

## GOVERNANCE

In British Columbia, the Liquor Distribution Branch (LDB) is one of two branches of government responsible for the liquor industry. The *Liquor Distribution Act* gives the LDB the sole right to purchase beverage alcohol both within BC and from outside the province, in accordance with the federal *Importation of Intoxicating Liquors Act*.

Reporting to the Minister of Housing and Social Development, the LDB:

- Handles importing, distributing, wholesaling and retailing of beverage alcohol in BC
- Operates government liquor stores and distribution centres
- Has a general manager who is responsible for administering the *Liquor Distribution Act*, which includes oversight of government liquor stores, subject to direction from the minister

The Act clarifies:

- LDB administration
- Government liquor store operation
- The role and powers of the LDB general manager

The LDB follows the Crown Agencies Secretariat guidelines for service plans and annual reports, and is reported out in public accounts in a manner similar to a commercial crown corporation, on a modified equity basis.

Another branch of the Ministry of Housing and Social Development—the Liquor Control and Licensing Branch (LCLB)—licenses private liquor stores, restaurants, pubs and manufacturers, and enforces regulations under the *Liquor Control and Licensing Act*.

Visit [www.bclldb.com](http://www.bclldb.com) and click on the *About Us* link for more on the LDB.

## BUSINESS OF THE LIQUOR DISTRIBUTION BRANCH

The Liquor Distribution Branch operates a province-wide, retail/wholesale beverage alcohol business, within a mixed public-private model.

As of March 31, 2009, the LDB:

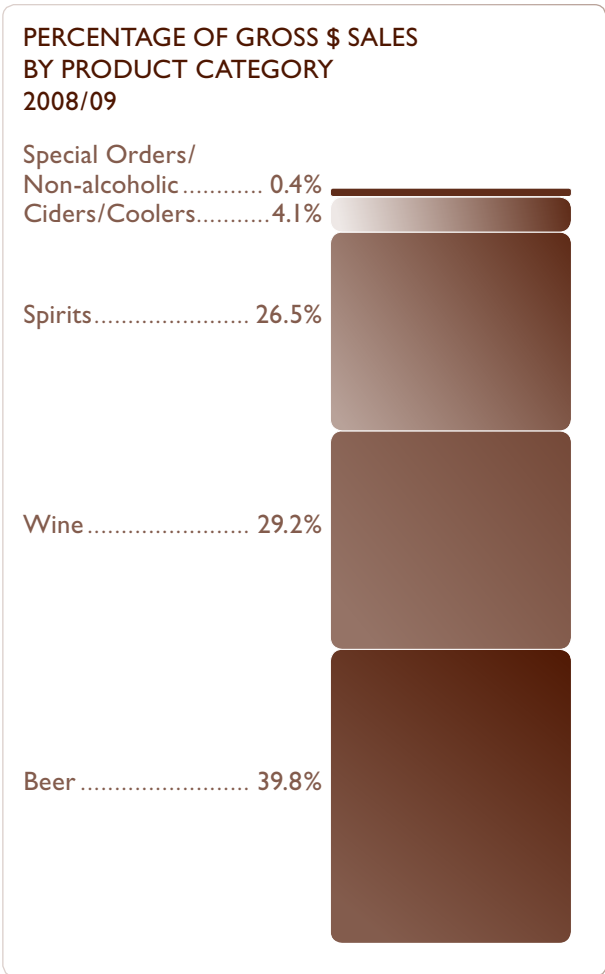
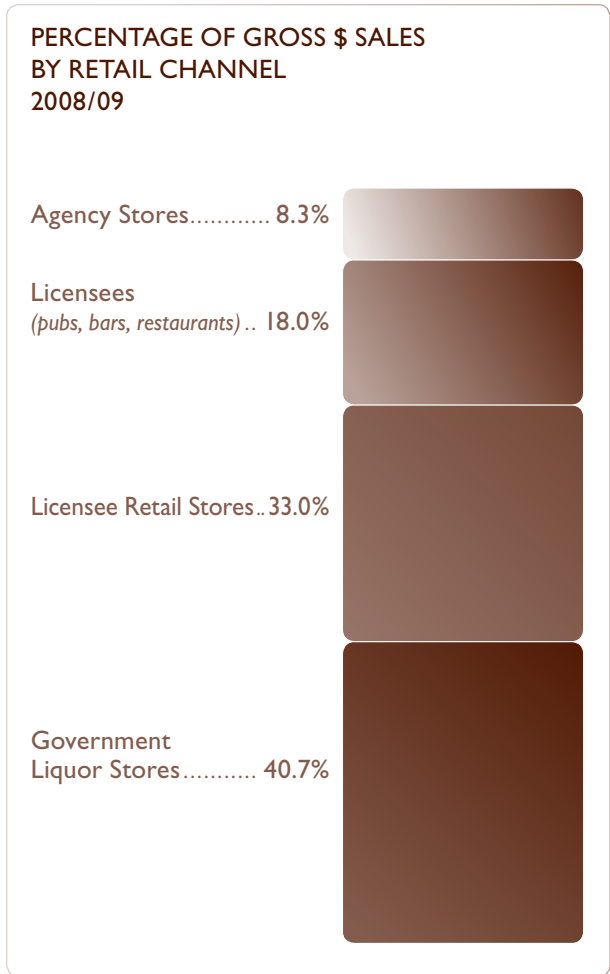
- Has a workforce of approximately 3,500 full- and part-time employees;
- Operates 197 government liquor stores (GLSs) throughout the province;
- Operates two distribution centres (DCs), in Vancouver and Kamloops; and
- Has a Head Office facility in Vancouver.

As part of BC's mixed model retail system, the LDB is committed to providing customers with an enhanced shopping environment, increased product selection and a high level of service.

The LDB purchases beverage alcohol from more than 400 suppliers and manufacturers within the province, across the country and around the world. Licensed manufacturing sites in BC include 189 wineries, 51 breweries and 33 brew pubs, and 11 distilleries.

### MEET THE LDB EXECUTIVE MANAGEMENT COMMITTEE:

|                          |   |
|--------------------------|---|
| <b>Jay Chambers</b>      | General Manager                             |
| <b>Roger Bissoondatt</b> | Chief Financial Officer                     |
| <b>Kelly Wilson</b>      | Executive Director,<br>Retail Services      |
| <b>Catherine Sloan</b>   | Legal Counsel                               |
| <b>Gordon Zelenika</b>   | Executive Director,<br>Human Resources      |
| <b>Don Farley</b>        | Executive Director,<br>Information Services |
| <b>Gordon Hall</b>       | Director,<br>Corporate Policy               |
| <b>Donna Morse</b>       | Director,<br>Corporate Security             |



BC's beverage alcohol retail model includes:

- GLSs (government-owned and -operated stores that sell liquor to retail and wholesale customers);
- licensee retail stores (LRSs – private liquor stores licensed to sell all liquor products);
- rural agency stores (RASs – general merchandise stores in rural communities authorized to sell all liquor products);
- on-site manufacturer stores (stores at wineries, breweries and distilleries that sell products manufactured on-site);
- off-site manufacturer stores (stores operated by the BC wine industry that sell BC winery products);
- private wine stores; and
- duty-free stores.

With more than 1,300 liquor retail outlets operating in BC, consumers have a variety of choices depending on their service needs:

- 197 GLSs
- 674 LRSs
- 224 RASs
- 203 on-site manufacturer stores
- 35 off-site manufacturer stores
- 12 private wine stores
- 11 duty free stores

The wholesale beverage alcohol model in BC includes the two government distribution centres as well as a number of private distributors, who are authorized to distribute liquor as agents of the LDB.

## LDB CUSTOMERS AND STAKEHOLDERS

The LDB is one of the largest retailers in BC, with more than 34.5 million customer visits to BC Liquor Stores during fiscal 2008/09. We also serve approximately 1,200 wholesale customers a week. The LDB sources a wide selection of domestic and international beverage alcohol products for our customers, and employees strive to offer exemplary service in assisting both our retail and wholesale customers to find the right products to suit their needs.

### LDB STAKEHOLDERS

- The people of BC
- LDB employees
- LDB suppliers

To serve the interests of our customers and stakeholders, we:

- deliver quality products and services;
- provide products and services to a variety of liquor retail venues throughout British Columbia;
- manage the importation, warehousing, transportation and sale of liquor;
- promote the safe and responsible use of beverage alcohol; and
- implement policies to ensure LDB workplaces are safe and free of harassment or discrimination.

To fulfill our responsibilities to the government and people of British Columbia, we:

- maximize revenue to the government of British Columbia;
- manage the LDB's business risks;
- ensure accountability of key business partners; and
- develop and implement programs and services aimed at deterring the sale of beverage alcohol to minors, those who appear intoxicated, or those who are believed to be buying for either of these parties.

### LDB CORE BUSINESS AREAS

#### Retail Services

- Encompasses both the retail and the wholesale departments and includes Distribution, Store Operations, Purchasing, Marketing, Wholesale and Real Estate.

#### Corporate Security

- Responsible for security policies and programs. Corporate Security is also responsible for the LDB's Emergency Management and Business Continuity programs.

#### Legal Services

- Provides legal advice to the LDB and directs the Information and Privacy program.

#### Corporate Policy

- Researches and advises on corporate policy issues and works with other government organizations on cross-jurisdictional issues. The department is also responsible for Communications.

#### Finance

- Responsible for revenue, expenditures, budgeting and reporting, and the regulations around liquor importation and distribution in the province. The internal audit department also reports to Finance.

#### Information Services

- Supports the technology required to enable business processes, and provides information relevant to the LDB's business function and security.

#### Human Resources

- Provides services related to recruitment and selection, employee training and development, labour relations, classification and compensation, leave and benefit administration and organizational development.

# THE FOUR PILLARS FRAMEWORK

The LDB organizes its strategic priorities and key objectives around the concept of four pillars. All four pillars support financial performance and at the foundation are the LDB's dedicated employees.

## HIGH-LEVEL GOALS

The five high-level goals are:

- 1 Financial Performance**  
Maximize net income within the policy guidelines established by government.
- 2 Workplace Quality and Employee Excellence**  
Create a customer-focused, high performance work environment that encourages greater employee involvement, development, innovation and creativity.
- 3 Customer Experience**  
Maintain the high level of wholesale and retail customer experience.
- 4 Business Effectiveness**  
Maintain operating efficiencies in a climate of constant change.
- 5 Public Safety and Social Responsibility**  
Encourage the responsible use of beverage alcohol.

