

LCBO

October 7, 2015

Update on Ottawa Slow Sellers Initiative

55 Lakeshore Blvd. E.
Toronto, ON, M5E 1A4

The LCBO continues to look at measures to improve service to customers while improving operational efficiencies in our goal towards providing a world class beverage alcohol assortment.

Over the past year, a cross-functional team consisting of Logistics, Retail, and SMi members looked at various means to optimize customer service to all LCBO customers.

As a result of extensive analysis, there exists opportunity to better service customers by leveraging alternate, established processes to fulfill store inventory requirements for slower selling SKUs to Ottawa RSC serviced stores. SKUs with lower sales volume or 'slow sellers' housed in the Ottawa RSC may not be ordered or shipped as frequently to stores as faster selling products or new products.

In order to improve service levels of these SKUs, effective Wednesday, October 7, SKUs identified as slow sellers will no longer be available in the Ottawa warehouse and will be shipped from Durham warehouse to select stores. Furthermore, for efficiency, we are leveraging the bi-weekly shipment of Vintage Release orders from Durham warehouse to Ottawa Vintage Release stores to ship these slow sellers. The list of Vintage Release stores and Ottawa Depot are attached.

While each of these stores may list a select number of these slow sellers, any store in the Ottawa-area market can continue to initiate a transfer of any product to their store for customer requests.

This new initiative enables the LCBO to optimize existing processes while maintaining the availability of slow selling products in the Ottawa-area market.

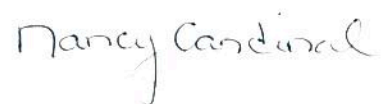
Yours truly,



George Soleas
Executive Vice President
Logistics



Bob Clevely
Senior Vice President
Retail Operations



Nancy Cardinal
Senior Vice President,
Sales, Marketing & Insights



Location No ID	Location No DESC
36	Ottawa-Kanata Hazeldean & Castlefrank (Market Square)
38	Ottawa Rideau & King Edward
41	Ottawa Industrial & St. Laurent (Trainyards)
55	Pembroke Pembroke St E & Angus Campbell Dr
58	Timmins Waterloo & Algonquin
70	Smiths Falls Chamber & Market
72	Perth Dufferin & Wilson
83	Hawkesbury Hwy 34 & Hwy 17
99	Embrun Notre Dame & Ste Marie
125	Rockland Richelieu & Poupart
132	Carleton Place Mcneely Ave & Trans - Canada Hwy
140	Ottawa-Vanier Montreal Rd & Vanier Parkway
144	Renfrew O'Brien & Wrangler Rd
211	Kemptville Hwy 416 & Hwy 43
212	Ottawa Richmond & Kirkwood
243	Ottawa Bank & Walkley
351	Brockville North Augusta & Parkdale
368	Ottawa Bank & Findlay Creek
384	Ottawa Metcalfe & Isabella
387	North Bay Hwy 11 N & Hwy 17 W
394	Ottawa Carling & Woodroffe (Fairlawn Plaza)
412	Ottawa-Nepean Hunt Club & Merivale (Nepean Crossroads)
431	Ottawa-Nepean Woodroffe & Baseline (College Square)
441	Casselman Hwy 417 & St. Albert St
443	Ottawa-Gloucester Blair & Ogilvie
499	Ottawa-Nepean Strandherd & Greenbank (Barrhaven)
500	Ottawa Bank & Holmwood (Lansdowne Pk)
521	Manotick Rideau Valley Dr & County R
526	Ottawa Bank & Mcleod
540	Cornwall Brookdale & Ninth
547	Ottawa Albert & Metcalfe (World Exchange Plaza)
556	Ottawa-Kanata Terry Fox & Campeau
569	Stittsville Hazeldean & Main
589	Ottawa-Orleans Orleans & Jeanne D'Arc (Convent Glen)
624	Ottawa-Orleans Innes & Tenth Line
638	Ottawa-Kanata March & Old Carp
645	Ottawa Wellington & Somerset St W
694	Ottawa-Orleans Innes & Trim Rd
699	Ottawa Limebank & Spratt
620	Ottawa Distribution Depot