

August 20, 2013

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Rebecca Forbes
Capital Wine & Spirits
Retail & One on One Administrative Assistant
129 Hartman Road
North Wales, PA 19454

RE: Sonoma-Cutrer Food & Wine Pairing Contest

Dear Ms. Forbes:

ISSUE: This correspondence is in response to your e-mail of August 9, 2013, which was forwarded to this office on August 14, 2013, wherein you seek approval to conduct the Sonoma-Cutrer Food & Wine Pairing Contest in Pennsylvania.

According to the "Official Rules" that you provided, the contest was scheduled to begin on July 1, 2013, and runs until August 31, 2013. The contest is open only to legal U.S. residents who are twenty-one (21) years of age or older. No purchase is necessary to enter or win the contest.

Interested individuals may enter the contest by visiting www.Facebook.com/SonomaCutrer and following the on-screen instructions to submit an entry by selecting a wine from the list and then submitting the name of the food that pairs best with the wine. There is a limit of one (1) entry per person per day.

One (1) grand prize and twenty-five (25) first prizes will be awarded for the contest. The winners will be selected on or about September 2, 2013, by a panel of judges who will judge all of the eligible entries received using the following criteria: originality; quality of pairing suggestion; and use of Sonoma-Cutrer. There is a limit of one (1) prize per entrant.

The grand prize winner will receive a trip for two (2) to Sonoma Wine Country for three (3) days and two (2) nights. The trip includes the following: round-trip coach class air transportation from the commercial airport closest to the winner's home to San Francisco, California; a VIP tour of Sonoma Cutrer Vineyards; a Wine Education Course with a winemaker; lunch and croquet at the winery; a winemaker's dinner; local transportation; and a two (2)-night stay in a Sonoma County Hotel (standard room/double occupancy). The approximate retail value of the grand prize is three thousand dollars (\$3,000.00). The winner's guest must be twenty-one (21) years of age or older. Alcoholic beverages will not be part of the grand prize.

Each of the first prize winners will receive a Sonoma-Cutrer gift set, which includes the following: a wine bucket; jute bag; phone cover; wine charms; and a current issue of Food & Wine magazine. The approximate retail value of each first prize is twenty-five dollars and ninety-nine cents (\$25.99). Alcoholic beverages will not be part of the first prizes.

OPINION: Section 5.32(h) of the Pennsylvania Liquor Control Board's ("Board") Regulations states that a manufacturer or licensee may sponsor sweepstakes promotions subject to the following conditions:

- i. No purchase is necessary to enter.
- ii. Entrants shall be twenty-one (21) years of age or older.
- iii. Retail licensed premises may only be involved as pick-up or drop-off points for entry forms and not for the conducting of drawings or the awarding of prizes.
- iv. Alcoholic beverages may not be part of the prize.

[40 Pa. Code § 5.32(h)].

This office has reviewed the proposed promotion and has determined that it comports with applicable liquor laws and regulations, specifically subsection 493(24) of the Liquor Code [47 P.S. § 4-493(24)] and section 5.32(h) of the Board's Regulations [40 Pa. Code § 5.32(h)], and is acceptable for use in this Commonwealth, as long as alcoholic beverages will not be included as any part of the prizes.

While the "Official Rules" that you provided indicate that no alcoholic beverages will be awarded as part of the prizes, it is important to point out, in case you are unaware, that to the extent that any part of the trip being awarded as the grand prize, including the tour, educational course, or meals, will involve sampling, tasting testing, or the provision of alcoholic beverages at no additional cost to the winner and/or his or her guest, this would be construed as awarding alcoholic beverages as part of the prize and is not permitted.

Please be advised that prior approval of malt or brewed beverages point-of-sale ("POS") material and retail licensed premises POS material is no longer required. However, the requirement for prior approval of POS material intended for use in the Board's wine and spirits stores from the Bureau of Product Management remains. The total cost of all POS advertising material relating to any one (1) brand of any one (1) manufacturer at any one (1) time may not exceed three hundred dollars (\$300.00) on a retail licensed premises. [47 P.S. § 4-493(20) (i)].

Therefore, as long as alcoholic beverages are not awarded as any part of the prizes, it is permissible to conduct this promotion in the Commonwealth, as indicated above, in reference to the areas checked below:

- retail licensed premises.
- distributor licensed premises.
- both retail and distributor licensed premises.
- the Board's wine and spirits stores, subject to approval of the Bureau of Product Selection (POS only).
- other – Internet, text messaging.

THIS OPINION APPLIES ONLY TO THE FACTUAL SITUATION DESCRIBED HEREIN AND DOES NOT INSULATE THE LICENSEE OR OTHERS FROM CONSEQUENCES OF CONDUCT OCCURRING PRIOR TO ITS ISSUANCE. THE PROPRIETY OF THE PROPOSED CONDUCT HAS BEEN ADDRESSED ONLY UNDER THE LIQUOR CODE AND REGULATIONS. THE LAWS AND POLICIES ON WHICH THIS OPINION IS BASED ARE SUBJECT TO CHANGE BY THE LEGISLATURE OR THE PENNSYLVANIA LIQUOR CONTROL BOARD.

Very truly yours,

FAITH S. DIEHL
CHIEF COUNSEL

cc: Pennsylvania State Police, Bureau of Liquor Control Enforcement
James Short, Director of Marketing
Timothy Fringer, Bureau of Product Selection
Michelle Bonsick, Bureau of Marketing Communications, Branding & Design

LCB Advisory Opinion No. 13-389