STATE OF MAINE

ONE HUNDRED AND SIXTH LEGISLATURE

COMMITTEE ON LIQUOR CONTROL

The Honorable Larry E. Simpson
Chairman, Legislative Council
State House
Augusta, Maine 04330

Dear Representative Simpson:

In accordance with the directives of the Legislative Council to the Committee on Liquor Control to study and report on the subject matter of S.P. 698, "An Order Relating to the Operations of the Bureau of Alcoholic Beverages and a Free Enterprise System of Liquor Sales", I am transmitting the final report of the Committee to the Legislative Council.

Very truly yours,

Richard B. Olfene

RICHARD B. OLFENE, Chairman
Committee on Liquor Control

REPORT OF THE COMMITTEE ON LIQUOR CONTROL ON ITS STUDY OF THE OPERATIONS AND PROCEDURES OF THE BUREAU OF ALCOHOLIC BEVERAGES AND OF THE POSSIBLE EFFECTS OF ESTABLISHING PRIVATE RETAIL OUTLETS FOR THE SALE OF DISTILLED SPIRITS.

December, 1974

Senate:	Richard B. Olfene, Chairman T. Tarpy Schulten Armand J. Fortier
House:	Richard W. Stillings, House Chairman Jacob J. Immonen Ralph C. Cressey Roderick E. Farnham Howard A. Chick Roland D. Tanguay Raymond N. Faucher Edward C. Kelleher Arthur E. Genest George F. Ricker

TABLE OF CONTENTS

I. Study Order

In July, 1973, the Legislative Council assigned to the Committee on Liquor Control joint study order S.P. 698, relating to the operations and procedures of the Bureau of Alcoholic Beverages and to the possible effects of establishing private retail outlets for the sale of distilled spirits. The study order suggests that:

a. the net profit to the State from liquor sales could have been substantially higher had more sophisticated operating procedures been employed;

b. the price of liquor may be high and the brand selection limited in comparison with neighboring states;

c. under a free enterprise system of private liquor sales, there would be many benefits to the consumer and the State.

The order directed the Committee to study the efficiency of the Bureau of Alcoholic Beverages and to analyze the possible effects of establishing private retail outlets for distilled spirits. (See Appendix 1)

II. Committee Procedures

In carrying out its study, the Committee held a public hearing on the issue of whether Maine should remain a "control" state or become a "license" state. The hearing was advertised and provided an opportunity for all points of view to be presented.

Committee staff from the Office of Legislative Assistants were directed to:

a. compare Maine's system with that of neighboring states, particularly in terms of retail prices and brand selection;

b. to survey other states to determine the nature and effect of their systems;

c. to investigate certain aspects of the operations of the Bureau of Alcoholic Beverages such as inventory management, transport operations, conversion to self-service stores, and general management procedures.

Several meetings were held to discuss specific issues with Keith Ingraham, Director of the Bureau of Alcoholic Beverages, and with staff from the Department of Audit and to review the information compiled by the Office of Legislative Assistants.

III. Summary of Findings and Recommendations

1. Maine should remain a "control" state with the State continuing to operate retail outlets for distilled liquor. Such a system provides significant revenues to the State while maintaining a moderate control on liquor consumption and promotion.
2. The Committee generally approves of the operations of the Bureau of Alcoholic Beverages. However, the Committee is concerned that the Liquor Commission and the Bureau continue efforts to improve inventory management, and that general criteria be established for listing and delisting brands.

IV. General Background

1. Maine should remain a liquor control state.

The State of Maine is one of eighteen "control" states where wholesale and retail liquor outlets are state operated (two of these states operate only at the wholesale level). According to the National Alcoholic Beverage Control Association (NABCA), "public ownership" of the liquor business means that the emphasis in control states is on "permissive buying" by legally qualified individuals rather than on the "aggressive selling" characteristic of a privately owned enterprise; the lack of sales promotion in the control states results in a lower per capita consumption than in the thirty-two free enterprise or license states. Net revenues from the sale of distilled spirits are returned to the control states and yield greater state revenues than the tax revenues returned in the license states. NABCA provides the following supporting information:

> The 18 Control States have about 30 percent of the nation's population;
>
> That 30 percent of the population accounts for only 24.6 percent of the total volume of distilled spirits sold and presumably consumed in the United States; and
>
> That some 24.6 percent of sales yields about 37.1 percent of the total state and local revenue all 50 of our states obtain from the alcoholic beverage business.
> (NABCA Information Bulletin, Feb. 1, 1973
> National Alcoholic Beverage Control Association
> 5454 Wisconsin Avenue
> Washington, D.C. 20015)

Maine's position fits the general pattern of the control states. The Committee compared Maine's apparent per capita consumption of distilled spirits and per capita revenues to the state from alcoholic beverages with the thirty-two license states and the District of Columbia. Nineteen license states and the District of Columbia had an apparent per capita consumption greater than Maine's 1.77 wine gallons; the average apparent per capita consumption of distilled spirits in the 33 license jurisdictions was 2.24 wine gallons. Only 4 license states and the District of Columbia had per capita revenues from alcoholic beverages greater than Maine's $23.34 per capita -- and three of those jurisdictions showed an apparent per capita consumption of one and one-half to nearly 4 times greater than Maine's. Average per capita revenue from alcoholic beverages in license states was $15.81 (See Appendices 2, 3).

The "apparent per capita consumption" is drawn from the amount of alcoholic beverages sold in a jurisdiction, and may be somewhat misleading; this and a variety of market factors would have to be taken into consideration in a more concise analysis. However, this rough comparison of Maine's position with that of the license states warns against a radical change in Maine's system of distilled spirits sales which could result in a serious loss of revenue accompanied by increased consumption.

Revenue from the sale of distilled spirits is a significant portion of state revenues. For the year ending in June, 1974, the Bureau transferred some $20,135,000 to the General Fund, with approximately $13,190,000 of that amount coming from the retail store operations.

The Committee also notes that there were no proponents of the "license" or free enterprise system at the hearing held on whether the State should continue to operate retail stores for distilled spirits or should change to a free enterprise or license system.

Comments from proponents of the control state system included the following:

a. Since 1934, no control state has become a a license state nor has any license state become a control state.

b. A license state system usually means that package store licenses are issued on a per capita basis; competition for these licenses gives them high value, leading to the threat of corruption of public officials.

c. While it may not always be true that increased availability of liquor leads to increased alcoholism, it is true that enforcement of laws and regulations relating to the sale and use of liquor does become a greater problem with increased availability.

d. Sales promotions and price levels in a license system are difficult to control.

e. Several clergymen noted that more people require personal counselling in license states and that generally they were concerned with the increasing problems related to alcohol among juveniles.

f. Maine's system with its 88 stores was characterized as providing liquor control, good service to consumers, and significant revenues to the State's General Fund.

2. The Bureau of Alcoholic Beverages is generally well administered.

A. General Comparison

The Committee has compared the effects of Maine's liquor control policy with the 17 other control states. Six control states show a greater apparent per capita consumption than Maine's 1.77 wine gallons; New Hampshire leads the list at 5.40 wine gallons, followed by Vermont and Wyoming at 3.23 and 2.02 wine gallons respectively. Average apparent consumption of distilled spirits in control states was 1.85 wine gallons. Only three control states have per capita revenues from alcoholic beverages greater than Maine's $23.34. New Hampshire again leads with $33.40, followed by Washington and Vermont at $31.89 and $30.23 respectively. The average per capita revenue among control states from alcoholic beverages was $20.58. Among control states as well as license states, Maine succeeds in having an apparent per capita consumption of distilled spirits lower than the average for all states while having per capita revenues from alcoholic beverages greater than the average for all states (See Appendices 4,5).

A further comparison among 14 control states with similar retail operations was made by observing the ratio of cost of sales operations to gross profits. While there may be some question regarding the compatibility of information used in developing each ratio, it may still be indicative that Maine's relative cost of sales operations is greater than that in five other states. Three of those states have a ratio very near to Maine's, while the other two show a significantly lower ratio. The Commission should compare its operations with the operations of these other states to determine if there are any ways in which Maine could lower its ratio (See Appendix 6).

These statistical comparisons with other control states suggest that Maine's liquor control policy and the operating practices of the Bureau of Alcoholic Beverages are effectively serving the overall interests of the State of Maine.

B. Price and Selection Comparison with New Hampshire and Vermont

Study order S.P. 698 noted that "the price of liquor to consumers may be high and the brand selection limited in comparison with neighboring states". The Committee's research comparing prices and brand selections in Maine with those in Vermont and New Hampshire substantiates this statement.

a. A broad survey of prices was completed. A typical example of this survey comparing prices on ten selections in Vermont, New Hampshire and Maine (other than the Kittery store) reveal Maine prices per fifth average $.92 more than Vermont prices and $1.12 more than New Hampshire prices. Prices at the Kittery store are approximately the same as New Hampshire prices.

b. During the summer of 1973, Maine stores offered 493 selections in comparison with Vermont's 560 selections and over 600 selections in New Hampshire.

While the consumer may be better served at a lower cost in these neighboring states, Maine's pricing and listing policies should be experimented with cautiously, if at all. More listings mean higher inventory costs. Price adjustments without a careful market analysis could also mean a severe revenue loss for the State. Market factors in Maine may be significantly different than those in New Hampshire and Vermont; price reductions may not necessarily lead to sufficiently increased sales to maintain present revenues from distilled liquors. The Liquor Commission should be concerned with pricing and market analysis on a regular basis, presenting its findings to the Legislature and the Governor.

C. Inventory Management

Concern has been expressed by the Department of Audit and the Maine Management and Cost Survey about the quality of inventory management. Representatives of the Department of Audit noted that inventory control in the past has been extremely unsophisticated, with no incentive for store managers to maintain minimum inventory levels. The Maine Management and Cost Survey indicated that inventory levels were running about 5 weeks supply at the time of the survey and felt that the inventory level could be reduced to 3 weeks supply. (Maine Management and Cost Survey, 1973 p. 37)

Mr. Ingraham, Director of the Bureau of Alcoholic Beverages, has noted that the authorized working capital of the Bureau has not grown significantly: at $3 million in 1945, the current authorized working capital is $3.5 million, with approximately another $2 million available for actual inventory purposes since the inventory is not valued until payment is due. Mr. Ingraham informed the Committee that he will not be requesting additional working capital from the 107th Legislature.

Mr. Ingraham also noted that while 25% of the brands listed amount to 75% of the sales, items in addition to the top sellers have to be maintained in order to provide a reasonably broad selection of brands and types of distilled liquor. Some of the low sale items must also be purchased in large lots to assure timely delivery and to receive the most favorable freight rates, resulting in a significant inventory of slow moving stock.

While the Bureau is uncertain how much the inventory level can be reduced, it is making an effort in this regard. In August, the Bureau appointed a new merchandising advisor. Since this appointment, the formula providing store managers with a suggested level of inventory for each listing for each store has been revised. The new inventory formula has not been in effect long enough to be evaluated well, though comparisons with prior periods indicate a significant reduction in store inventories:

Average Ratio of Bottles Sold to Bottles in Store Inventories

October 1973	October 1974
21.6%	23.7%

Average Ratio of Value of Bottles Sold to Value of Bottles in Store Inventories

October 1973	October 1974
35.1%	38.6%

	Week of Oct. 27, 1973	Week of Oct. 26, 1974
Value of Sales	$733,413	$843,412
Value of Store Inventories	$2,221,523	$2,147,706

These figures indicate a trend of greater sales to lower inventory levels, meaning that less of the Bureau's authorized working capital needs to be tied up in inventory, freeing up more funds which can then be invested by the State Treasurer.

The suggested level currently includes an extra one week supply of each item in addition to the stock involved in the shipping cycle. Such a large supply of extra stock may not be needed to meet unexpected sales increases; the Bureau will be experimenting with reductions in this extra stock in early 1975.

There also appears to be a greater effort to monitor store inventories, with overstocked items in stores being shifted to other stores or to the central warehouse. Items de-listed by the Commission which may have accumulated in the central warehouse are also being sent to the stores for discount sales.

The Committee applauds these efforts by both the central office of the Bureau and the store managers. The Committee does recommend that the Department of Audit review the Bureau's inventory control practices in its annual audits.

D. Transportation

In July of 1974, the Bureau began operating its own tractor-trailer to supply the Kittery store from the Augusta warehouse. The limited information available about the cost of operating the tractor-trailer indicates that there may be a significant savings in comparison with the use of a common carrier to serve the Kittery store. Decisions regarding the expansion of the Bureau's own transportation capability should be made only after careful analysis of the Bureau's overall transportation needs and expenses.

E. Listing and Delisting Criteria

The Committee is concerned with the absence of any general criteria for listing or delisting items. In responding to this concern, Mr. Ingraham noted that there are thirty-three different types of liquor sold by the state and no single set of listing or delisting criteria would be appropriate for all types. Sales within its type, price, bottle size, market trends and whether or not the item is a Maine product are factors in determining whether a particular item will be listed or delisted. Mr. Ingraham has also noted that at the most recent delisting and listing of brands, forty salesmen were available to make presentations and to monitor the listing process. Since the records of the Bureau are open to public inspection and since the National Alcoholic Beverage Control Association provides sales reports to the manufacturers, there is little opportunity for the Commission to discriminate among manufacturers.

The Committee appreciates these reassurances, but feels that the general policies for listing and delisting should be clearly set forth in writing for the guidance of the Liquor Commission, and should be available to others on request at the Bureau of Alcoholic Beverages.

F. General Comments

Several other aspects of the Bureau's operations warrant comment. A study of Maine State data processing by the Council of State Government's Interstate Consulting Clearinghouse, completed in August, 1974, noted that the data processing system used by the Bureau of Alcoholic Beverages is cost-effective and proven. The system eliminates certain manual procedures and provides timely and thorough reports to the Liquor Commission and the Bureau. Related to this is the general reduction of personnel in the Bureau; since 1970, some 42 positions have been eliminated due to improved operating procedures, including the data processing application and the conversion of some stores to self-service. This reduction does not include the transfer of the 24 man enforcement division to the Department of Public Safety. Some 20 of 88 stores have already been converted to self-service since 1970, with the conversion proceeding at the rate of seven to ten stores per year.

Finally, a member of the Department of Audit involved in recent audits of the Bureau has noted that, from a traditional auditing viewpoint and with the exception of inventory management, he generally approves of the procedures and management practices of the Bureau. He also noted that the central office of the Bureau appeared to operate with a minimal number of personnel.

V. Recommendations

1. The Committee recommends that the State of Maine should continue to operate retail outlets for distilled liquor as a means of providing revenues to the State and providing a moderate control on liquor consumption and promotion.

2. The Committee recommends that the Department of Audit include in its annual audits of the Bureau of Alcoholic Beverages a review of inventory control practices and appropriate comparisons of sales to inventory in the current and preceding periods. Special notice should be made if it is found that improved inventory management has freed up working capital funds for investment. A copy of such audits should be sent to the Committee on Liquor Control of the Legislature.

3. The Committee recommends that the Liquor Commission set forth in writing the general policies of the Commission for listing and de-listing items for sale in state liquor stores. Copies of these general policies should be available to the public at the Bureau of Alcoholic Beverages.

STATE OF MAINE

In Senate June 29, 1973

Ordered,

WHEREAS, during the fiscal year ending June 30, 1972, the Bureau of Alcoholic Beverages had grown to the point where it was authorized to employ 347 employees; and

WHEREAS, the cost of goods sold during that fiscal year amounted to $23,042,644; and

WHEREAS, added selling and administrative expenses amounting to $3,206,728, including $2,399,900 for salaries and wages and $185,380 in retirement benefits were entailed; and

WHEREAS, $19,218,651 was returned to the General Fund as net profit; and

WHEREAS, it seems highly probable that such net profit could have been substantially higher had more sophisticated operating procedures been employed; and

WHEREAS, the price of liquor to consumers may be high and the brand selection limited in comparison with neighboring states; and

WHEREAS, it seems reasonable that under a free enterprise system of private liquor sales there would be many benefits to the consumer and the State; now, therefore, be it

ORDERED, the House concurring, that the Legislative Research Committee is authorized and directed to study the operations of and

Name:

County:

procedures employed by the Bureau of Alcoholic Beverages and analyze the possible effects of establishing private retailing outlets for liquor sales to determine whether the present State system or a free enterprise system would best serve the interests of the citizens of this State; and be it further

ORDERED, that the Department of Finance and Administration and such other departments and agencies as may be determined by the committee, be authorized and respectfully directed to provide the committee with such information, technical advice and assistance as the committee deems necessary to carry out the purposes of this Order; and be it further

ORDERED, that the Legislative Research Committee report its findings, along with any implementing legislation, to the next special or regular session of the Legislature; and be it further

ORDERED, that upon passage of this Order, in concurrence, that copies of this Order be transmitted forthwith to said agencies specified herein as notice of the pending study.

SP 698

IN SENATE CHAMBER Read
and TABLED BY SEN. SEN. BERRY
OF CUMBERLAND

JUN 29 1973

PENDING Legislative Research Table Pending Passage

HARRY N. STARBRANCH, Secretary

(Clifford)
NAME:

TOWN: Androscoggin

Apparent Per Capita Consumption of Distilled Spirits (in wine gallons) - 1973

License States and Maine

Rank	State	Per Capita Consumption	Total Consumption	Rank in Total Consumption All States
1	District of Columbia	6.92	5,162,105	24
2	Nevada	6.37	3,488,836	33
3	Alaska	3.33	1,097,402	49
4	Florida	2.72	20,862,058	4
5	Delaware	2.73	1,574,798	43
6	Maryland	2.49	10,136,500	12
7	Connecticut	2.39	7,355,687	17
8	Massachusetts	2.46	14,299,284	10
9	California	2.38	49,051,866	1
10	New Jersey	2.27	16,689,513	6
11	Illinois	2.35	26,360,175	3
12	New York	2.35	42,889,531	2
13	Wisconsin	2.23	10,200,399	11
14	Colorado	2.23	5,430,472	22
15	Hawaii	2.17	1,809,124	41
16	Rhode Island	2.14	2,079,537	39
17	South Carolina	2.11	5,745,834	21
18	North Dakota	2.05	1,312,697	46
19	Minnesota	2.00	7,791,510	16
20	Arizona	1.88	3,870,910	29
***	Maine	1.77	1,821,913	40*
21	Georgia	1.76	8,428,779	14

Rank	State	Per Capita Consumption	Total Consumption	Rank in Total Consumption All States
22	South Dakota	1.76	1,203,895	47
23	Nebraska	1.73	2,662,894	36
24	New Mexico	1.57	1,736,921	42
25	Missouri	1.51	7,198,358	18
26	Oklahoma	1.44	3,824,615	30
27	Kentucky	1.42	4,754,903	27
28	Louisiana	1.40	5,254,558	23
29	Texas	1.30	15,332,193	8
30	Indiana	1.24	6,588,830	20
31	Kansas	1.21	2,747,891	35
32	Tennessee	1.19	4,913,029	25
33	Arkansas	1.07	2,175,844	38

* Data taken from "1973 Annual Statistical Review", Distilled Spirits Institute, Washington, D.C., 1974.

STATE PER CAPITA REVENUES FROM ALCOHOLIC BEVERAGES - 1973

For License States (including District of Columbia) and Maine

RANK	STATE	ESTIMATED POPULATION IN THOUSANDS	NET STATE AND LOCAL REVENUE	PER CAPITA REVENUE	RANK
1	Nevada	548	19,597,158	35.76	1
2	District of Columbia	746	25,629,084	34.36	2
3	Florida	7,678	199,817,271	26.02	3
4	South Carolina	2,726	66,149,815	24.27	4
5	Georgia	4,786	115,367,565	24.11	5
**	Maine	1,028	23,991,804	23.34	**
6	Connecticut	3,076	61,738,401	20.07	6
7	Minnesota	3,897	77,807,126	19.97	7
8	New York	18,265	353,493,421	19.35	8
9	Hawaii	832	16,030,210	19.27	9
10	Alaska	330	5,936,564	17.99	10
11	Rhode Island	973	17,022,530	17.49	11
12	Massachusetts	5,818	98,340,674	16.90	12
13	North Dakota	640	10,735,539	16.77	13
14	Louisiana	3,764	62,210,294	16.53	14
15	Tennessee	4,126	66,685,072	16.16	15

Rank	State	Population (000's)	Net State and Local Revenue	Per Capita Revenue	Rank
16	Wisconsin	4,569	68,640,369	15.02	16
17	Maryland	4,070	58,391,022	14.35	17
18	California	20,601	277,039,624	13.45	18
19	Arizona	2,058	27,505,851	13.37	19
20	Illinois	11,236	149,512,082	13.31	20
21	Oklahoma	2,663	31,993,774	12.01	21
22	South Dakota	685	7,988,546	11.66	22
23	Kentucky	3,342	37,045,650	11.08	23
24	New Mexico	1,106	12,051,016	10.90	24
25	New Jersey	7,361	76,388,519	10.38	25
26	Texas	11,794	121,710,974	10.32	26
27	Colorado	2,437	24,595,822	10.09	27
28	Nebraska	1,542	15,466,892	10.03	28
29	Missouri	4,757	47,322,216	9.95	29
30	Arkansas	2,037	17,120,522	8.40	30
31	Delaware	576	4,581,256	7.95	31
32	Indiana	5,316	39,504,560	7.43	32
33	Kansas	2,279	15,994,599	7.02	33

* Data taken from "Public Revenues From Alcoholic Beverages", Distilled Spirits Institute, Washington, D.C., 1974

Apparent Per Capita Consumption of Distilled Spirits (in wine gallons) - 1973

Control States

Rank	State	Per Capita Consumption	Total Consumption	Rank in Total Consumption All States
1	New Hampshire	5.40	4,267,680	28
2	Vermont	3.23	1,500,294	44
3	Wyoming	2.02	758,381	51
4	Montana	1.88	1,355,009	45
5	Washington	1.83	6,289,857	19
6	Michigan	1.80	16,272,515	7
7	Maine	1.77	1,821,913	40
8	Virginia	1.76	8,482,212	13
9	Oregon	1.66	3,684,048	31
10	North Carolina	1.53	8,054,805	15
11	Pennsylvania	1.44	17,102,353	5
12	Alabama	1.38	4,869,072	26
13	Ohio	1.37	14,745,535	9
14	West Virginia	1.33	2,386,841	37
15	Mississippi	1.31	2,989,742	34
16	Idaho	1.28	982,146	50
17	Iowa	1.26	3,662,288	32
18	Utah	.96	1,107,239	48

*Data taken from 1973 Annual Statistical Review", Distilled Spirits Institute, Washington, D.C., 1974.

STATE PER CAPITA REVENUES FROM ALCOHOLIC BEVERAGES - 1973

For Control States

Rank	State	Estimated Population in Thousands	Net State and Local Revenues**	Per capita Revenue	Rank
1	New Hampshire	791	26,417,129	33.40	1
2	Washington	3,429	109,358,994	31.89	2
3	Vermont	464	14,026,711	30.23	3
4	Montana	721	17,173,890	23.82	4
5	Maine	1,028	23,991,804	23.34	5
6	Idaho	770	16,189,719	21.03	6
7	Michigan	9,044	181,608,746	20.08	7
8	Alabama	3,539	70,967,596	20.05	8
9	North Carolina	5,273	101,321,280	19.22	9
10	Oregon	2,225	42,167,515	18.95	10
11	Virginia	4,811	91,033,870	18.92	11
12	Ohio	10,731	200,898,889	18.72	12
13	Iowa	2,904	48,867,851	16.83	13
14	Mississippi	2,281	37,813,662	16.58	14

Rank	State	Estimated Population in Thousands	Net State and Local Revenue	Per capita Revenue	Rank
15	West Virginia	1,794	29,287,395	16.33	15
16	Pennsylvania	11,902	186,355,203	15.66	16
17	Utah	1,157	15,332,623	13.25	17
18	Wyoming	353	4,269,781	12.10	18

* Estimated Population as of July 1, 1972

** Net State and Local Revenue where appropriate from: sales of distilled spirits, beer and wine; excise taxes; estimated sales tax. Cost of operations, administration, enforcement deducted.

Figures from "Public Revenues from Alcohol Beverages", Distilled Spirits Institute, Washington, D.D., 1973

CONTROL STATES 1973*

Ratio Analysis : Cost of Sales Operations / Gross Profits

1	Oregon	4,635,106 / 44,116,513	10.5%
2	Ohio	18,623,460 / 135,177,049	13.7%
3	Washington	12,202,582 / 86,974,470	14.0%
4	Idaho	1,801,743 / 12,232,662	14.7%
5	Alabama	8,108,743 / 48,586,302	16.6%
6	Maine	2,841,500 / 16,550,852	17.1%
7	Michigan	12,842,650 / 71,547,008	17.9%
8	New Hampshire	5,105,652 / 28,437,227	17.9%
9	Utah	1,992,840 / 11,123,362	18.0%
10	Iowa	7,058,958 / 30,745,245	22.9%
11	Virginia	12,384,133 / 47,005,696	26.3%
12	W. Virginia	6,336,957 / 22,514,339	28.1%
13	Pennsylvania	57,295,080 / 196,336,712	29.1%

14	Montana	$\frac{3,331,577}{10,998,070}$	30.2%

* Basic data taken from "Public Revenues From Alcoholic Beverages, 1973", Distilled Spirits Institute, Washington, D.C., 1974.