

VERMONT TOBACCO AND ALCOHOL RETAIL AUDIT

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As required by [H. 867](#), Department of Liquor and Lottery (DLL) assessed the placement of beverage alcohol products in retail establishments.

The goals of this report are to understand and monitor the tobacco and alcohol retail environment.

CONTENTS

Executive Summary.....	Page 3
Introduction to Tobacco and Alcohol Retail in Vermont	Page 4
Retailer Type and Availability of Tobacco and Alcohol Product Types.....	Page 6
Specific Alcohol Types, Placement, and Self-Checkout Options	Page 13
Advertisements and Promotions of Tobacco and Alcohol Products.....	Page 18
Conclusion.....	Page 23

EXECUTIVE SUMMARY

This is a report of the Vermont tobacco and alcohol retail audit for 2024. The goals of this audit are to *understand* and *monitor* the tobacco and alcohol retail environment. We look specifically at data about retailers selling tobacco and/or alcohol products, and at specific product types and marketing. In terms of retailers, information is gathered about:

- Retailer location
- Retailer density

In terms of specific alcohol and tobacco products, information is gathered about:

- Tobacco and alcohol product type
- Tobacco and alcohol product placement
- Product pricing (tobacco products)
- Advertising and promotion

When possible, comparisons with the 2022 retail audit are highlighted.

INTRODUCTION TO TOBACCO AND ALCOHOL RETAIL IN VERMONT: LICENSING, EDUCATION, AND COMPLIANCE

Alcohol and tobacco products in Vermont are regulated / controlled by the Vermont Department of Liquor and Lottery (DLL). This agency is responsible for the training, licensing, compliance and enforcement of alcohol and tobacco sales in the state.¹ In 2023, a new online licensing, education, and enforcement portal was made available, providing retail owners and managers real-time data and information about selling tobacco. It is a requirement that a director, partner, or manager attend an enforcement seminar at least once every two years to be informed about the Vermont laws related to purchase, storage, and sale of tobacco products. FDA also has educational materials and guidance available on their website for retailers.

Multiple Vermont agencies have been coordinating efforts for many years around tobacco control, as well as other substances, including:

- Vermont Department of Health (VDH), Tobacco Control Program
- Vermont DLL
- Vermont Attorney General's Office
- Vermont Department of Taxes
- Vermont Agency of Education
- VDH Division of Substance Abuse

The Vermont tobacco and alcohol retail audit is a collaboration between VDH and DLL since 2022. DLL is responsible for the training and the data collection efforts. Professional Data Analysts (PDA)

¹ Department of Liquor and Lottery, Division of Liquor Control, Licensing, <https://liquorcontrol.vermont.gov/licensing>.

is the contracted external evaluation partner that is responsible for analysis and state-level reporting of this data.

Licensing types and sampling for the retail audits

There are a variety of license types that Vermont establishments may have to sell tobacco and/or alcohol products in Vermont. Tobacco licenses and tobacco substitute endorsements need to be submitted to the municipality's local governing body for approval before submission to DLL.² Establishments that apply for a liquor license of any kind in the state (1st class, 2nd class, 3rd class, etc.) can receive a tobacco license for no additional fee when submitting for a liquor license.

There were some methodological changes to the sample of store licenses between the retail audits conducted in 2022 and 2024.

2022 sample: Tobacco-only licenses and tobacco substitute endorsements only (many of these sites also sold alcohol).

2024 sample: Tobacco and tobacco substitute licenses, as well as second-class alcohol licenses (with no tobacco license). A second-class license allows a store to sell beer and wine for off-premises consumption.

Full details on regulation, definitions, and guidance are available in Title 7 – Alcoholic Beverages, Cannabis, and Tobacco Vermont Statute.

For the 2024 retail audit, licenses that met the above criteria were pulled on September 3, 2024 and the DLL investigators attempted to audit all stores with tobacco, tobacco substitute, and/or a second-class liquor license over two months. Retail audits were concluded on October 28, 2024.

Thorough methods will be shared in the full technical report that will be completed at the end of December 2024.

² Tobacco Fee Changes Infographic, <https://liquorcontrol.vermont.gov/sites/dlc/files/documents/Education/Tobacco%20Infographic.pdf>

RETAILER TYPE AND AVAILABILITY OF TOBACCO AND ALCOHOL PRODUCT TYPES

The number and types of stores that sell tobacco and that sell alcohol products are summarized. Tobacco and alcohol product types are also detailed in this section.

Both the 2022 and the 2024 Vermont tobacco and alcohol retail audit were a census of retailers with a tobacco license in the state. In 2024, second class liquor licenses were included in the sample of retailers. Some of the analysis in this report include only retailers across the 2022 and 2024 audits that sold tobacco. The sample size of retailers is reported throughout the report, since there is some variation across specific analyses.

Year	Number of retailers	Number for analysis
2014	727	n/a
2018	1,038	n/a
2022	779	766
2024	1,048	952*

**Of this sample, 740 sold tobacco*

The 2014 and 2018 retail audits were conducted by CounterTools and local coalitions. Due to the variation in administration, along with changes in items asked, no direct comparisons are made in this report to the 2014 or the 2018 retail data.

For the 2024 retail audit, there was some interest in including less traditional retail establishments in the audit, such as flea markets, campgrounds, and the like. Given that these are more

challenging to check, DLL prioritized **traditional retail tobacco establishments**. DLL made an attempt to check the less traditional establishments, but if they were not accessible, the investigator noted this and moved to the next establishment. Given this, a new item was added to the 2024 audit to indicate whether or not the investigator was able to check the location. If a location could not be audited on the first attempt, a second attempt was not made to audit any location.

Vermont store types

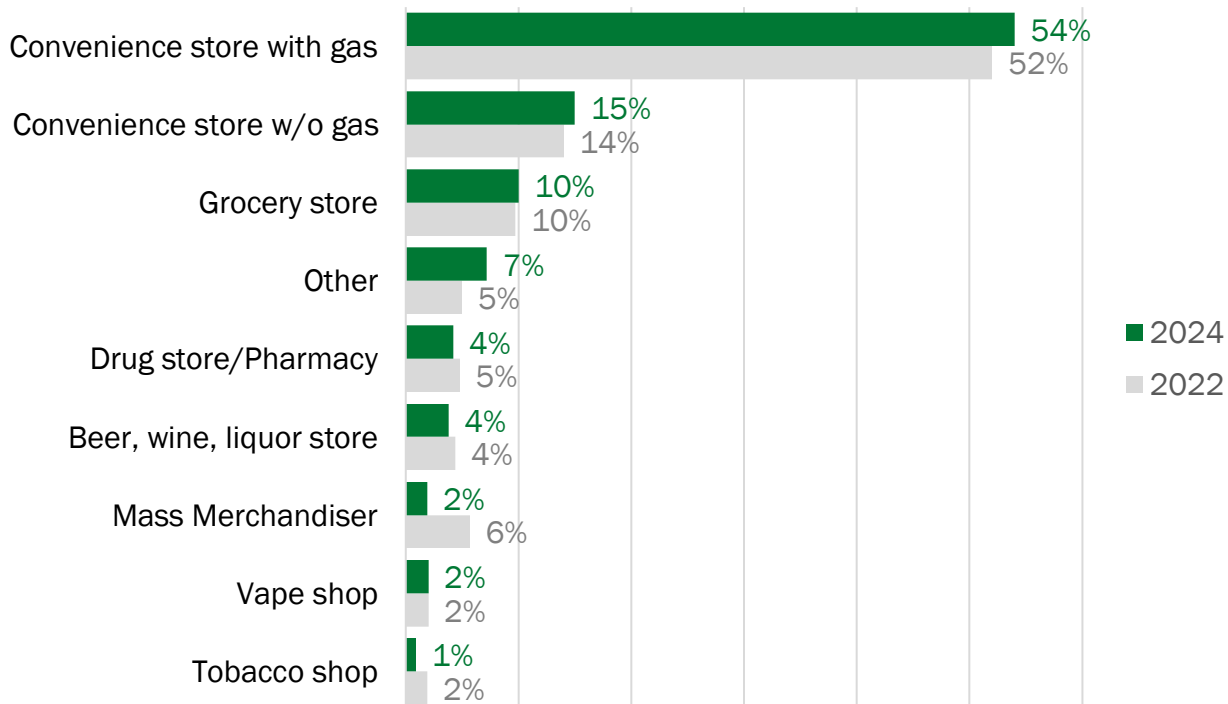
The investigators were trained on the store types as follows:

Store type	Definition
Convenience store with gas	Convenience store, also known as a food mart. Sells a limited line of goods that generally includes milk, bread, soda and snacks, <i>that also sells gas</i> .
Convenience store without gas	Convenience store, also known as a food mart. Sells a limited line of goods that generally includes milk, bread, soda and snacks, <i>that does not sell gas</i> .
Drug store or pharmacy	Known primarily for selling prescription drugs as well as over-the-counter medicines.
Beer, wine, liquor store	Mostly sells beer, wine, or liquor and may sell a limited supply of snack foods.
Grocery store	Small markets that have a limited selection of fresh fruits, vegetables and raw meats intended to be cooked at home.
Mass merchandiser	Warehouse clubs or superstores primarily engaged in retailing a general line of groceries in combination with general lines of new merchandise, such as apparel, furniture, and appliances. Typically sell a wide range of goods.
Tobacco shop	Smoke shop or other retailer who primarily sells tobacco products (includes cigar shops, hookah bars).

Vape shop	Retailers that sell electronic cigarette vaporizers and paraphernalia (i.e., e-liquid, batteries, etc.).
Cannabidiol (CBD) only shop	Only CBD and no other products are sold.
Other	Other store type that is not listed. This includes bars, restaurants, and/or gift shops.

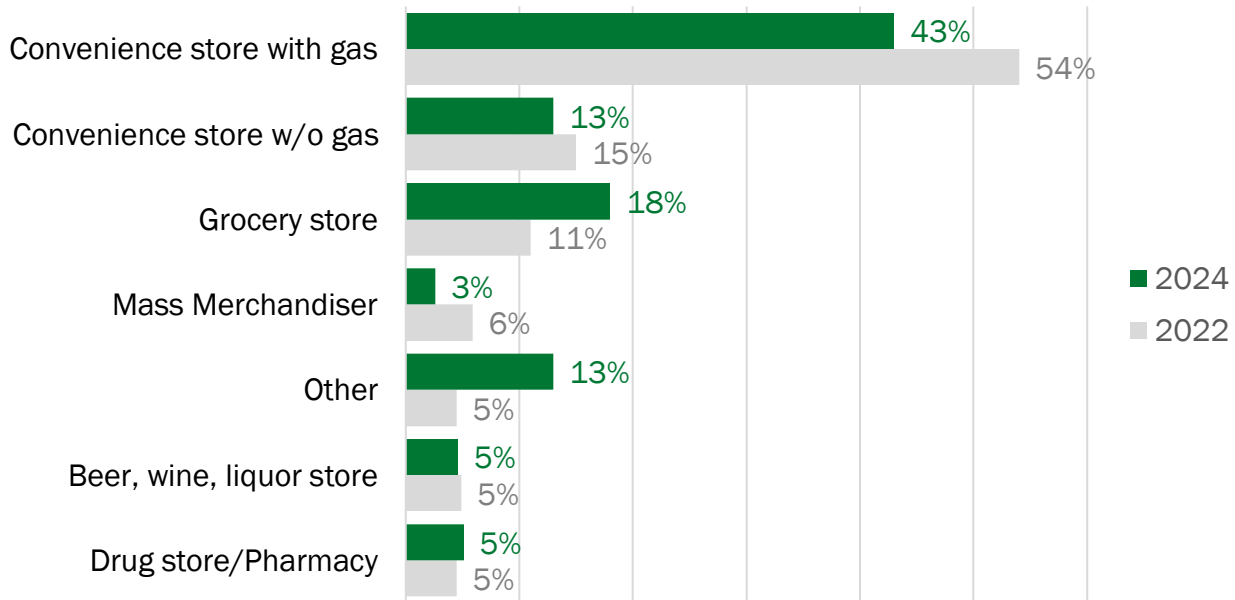
Very few tobacco and vape stores sold alcohol products; one vape shop sold alcohol each audit. Three tobacco shops sold alcohol in 2022 and two sold alcohol products in 2024. These shops are not displayed in the figure of stores that sell alcohol, below.

The store types selling **tobacco products** remained stable



*2022 n=733; 2024 n=740

More grocery stores sold **alcohol** in 2024, fewer convenience stores with gas sold alcohol in 2024

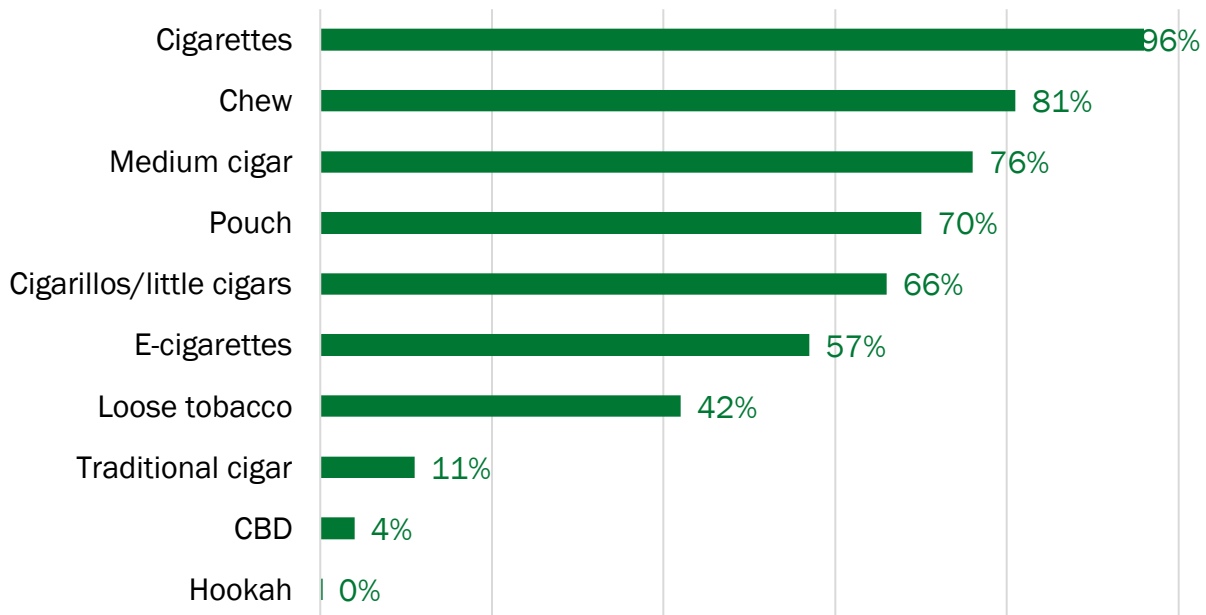


*2022 n=695; 2024 n=920

Product types

Only the 2024 store types are listed below. Due to some changes to the item types between 2022 and 2024 the full technical report will display the 2022 data in a separate figure. The inclusion of medium cigars is a new item in 2024 and refers specifically to cigars such as Swisher Sweets.

Tobacco type sold in VT stores



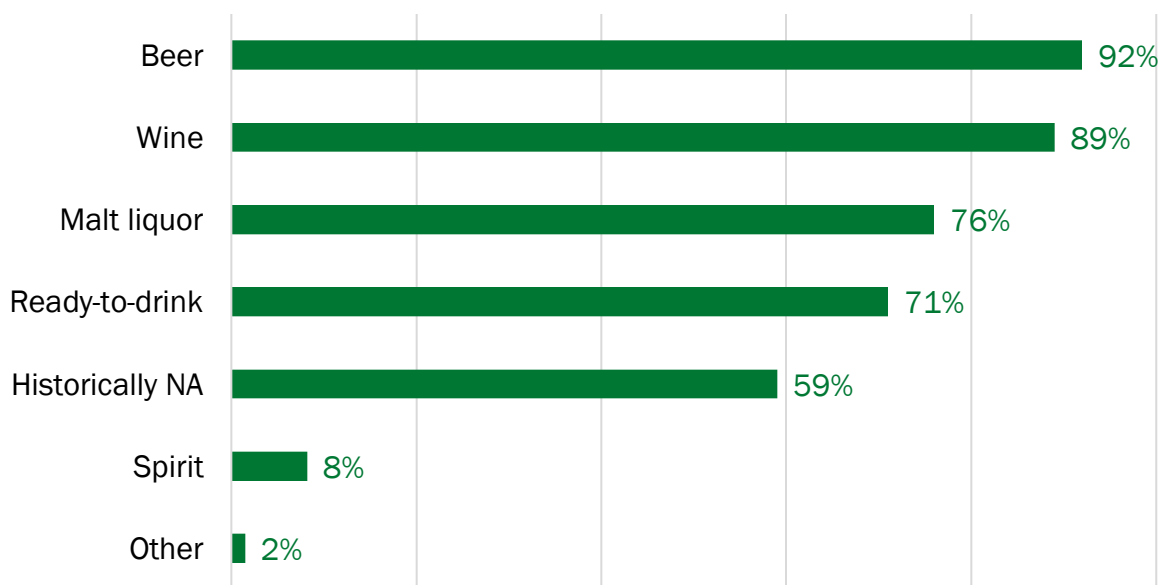
2024 n=705; CBD=Cannabidiol

There was some reported confusion by investigators among the three cigar/cigarillo types that were distinguished in the 2024 audit. In the 2022 audit, “medium cigars,” such as Swisher Sweets, were included in the cigarillos/little cigars category. For the 2024 audit, these were the working definitions between the three types of cigars:

- Large cigars:** These are often sold as singles but can also be found in multi-pack boxes. Some cigarillos/little cigars have the word “cigar” on the package (e.g., “25 pipe-tobacco cigars”); however, these are not considered large cigars because they are sold in a pack, and they are smaller than large cigars.
- Medium cigars:** These are cigars that are larger little cigars but smaller than the large cigars. Cigars such as Swisher Sweets are in their own category for 2024 because they do not have a tax stamp (and little cigars do).

- Little cigars/blunts:** These may be sold individually, a few in a pack, or in a pack of 20 that looks like a cigarette pack. They are short (3.4 inches) or approximately the size of a cigarette. Title 32 defines little cigars as: any rolls of tobacco wrapped in leaf tobacco or any substance containing tobacco, other than any roll of tobacco that is a cigarette within the meaning of subdivision (1) of this section, and as to which 1,000 units weigh not more than four and one-half pounds.³

Percent of each type of alcohol product sold, 2024



NA=Non-alcoholic

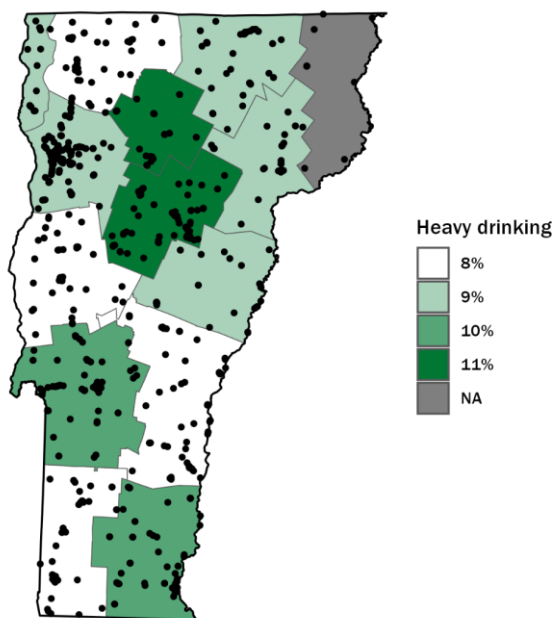
³ Vermont General Assembly, Vermont Statutes Online, [https://legislature.vermont.gov/statutes/section/32/205/07702#:~:text=\(6\)%20%E2%80%9CLittle%20cigars%E2%80%9D,for%20and%20one%2Dhalf%20pounds.](https://legislature.vermont.gov/statutes/section/32/205/07702#:~:text=(6)%20%E2%80%9CLittle%20cigars%E2%80%9D,for%20and%20one%2Dhalf%20pounds.)

How are alcohol retailer locations distributed geographically?

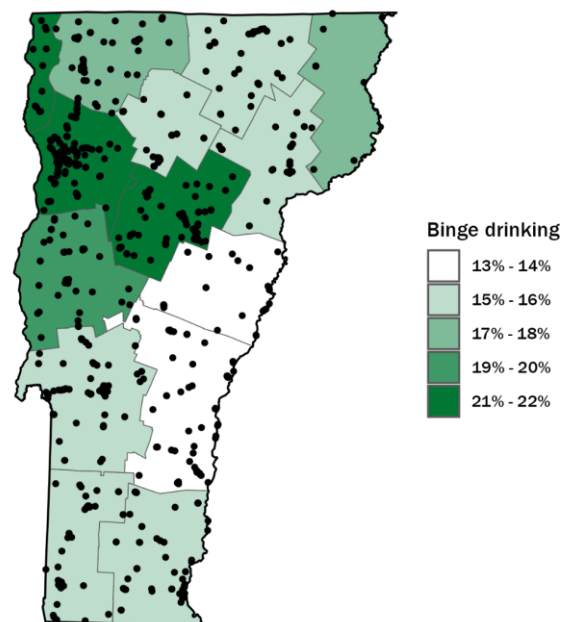
The two maps below display the geographic location of each retailer that sold alcohol during the 2024 audit, overlaid on adult alcohol use surveillance data from the Vermont Behavioral Risk Factor Surveillance Survey (BRFSS). The map on the left displays heavy drinking and the map on the right displays binge drinking. Darker colors indicate a higher prevalence of adults who reported these behaviors. The definitions used for heavy and binge drinking are as follows:

- BRFSS definition for **heavy drinking**: adult men having more than 14 drinks per week and adult women having more than 7 drinks per week.
- BRFSS definition for **binge drinking**: males having five or more drinks on one occasion, females having four or more drinks on one occasion.

County-level map of **heavy drinking** and retailer location (VT BRFSS 2021-22)



County-level map of **binge drinking** and retailer location (VT BRFSS, 2021-22)



NA = Not applicable – the number of individuals is too small to accurately report county-level data

SPECIFIC ALCOHOL TYPES, PLACEMENT, AND SELF-CHECKOUT OPTIONS

In this section, data from items about specific alcohol types, including ready-to-drink and alcoholic options of historically non-alcoholic products (e.g., hard tea, hard Sunny-D) are displayed. Data on the placement of these items in the store and self-checkout options are also included.

On or before January 15, 2025, DLL will report to the House Committee on Government Operations and Military Affairs and on the Human Services and the Senate Committees on Economic Development, Housing, and General Affairs and the Health and Welfare regarding the results of the physical placement of beverage alcohol products within licensed retail establishments. There is specific interest in understanding availability and placement of beverages that have historically been non-alcoholic (NA) as well as the broader category of ready-to-drink spirits beverages.

In Vermont a “*ready-to-drink spirits beverage*” means an alcoholic beverage containing more than one percent alcohol by volume and not more than 12 percent alcohol by volume at 60 degrees Fahrenheit obtained by distillation, by chemical synthesis, or through concentration by freezing and mixed with nonalcoholic beverages, flavoring, or coloring materials. Ready-to-drink spirits beverages may also contain water, fruit juices, fruit adjuncts, sugar, carbon dioxide, preservatives, and other ingredients. “Ready-to-drink spirits beverage” shall not include a beverage that is packaged in containers greater than 24 fluid ounces in volume.⁴

Among retailers in the 2024 audit that sold alcohol, 71% (n=678 of 952) sold ready-to-drink beverages (displayed in the figure on page 8 of this report). The type of retailers that sold these

⁴ Vermont Statutes, <https://legislature.vermont.gov/statutes/fullchapter/07/001>

products include: Convenience store with gas (87%), beer/wine/liquor store (85%), convenience store without gas (73%), drug store or pharmacy (73%), and grocery stores (69%).

How are historically non-alcoholic (NA) products merchandized?

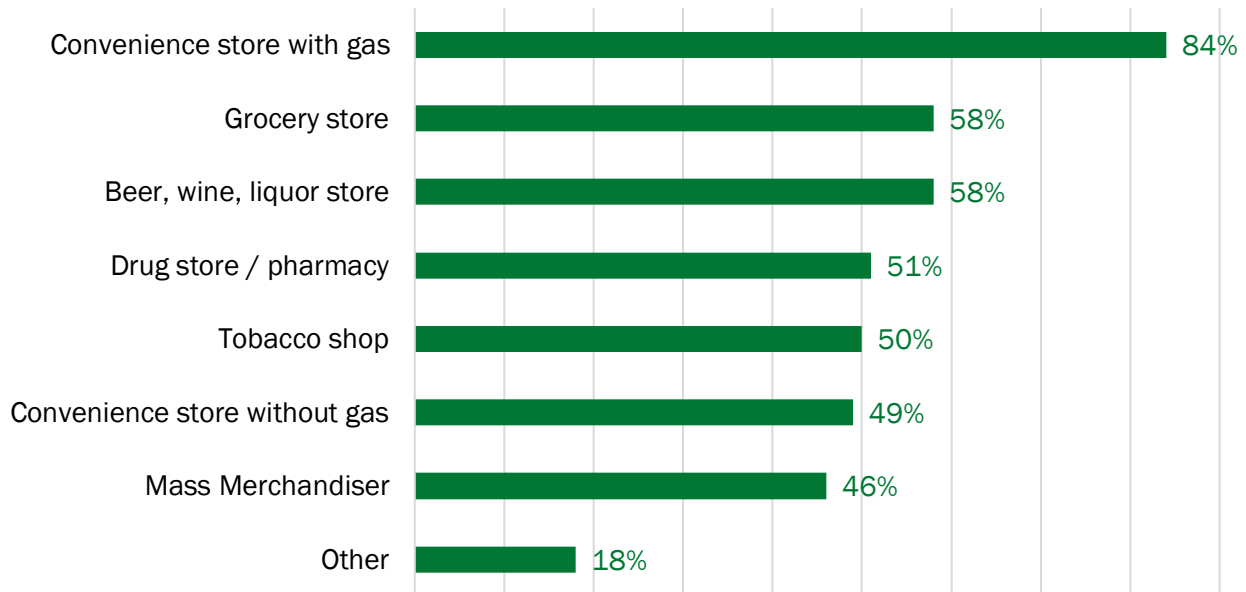
An emerging trend that is growing in popularity is the sale and consumption of teas, juices, coffees, and sodas that are blended with spirits like vodka, tequila, rum, and the like. These specific types of ready-to-drink products have been growing in market share and were added to the 2024 retail audit.

Among stores that sell alcoholic versions of historically NA beverages, **10** of the 563 (1.8%) merchandize these products with regular beverages. In other words, in these 10 stores a product such as Sunny D by an alcoholic version of Sunny D).



Picture of a historically NA product, vodka-infused Sunny D. Picture by Melanie Gaiotti,

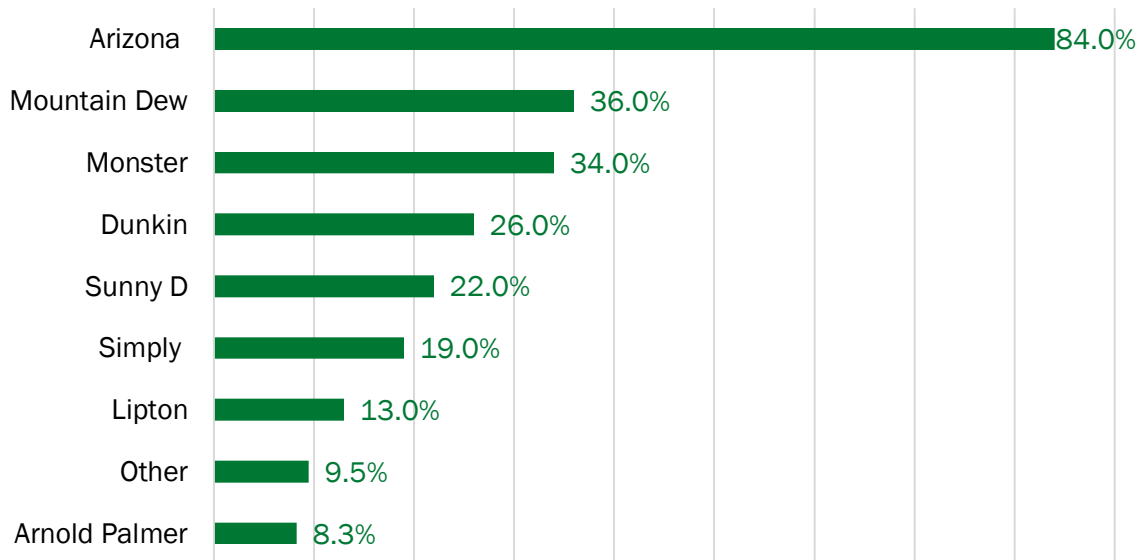
Percent of stores that sell historically NA alcohol products



Which historically NA products are available?

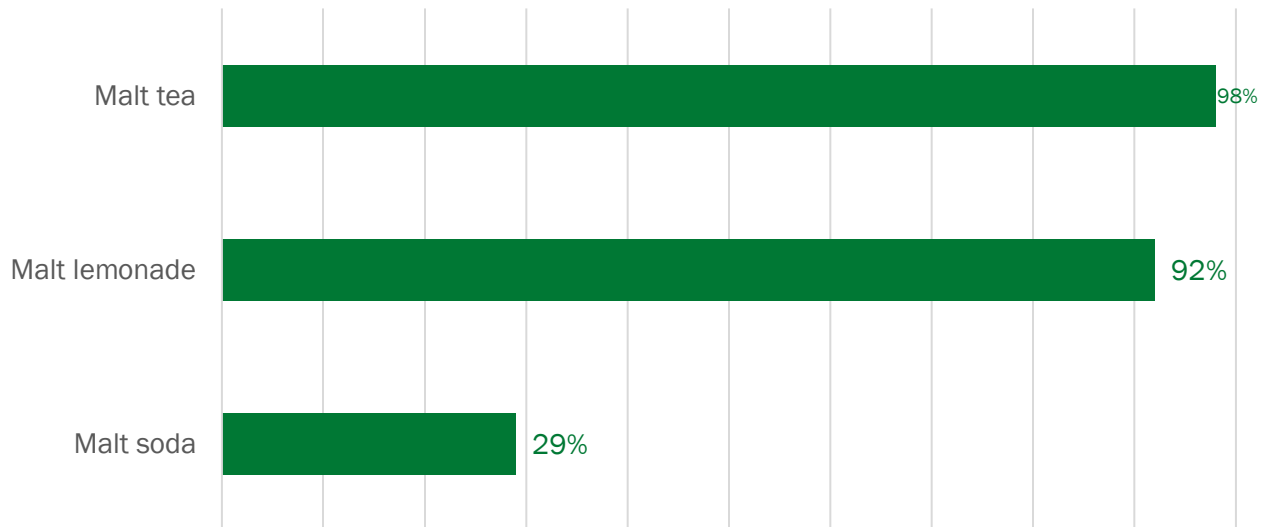
Among the 563 stores that sell these products, there were nine types sold (with an “other” category).

Percentages of historically NA alcohol beverages sold



Among the 720 stores that sold flavored malt beverages, there were three types sold.

The most common type of flavored malt beverages sold in 2024 is malt tea, closely followed by malt lemonade



Self-checkout (only 2024 only)

There were **89 of the 903 retailers that sold alcohol that had a self-checkout**, which is 9.9% of the stores checked. Two of these stores with a self-checkout only sold alcohol; 87 sold alcohol and tobacco.

ADVERTISEMENTS AND PROMOTIONS OF TOBACCO AND ALCOHOL PRODUCTS

In this section, results on advertisements and promotions of tobacco and alcohol products are reported.

Training and guidance were provided to the DLL investigators who conducted the retail audit. Advertisements on both the interior and exterior of the retail stores were part of the retail audit in 2022 and 2024.

As an example of the guidance, the following provides definition and scope for the external audit of advertisements, which includes perimeter structures such as fences, as well as walls, sidewalks, windows, doors, and the like.

Are any tobacco products advertised anywhere outside the store? These are ads on windows/doors facing out, building, sidewalk, gas pumps or elsewhere. This includes any sign, poster, banner, decal, sticker, neon light or other three-dimensional object that promotes a brand. Areas to look for these advertisements include: parking lot and sidewalks, perimeter fences, building windows and doors, exterior building walls, gas pump.

Advertisements ARE:

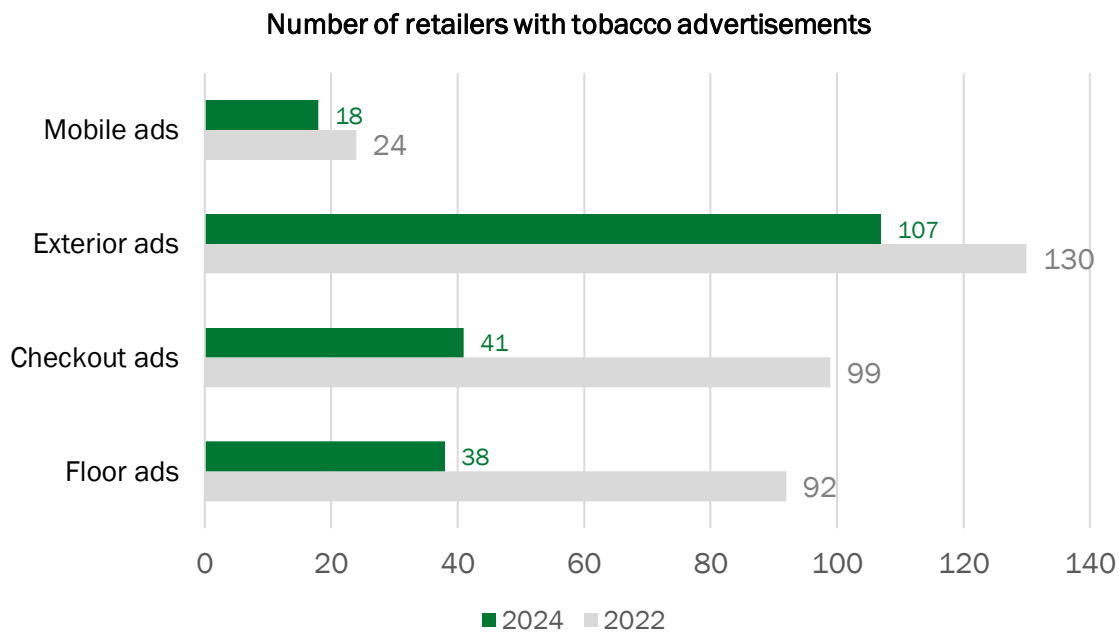
- Intended to sell products
- Branded (name or logo)
- Displayed as a sign, poster, banner or neon light
 - With or without price
- Printed, not hand-written
 - Can have hand-written price information

Advertisements ARE NOT:

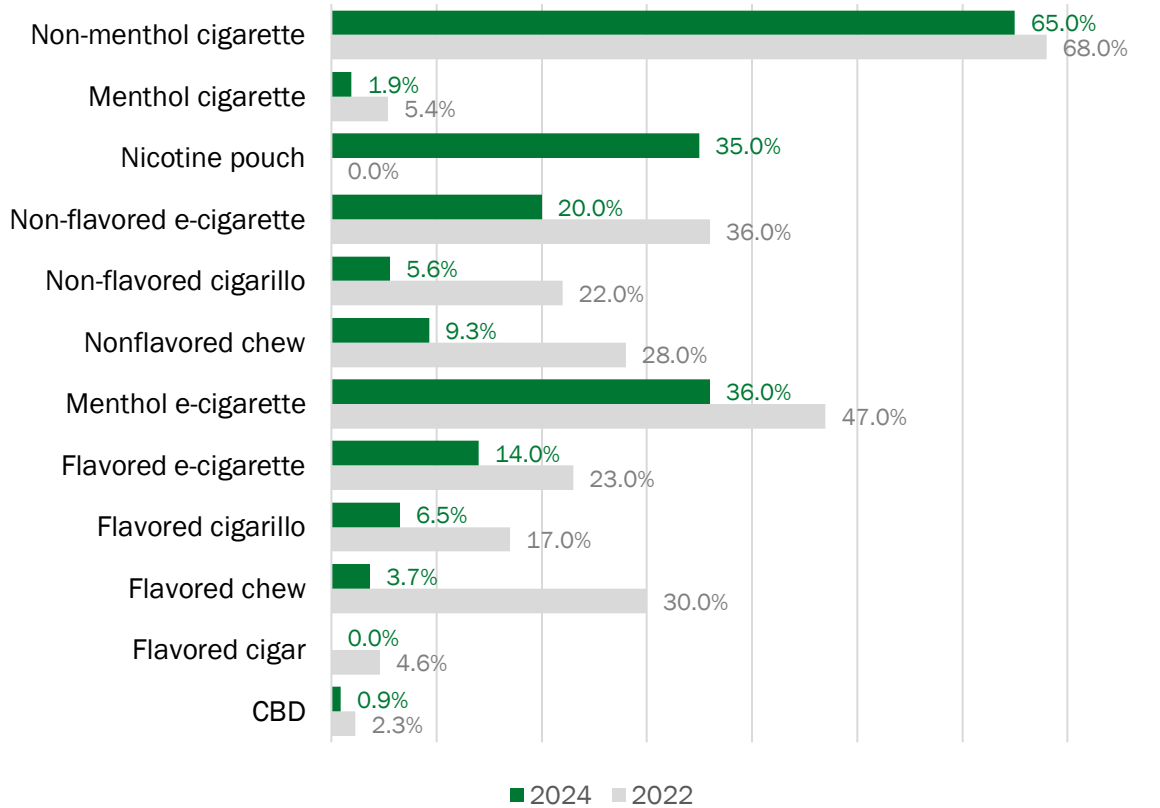
- Hand-written promotions
- Store name
- Unbranded references
- Product displays inside that are visible through the window

What types of marketing for tobacco products is in place?

The percent of retailers with each type of tobacco advertisements, as well as the type of tobacco products marketed, is detailed in the following figures.



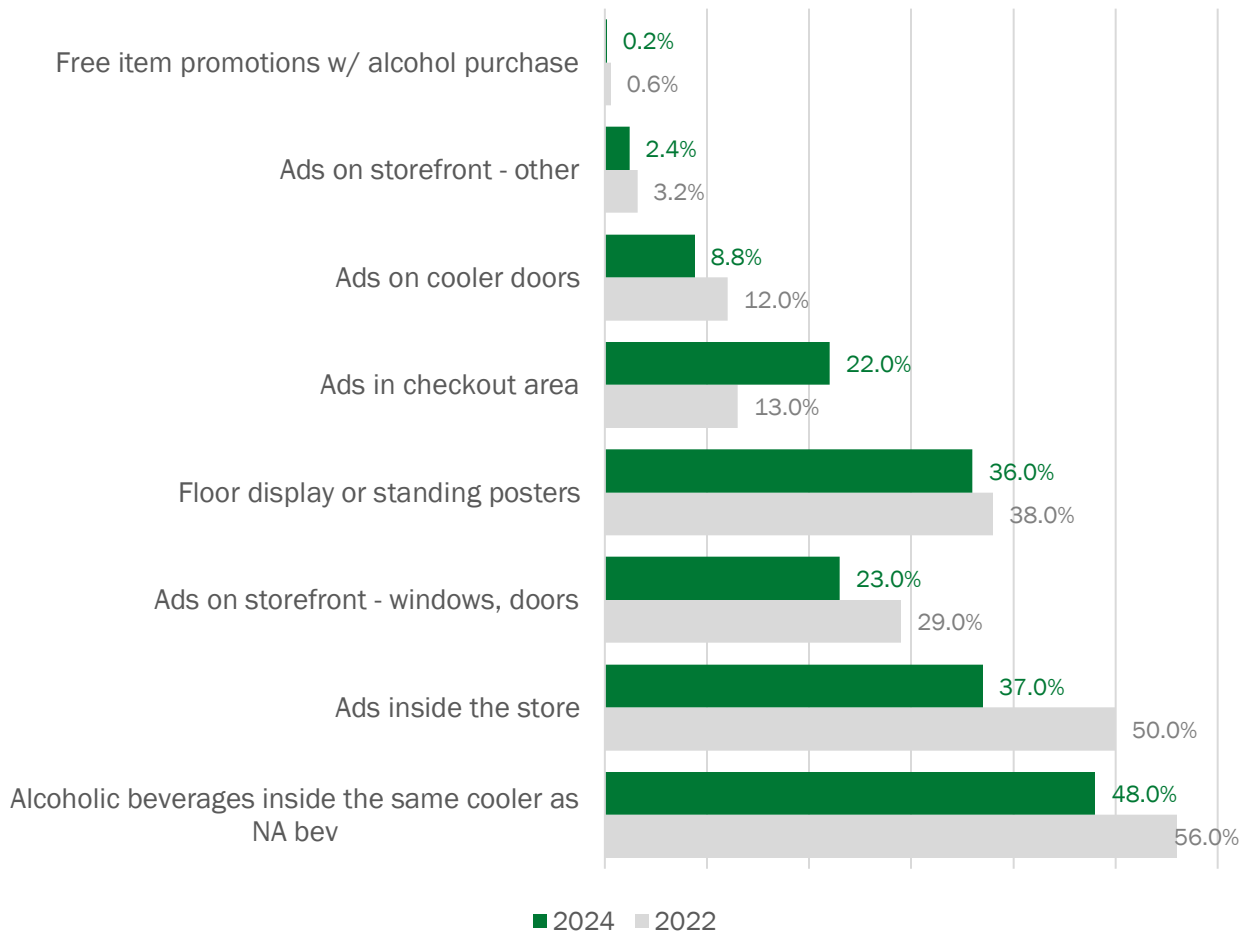
Percentage of retailers with exterior marketing of tobacco products



2022 n=130; 2024 n=107

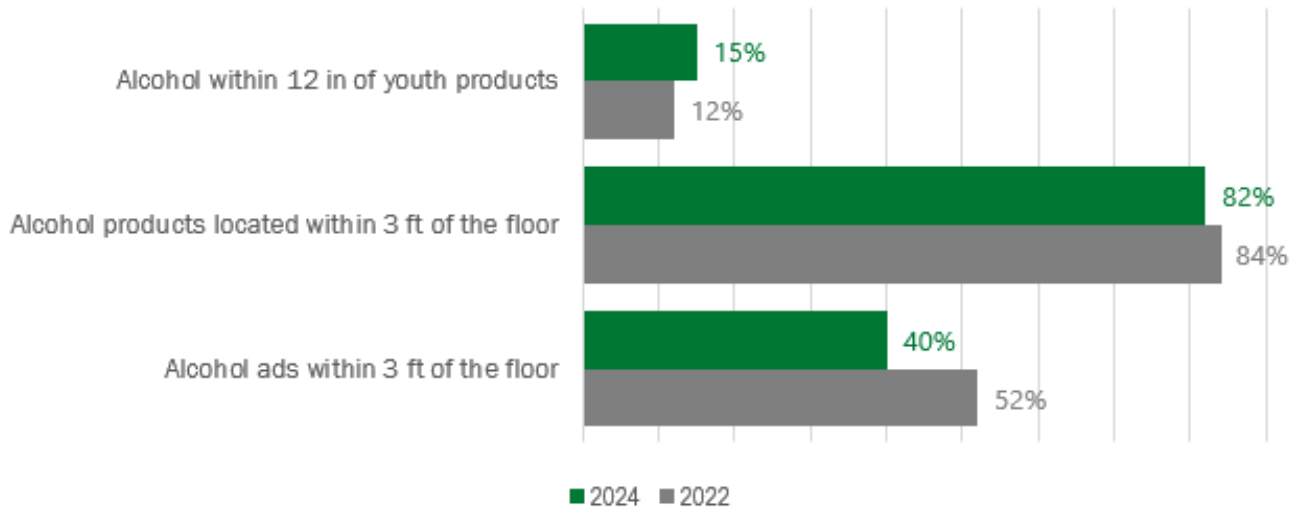
What types of marketing for alcohol is in place?

Type of marketing for alcohol products



Among stores that sold alcohol, it was relatively common for alcoholic beverages to be merchandized inside the same cooler as nonalcoholic beverages in both 2022 (56%) and 2024 (48%).

Advertisements that may appeal to youth



Youth products include but are not limited to toys, candy, gum, slushy/soda machines, ice cream, and the like. Placement of these items could be on the counter, below the counter, behind the counter, or any other place in the store where tobacco is displayed. Granola bars do not count as candy. Mints do count as a youth product.

Conclusion:

The 2024 Vermont Tobacco and Alcohol Retail Audit fulfills the requirements established in Vermont H.867, Sec. 10, to collect comprehensive data on the placement of beverage alcohol products in retail establishments. This report provides detailed findings to support informed public policy decisions by the General Assembly.

A notable finding of this report is that 1.8% of stores that are selling alcoholic versions of historically non-alcoholic beverages, such as ready-to-drink alcohol-infused teas, juices, or sodas, merchandized these products alongside their non-alcoholic counterparts. Specifically, DLL found only 10 out of 563 stores audited displayed alcoholic and non-alcoholic versions of the same product type adjacent to one another. This data, along with broader insights into product placement trends across Vermont's retail establishments, serves to enhance understanding of the evolving retail environment for tobacco and beverage alcohol products.