



Wholesaler Sales Rise 5.2 Percent

Tobacco taxation, margin pressure and higher operating costs cut into profits

By Debra Chanil

Sales hit \$50.3 billion for the top 25 convenience wholesalers in the last fiscal year, according to the latest study conducted by *Convenience Store News*. With an additional \$2.5 billion in sales, the industry posted growth of 5.2 percent, less than the 6-percent growth achieved for the previous year, but impressive given these tough economic and operating conditions.

In particular, executives at these top wholesalers cited increased federal and local taxes on tobacco, margin pressure across all categories, operating costs and labor (especially hiring issues) as the top challenges to their business in the past year.

McLane Co. reported sales of \$24.2 billion, keeping its place at the top of the list. Core-Mark Holding Co., Eby-Brown Co., H.T. Hackney Co. and GSC Enterprises Inc. continue to round out the top five wholesalers.

Harold Levinson Associates Inc. moved up one spot

to rank seventh, pushing Amcon Distributing down to eighth place. Likewise, Imperial/Harrison Super Regional moved up one place to rank ninth, with 10th place going to a new entrant on the list, Forrest City Grocery Co.

Acquisitions continued among the Top 25 in the past year, with two companies reporting activity. Forrest City Grocery Co. acquired Galler Wholesale (Memphis, Tenn.) and Dixie Candy and Tobacco (Shaw, Miss.), while Consumer Products Dist. Inc.

► Fig. 1 Top 25 Wholesalers Summary

	\$ SALES	PERCENT CHANGE VS. YEAR AGO
Top 25 sales	\$50.3 billion	5.2%
Top 10 sales	43.7 billion	3.8
Average sales per company	2.011 billion	5.6
Average sales per retail location	275,419	1.7
Average sales per warehouse	367 million	2.8
Average sales per full-time employee	1.674 billion	7.1
PERCENT OF SALES		
Chain	53.9%	
Single stores	46.1%	

Source: Convenience Store News Market Research, 2009

► Fig. 2 Sales per Retail Location Served

1	McLane Co.	\$631,030
2	Imperial/Harrison Super Regional	421,053
3	Forrest City Grocery Co.	179,986
4	J.T. Davenport & Sons Inc.	340,000
5	Eby-Brown Co.	333,333
6	Liberty USA Inc.	305,556
7	Core-Mark Holding Co. Inc.	251,875
8	Southco Distributing Co.	247,273
9	Cooper-Booth Wholesale Co.	244,667
10	S. Abraham & Sons Inc.	241,671

Source: Convenience Store News Market Research, 2009

Top 25 Wholesalers

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RANKING		COMPANY/ HEADQUARTERS	ESTIMATED SALES			TRADING AREA	RETAIL SERVICE	
2009	2008		LATEST FY ¹ (MILLIONS)	PREVIOUS FY ¹ (MILLIONS)	% CHANGE EST		LOCATIONS SERVED	DELIVERIES PER WEEK
1	1	McLane Co. Temple, Texas ²	\$24,200	\$23,500*	3.0%	All 50 states	38,350	51,604
2	2	Core-Mark Holding Co. Inc. South San Francisco, Calif. ³	6,045	5,561	8.7	50 states plus five Canadian provinces	24,000	n/a
3	3	Eby-Brown Co. Naperville, Ill.	4,500	4,400	2.3	Eastern half of U.S.	13,500	15,000
4	4	H.T. Hackney Co. Knoxville, Tenn.	3,600	3,600	0.0*	AL, AR, FL, GA, MS, NC, SC, TN, LA, TX, KY, OH, PA, VA, WV, MD, IN, MO, IA	25,000	n/a
5	5	GSC Enterprises Inc. Sulphur Springs, Texas	1,200	1,200	0.0*	TX, NM, AR, AL, FL, GA, IL, IN, IA, KS, KY, LA, MS, MO, NE, OK, SC, TN	8,000	6,500
6	6	S. Abraham & Sons Inc. Grand Rapids, Mich.	914	908	0.7	PA, OH, KY, IN, MI, IL, WI, MN	3,782	3,649
7	8	Harold Levinson Associates Inc. Farmingdale, N.Y.	870	766	13.6	NY, NJ, PA, CT, RI, MA, DE	17,000	15,000
8	7	Amcon Distributing Co. Omaha, Neb.	821	816	0.6	AR, CO, IA, IL, IN, KS, MN, MO, MS, MT, NE, ND, OK, SD, TN, WI, WY	4,500	5,200
9	10	Imperial/Harrison Super Regional Elmwood, La. ⁴	800	649	23.3	LA, MS, AL, AR, TN, TX, OK, KS, MO	1,900	2,100
10	n/a	Forrest City Grocery Co. Forrest City, Ark.	750	625	20.0	AR, LA, MO, MS, TN	1,800	2,100
11	9	Chambers & Owen Inc. Janesville, Wis.	709	680	4.3	WI, IL, IN, IA, MI, MN	n/a	n/a
12	13	Consumer Product Dist. Inc. Chicopee, Mass. ⁵	675	565	19.5	MA, CT, RI, NY, NH, VT, ME	4,000	3,600
13	11	Garber Bros. Inc. Stoughton, Mass.	645	635	1.6	ME, NH, VT, MA, RI, CT, NY, NJ, MD, PA	3,000	2,100
14	12	J.T. Davenport & Sons Inc. Sanford, N.C.	612	612	0.0*	NC, SC, VA, WV, MD, OH, KY	1,800	1,894
15	14	Liberty USA Inc. West Mifflin, Pa.	550	480	14.6	PA, OH, WV, MD, DE, KY, NY, VA, MI	1,800	1,650
16	16	Farmer-Bocken Co. Carroll, Iowa	410	410	0.0*	IA, NE, MO, IL, MN, OK, AR, KS, CO, WY, MT, SD, WI, ND, MI	12,000	7,500
17	18	Atlantic Dominion Distributors Virginia Beach, Va. ⁶	392	374	4.8	VA, NC, DE, MD, GA, DC, FL, TN	n/a	n/a
18	17	Pine State Trading Co. Augusta, Maine	390	390	0.0*	ME, NH, VT, MA	3,320	4,600
19	19	Cooper-Booth Wholesale Co. Mountville, Pa.	367	333	10.2	PA, MD, DE, VA, WV, NJ, NY, DC	1,500	1,400
20	15	Stephenson Wholesale Co. Inc. Durant, Okla. ⁷	354	424	-16.5	OK, TX	3,500	5,356
21	20	Tripifoods Inc. Buffalo, N.Y.	348	292	19.2	NY, NJ, PA, OH, WV, IL, IN	2,530	2,085
22	21	Harbor Wholesale Grocery Inc. Tumwater, Wash.	300	273	9.9	WA, OR, ID, AK, CA, MT	2,500	1,700
23	24	Richmond-Master Distributors Inc. South Bend, Ind.	295	223	32.3	IL, IN, KY, MI, OH	1,400	810
24	22	Southco Distributing Co. Goldsboro, N.C.	272	265	2.6	NC, SC, GA, VA, TN, WV, OH	1,100	1,500
25	24	Thomas & Howard Co. Inc. Columbia, S.C.	250	250	0.0*	SC, NC, GA	1,562	2,300

FOOTNOTES: 1 FY=fiscal year 2 Owned by Berkshire Hathaway. 3 Acquired Auburn Merchandise Distributors, May 2008. 4 Corporate parent is Georges Enterprises LLC, Elmwood, La. 5 dba J. Polep Distribution Services. 6 Owned by Old Dominion Tobacco Co. Inc. 7 dba Indian Nation Wholesale r Restated *CSNews estimate Source: Convenience Store News Market Research, 2009

Top 25 Wholesalers

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PERCENT OF SALES		WAREHOUSES		EMPLOYEES			PRODUCTIVITY RATIOS: SALES PER			
CHAIN	SINGLE STORE	# OF WAREHOUSES	SQUARE FEET (THOUSANDS)	FULL TIME	PART TIME	SALES REPS	SQUARE FOOT	EMPLOYEE	LOCATION	DELIVERY
95%	5%	20	10,402	13,935	91	153	\$2,326	\$1,737	\$631	\$9,018
50	50	26	3,600	4,181	131	1,026	1,679	1,446	252	n/a
70	30	7	2,100	2,200	25	200	2,143	2,045	333	5,769
n/a	n/a	28	n/a	n/a	n/a	n/a	n/a	n/a	144	n/a
65	35	6	1,676	1,315	68	126	716	913	150	3,550
68	32	2	440	624	7	105	2,077	1,465	242	4,817
3	97	4	600	420	85	25	1,450	2,071	51	1,115
70	30	5	487	493	13	92	1,686	1,665	182	3,036
72	28	2	260	345	20	50	3,077	2,319	421	7,326
30	70	1	180	240	2	28	4,167	3,125	417	6,868
n/a	n/a	n/a	n/a	330	0	37	n/a	2,148	n/a	n/a
23	77	5	280	450	15	110	2,018	1,256	141	3,606
70	30	2	205	275	10	45	3,146	2,345	215	5,907
70	30	2	205	275	10	45	2,985	2,225	340	6,214
60	40	1	150	250	50	30	3,667	2,200	306	6,410
35	65	1	400	n/a	n/a	n/a	1,025	n/a	34	1,051
n/a	n/a	n/a	n/a	195	6	21	n/a	2,010	n/a	n/a
55	45	5	246	445	6	106	1,585	876	117	1,630
30	70	1	105	190	2	18	3,495	1,932	245	5,041
50	50	3	181	319	15	56	1,956	1,110	101	1,271
91	9	1	250	195	62	10	1,392	1,785	138	3,210
35	65	2	155	277	10	43	1,935	1,083	120	3,394
30	70	5	210	184	6	18	1,405	1,603	211	7,004
55	45	1	210	185	20	35	1,295	1,470	247	3,487
47	53	3	303	303	20	55	825	825	160	2,090

► **Fig. 3 Sales per Full-Time Employee** (in millions)

1	Forrest City Grocery Co.	\$3,125
2	Allen Brothers Wholesale Dist. Inc.	2,657
3	Garber Bros. Inc.	2,345
4	Imperial/Harrison Super Regional	2,319
5	J.T. Davenport & Sons Inc.	2,225
6	Liberty USA Inc.	2,200
7	Chambers & Owen Inc.	2,148
8	Harold Levinson Associates Inc.	2,071
9	Eby-Brown Co.	2,045
10	Atlantic Dominion Distributors	2,010

Source: Convenience Store News Market Research, 2009

acquired Lesco Distributors (Mattapoisette, Mass.) and TBI Corp. (Manchester, N.H.).

METHODOLOGY

Rankings for the Top 25 Convenience Wholesalers are based on sales from the last full fiscal year. Data for this report was gathered through a survey conducted among the largest wholesalers primarily servicing c-stores that derive a

majority of their annual sales from tobacco and candy products. Additional data was obtained through company reports and other public sources of financial data. In some cases, estimates have been made by *Convenience Store News* based on historical data, as well as current industry trends. ■

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► **Fig. 4 Sales per Delivery**

1	McLane Co.	\$9,018
2	Imperial/Harrison Super Regional	7,326
3	Richmond-Master Distributors Inc.	7,004
4	Forrest City Grocery Co.	6,868
5	Liberty USA Inc.	6,410
6	J.T. Davenport & Sons Inc.	5,907
7	Garber Bros. Inc.	5,769
8	Eby-Brown Co.	5,769
9	Cooper-Booth Wholesale Co.	5,041
10	S. Abraham & Sons Inc.	4,817

Source: Convenience Store News Market Research, 2009

► **Fig. 6 Sales per Warehouse Square Foot**

1	Forrest City Grocery Co.	\$4,167
2	Liberty USA Inc.	3,667
3	Cooper-Booth Wholesale Co.	3,495
4	Garber Bros. Inc.	3,146
5	Imperial/Harrison Super Regional	3,077
6	J.T. Davenport & Sons Inc.	2,985
7	Allen Brothers Wholesale Dist. Inc.	2,862
8	Chambers & Owen Inc.	2,675
9	McLane Co.	2,326
10	Atlantic Dominion Distributors	2,178

Source: Convenience Store News Market Research, 2009

► **Fig. 5 Number of SKUs Handled**

1	McLane Co.	46,965
2	Core-Mark Holding Co. Inc.	42,000
3	Stephenson Wholesale Co. Inc.	18,293
4	Harold Levinson Associates Inc.	17,000
5	Amcon Distributing Co.	14,000
6	S. Abraham & Sons Inc.	12,691
7	Harbor Wholesale Grocery Inc.	11,078
8	Consumer Product Dist. Inc.	10,000
9	Tripfoods Inc.	9,300
10	Imperial/Harrison Super Regional	9,000

Source: Convenience Store News Market Research, 2009

► **Fig. 7 Warehouse Square Footage** (in thousands)

1	McLane Co.	10,402
2	Core-Mark Holding Co. Inc.	3,600
3	Eby-Brown Co.	2,100
4	GSC Enterprises Inc.	1,676
5	Harold Levinson Associates Inc.	600
6	Amcon Distributing Co.	487
7	S. Abraham & Sons Inc.	440
8	Farner-Bocken Co.	400
9	Thomas & Howard Co. Inc.	303
10	Consumer Product Dist. Inc.	280

Source: Convenience Store News Market Research, 2009