

March 19, 2014

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Nicole Elling
Corporate Compliance Administrator
Delicato Family Vineyards
12001 South Highway 99
Manteca, CA 95336
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RE: Consumer Refund

Dear Ms. Elling:

ISSUE: This correspondence is in response to your letter of March 4, 2014, wherein you state that Delicato Family Vineyards recently received a complaint from a Pennsylvania consumer expressing dissatisfaction with a box of Bota Box[®] wine. Delicato Family Vineyards would like to reimburse the consumer for the cost of the product, and you inquire whether such a refund is permissible in Pennsylvania.

OPINION: Generally it is unlawful for any licensee to offer, pay, make or allow any allowance or rebate, refund, or concession, whether in the form of money or otherwise, to induce directly the purchase of liquor or malt or brewed beverages. [47 P.S. § 4-493(22)]. However, this office has historically allowed an exception for a refund policy associated with a product satisfaction guarantee program. Prior approval is generally not required in such cases, and neither the Liquor Code nor the Board's Regulations impose any specific requirements regarding the method of refunding an item.

Therefore, a rebate up to the full purchase price (excepting taxes) is allowable and would not be considered an unlawful inducement.

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
Office of the Director of Marketing
Pamela Bernd, Bureau of Product Selection
Michelle Bonsick, Bureau of Marketing Communications,
Branding & Design
Jeffrey Rensch, Director of Consumer Relations

LCB Advisory Opinion No. 14-090