

October 17, 2013

Telephone: (717) 783-9454  
FAX: (717) 787-8820

Nicole Elling  
Corporate Compliance Administrator  
Delicato Family Vineyards  
600 Spreckels Avenue  
Manteca, California 95336-9209  
**RE: Noble Vines Coupon Promotion**

Dear Ms. Elling:

ISSUE: This correspondence is in response to your e-mail of October 11, 2013, and attached letter dated October 10, 2013, wherein you request approval, on behalf of Delicato Family Vineyards, to conduct a Noble Vines Coupon Promotion in Pennsylvania.

Based on the materials that you submitted for review, it appears that the promotion will involve coupons being printed on bottle neckers which can subsequently be redeemed to receive the following instant savings on non-alcoholic products: one dollar (\$1.00) off the purchase of any Briannas Salad Dressing; and one dollar (\$1.00) off the purchase of any Chavrie or Alouette Cheese. The coupon for Briannas Salad Dressing expires on January 31, 2014, and the coupon for Chavrie or Alouette Cheese expires on December 31, 2013. According to the language printed on the back of the coupons, no wine purchase is necessary to receive the savings on the non-alcoholic products, and there is a limit of one (1) coupon per purchase. The coupon offers are open only to adults of legal drinking age.

OPINION: Section 493(24)(i) of the Liquor Code generally prohibits licensees from offering anything of value to induce directly the purchase of alcoholic beverages. [47 P.S. § 4-493(24)(i)]. However, section 493(24)(i) does allow for manufacturers and agents of manufactures to offer monetary rebates on purchases of wines and spirits through State Liquor Stores or purchases of malt or brewed beverages through distributors and importing distributors. [Id.].

Here, the language printed on the back of the coupons indicates that no wine purchase is necessary to receive the savings on the non-alcoholic products. However, because it appears that the coupons will be printed on bottle neckers that will be attached to bottles of Noble Vines wine, this gives the impression that one would need to first purchase a bottle of Noble Vines wine in order to obtain or

access the coupons. If a wine purchase is, in fact, necessary to obtain or access the coupons, then this promotion would be considered an unlawful inducement to purchase alcohol in violation of section 493(24)(i) and would not be permitted. If, on the other hand, the coupons are placed next to the bottles or otherwise presented/displayed in such a manner so as to clearly convey that no wine purchase is necessary to obtain or access the coupons, in addition to having the “no wine purchase necessary” language printed on the back of the coupons, then it would be permissible to conduct this promotion in the following areas in the Commonwealth:

- 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.
- other – Internet, text messaging.

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 Selection 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)].

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.

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Very truly yours,

FAITH S. DIEHL  
CHIEF COUNSEL

cc: Pennsylvania State Police, Bureau of Liquor Control Enforcement  
James Short, Director of Marketing and Merchandising  
Michelle Bonsick, Director, Bureau of Marketing Communications,  
Branding & Design  
Pamela Bernd, Product Selection

LCB Advisory Opinion No. 13-454