

December 27, 2013

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MacKenzie Carruth  
Avid Marketing Group  
The Meadows  
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**RE: Four Loko Spring Escape 2014 Sweepstakes (Updated)**

Dear Ms. Carruth:

ISSUE: This correspondence is in response to your e-mail of December 16, 2013, in which you request approval on behalf of Phusion Projects, LLC, to conduct a sweepstakes promotion in Pennsylvania. The promotion was previously approved by this office on October 4, 2013, but you indicate that the official rules have since been revised.

According to the official rules you provided, the “#LOKONATION Spring Escape Sweepstakes” promotion is scheduled to run from November 1, 2013, through January 31, 2014. Consumers may participate by following the instructions for entry online at [www.facebook.com/fourloko](http://www.facebook.com/fourloko) or by text message. On or about February 1, 2014, a total of four (4) grand prize winners will be randomly selected. Two (2) winners will each receive a trip for four (4) to Panama City Beach, Florida, and the other two (2) winners will each receive a trip for four (4) to South Padre, Texas. The prize packages will include round-trip airfare and seven (7) nights of hotel accommodations and will each have an approximate retail value of four thousand five hundred dollars (\$4,500.00). The promotion is open to legal residents of the United States who are twenty-one (21) years of age or older, and no purchase is necessary to enter. The age of all entrants will be verified through the website application.

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 revised 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.

Therefore, it would be permissible to conduct this promotion in the Commonwealth 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.
- other – Internet, text messaging.

Please note 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.

Very truly yours,

FAITH S. DIEHL  
CHIEF COUNSEL

cc: Pennsylvania State Police,  
Bureau of Liquor Control Enforcement

LCB Advisory Opinion No. 13-537