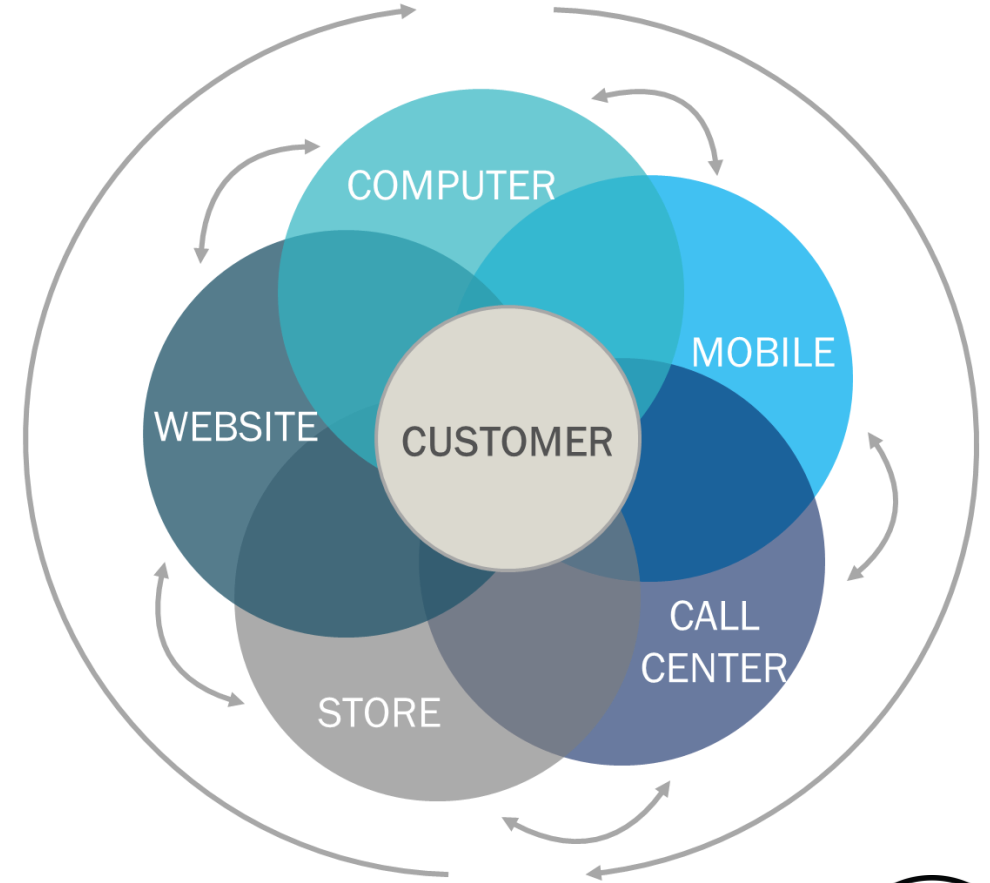
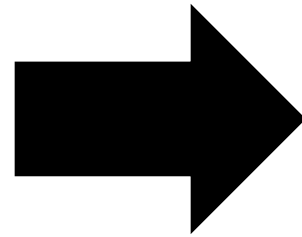
Anywhere, anytime, any device



PHYSICAL DIGITAL



Phygital





eCommerce

18,000

ORDERS
TOTALED

7,700

PRODUCTS
AVAILABLE

10M

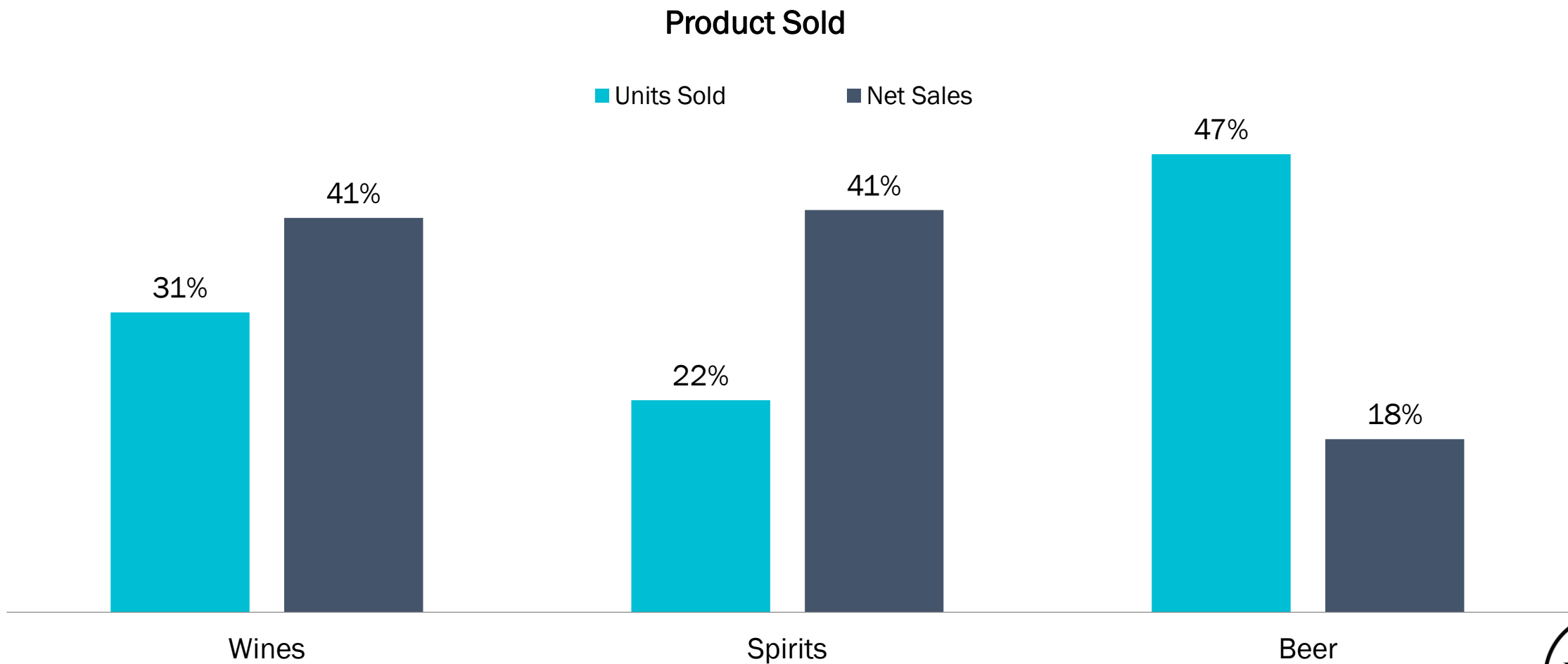
VISITORS

\$18.1M

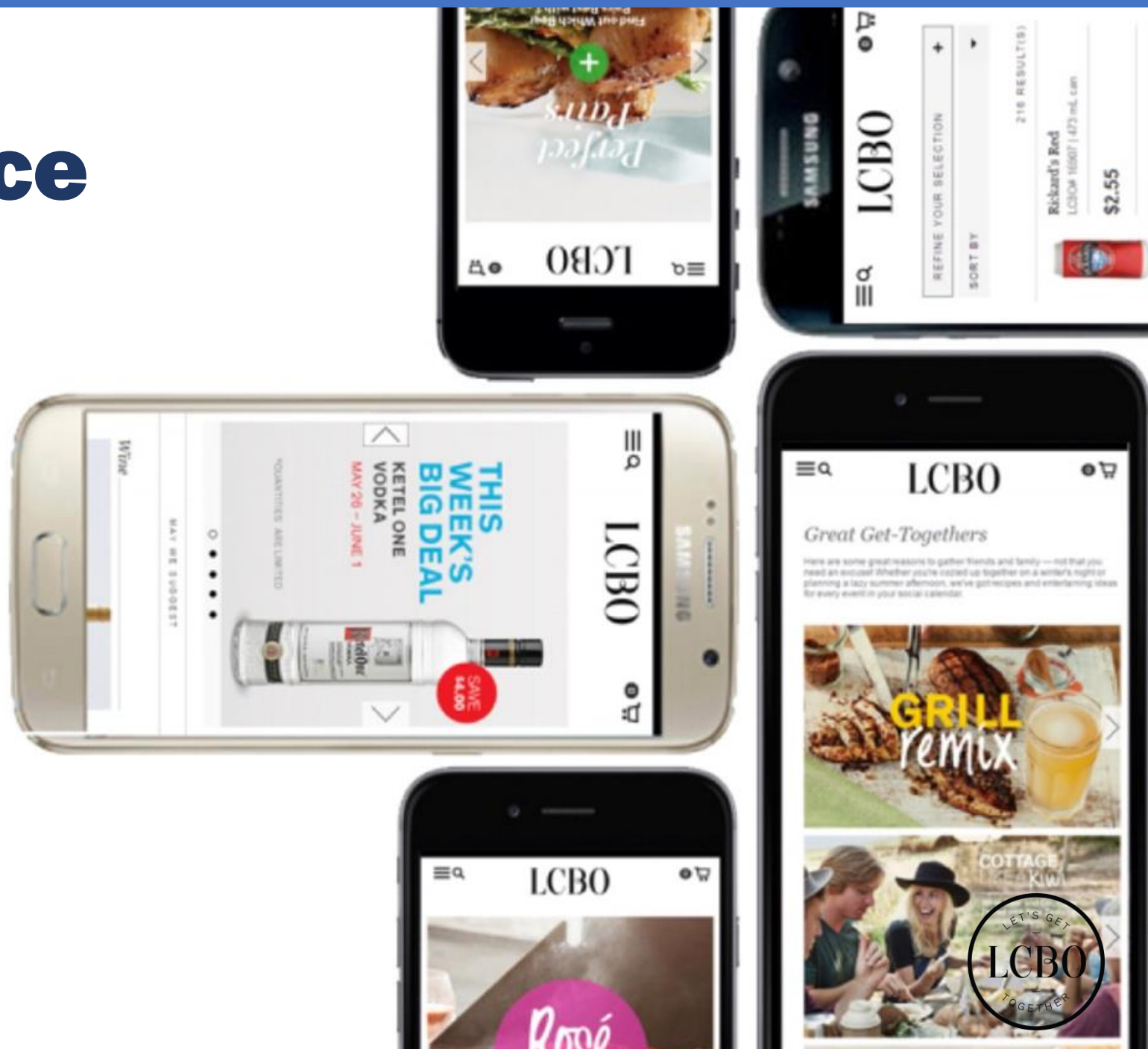
SALES



eCommerce Product Performance by Category



mCommerce



Gifting



SEARCH

Q

WINE SPIRITS BEER & CIDER COOLERS LET'S GET TOGETHER GIFTS LEARN LOCAL RESPONSIBILITY

HOME > WINE > OUR PICKS



THIS MONTH WE'RE SIPPING...

Fireside Wines

After a day outside enjoying your favourite winter activities with the group, warm up indoors with a roaring fire as you sample these


Featured



Hob Nob Pinot
Noir Pays d'Oc
LCBO# 184069
\$10.95
SAVE \$2.00



Segura Viudas
Brut Reserva...
LCBO# 210960
\$13.95
SAVE \$1.00



Victor

LCBO

Victor

Welcome to LCBO.com How may I help you?

Customer

Can you please find me a red wine for Valentines Day under \$ 25?

✓ Read

Victor is typing....

Victor

ok, and what kind of red were you thinking about?

Follow

Like

33K

Powered by LiveChat



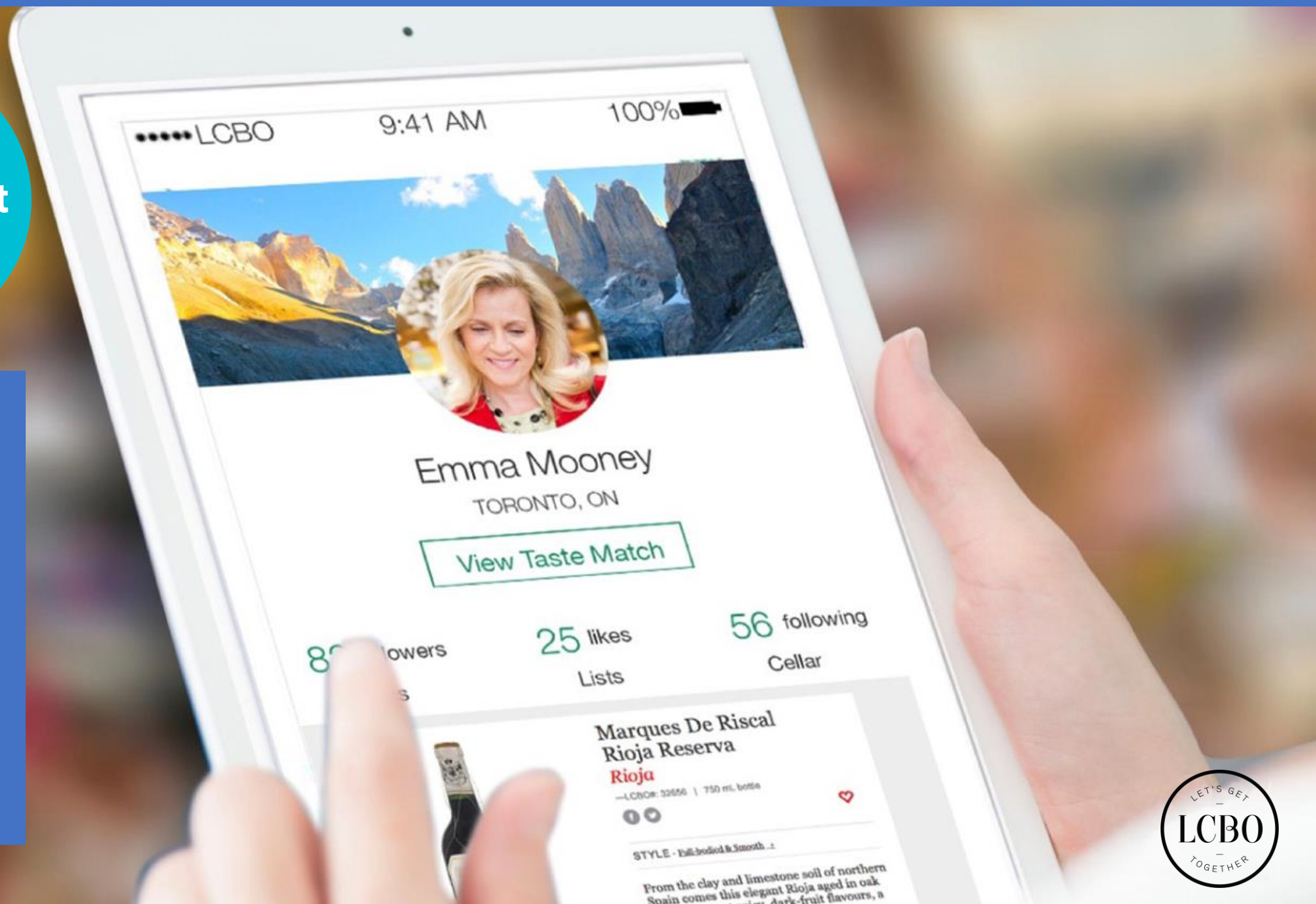
myLCBO

[illegible]

LCBOConnect

LEVERAGE
TECHNOLOGY
+
INTERACTIVE
ELEMENTS
+
VIRTUAL
REALITY

ADD VALUE TO
CUSTOMER
EXPERIENCE





Through these features,
we'll continue to empower
our customers in new ways.

Atmospheric
digital screens
with active sights
and sounds

Interactive digital
screens engaging
customers directly
with content.



LCBO | next

Creating a Culture of Innovation



LCBO: Looking Forward

Supporting Local



WINE

500+

Ontario-produced
wines

300

VQA

100

Ontario wineries

20

“Wine Country” boutiques

WINES TO WATCH
with dedicated shelving in

60

LCBO stores



BEER & CIDER

"The Local Fridge"
program in

120

LCBO stores

"Growler Stops"
in Toronto &
Ottawa

360

"Beer Ambassadors"



SPIRITS

Direct Delivery
Licensees
Program

20% REBATE
ON SALES

Direct-to-Store
Delivery Program

Direct Delivery
to Duty Free
Stores Program

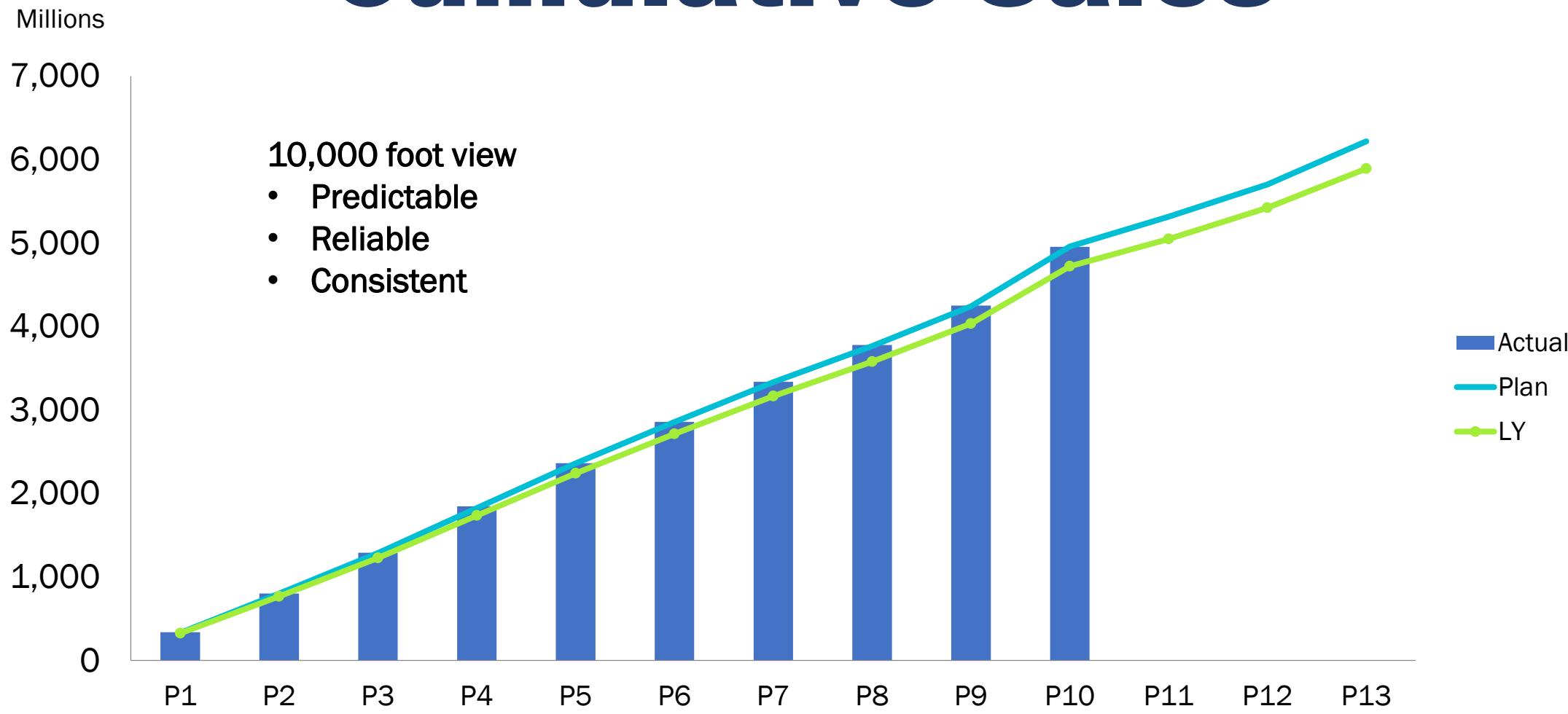


LCBO: Looking Forward

Sales & Trends



Cumulative Sales



Year to Date Category Sales

Sales P9&10 (\$000,000)

	This Year	Last Year	% Change
Spirits	\$ 1,885	\$ 1,797	4.9%
Wines	\$ 1,240	\$ 1,195	3.8%
Beer & Cider	\$ 1,101	\$ 1,055	4.4%
Vintages	\$ 464	\$ 433	7.1%



GROCERY

280

authorizations
awarded

23

COMPANIES
in the program

3.6M

CASES
SHIPPED

232

GROCCERS
ACTIVELY SELLING

BY SPRING 2018

375

authorizations
awarded

1,903

products on
catalogue



\$119.3 MILLION

WINE: \$25.9M

\$13.1
Ontario wine

\$12.8
imported wine

BEER: \$85.1M

\$21.3M
Ontario small producer

\$8.3M
Cider



LCBO: Looking Forward

Cannabis Update



A close-up photograph of cannabis leaves, showing their characteristic serrated edges and vibrant green color. The leaves are densely packed, with some showing signs of being eaten, such as small holes. The lighting is bright, highlighting the texture of the leaves.

Cannabis Legalization



Questions?