

April 1, 2014

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Jessica LeMin
Assistant Marketing Manager
Capital Wine & Spirits
129 Hartman Road
North Wales, PA 19454

RE: Jose Cuervo, Sutter Home, and Bacardi Sweepstakes Promotions

Dear Ms. LeMin:

ISSUE: This correspondence is in response to your e-mail to Jessica Seiders sent March 20, 2014, which was forwarded to this office the same day, wherein you request legal approval to conduct the following three (3) sweepstakes promotions in Pennsylvania: the Jose Cuervo Cantina Giveaway Sweepstakes; the Sutter Home Build a Better Burger Sweepstakes; and the Reach the Beach with Bacardi Sweepstakes.

According to the materials that were supplied, interested individuals may enter the Jose Cuervo Cantina Giveaway Sweepstakes by scanning a quick response (“QR”) code found on in-store point-of-sale (“POS”) materials or visiting www.finewineandgoodspirits.com to complete and then mail in an entry form. There is a limit of one (1) entry per household. All entries must be received by June 2, 2014. One (1) grand prize will be awarded. The grand prize winner will be selected in a random drawing, to be conducted on or about June 20, 2014, from among all eligible entries received. The grand prize winner will receive a Jose Cuervo meat smoker, Jose Cuervo mini-fridge and a portable cantina bar. The promotion is open only to residents of Pennsylvania who are twenty-one (21) years of age or older. No purchase is necessary to enter or win.

Interested individuals may enter the Sutter Home Build a Better Burger Sweepstakes by scanning a QR code found on in-store POS materials or visiting www.finewineandgoodspirits.com to complete and then mail in an entry form. There is a limit of one (1) entry per household. All entries must be received by June 2, 2014. One (1) grand prize will be awarded. The grand prize winner will be selected in a random drawing, to be conducted on or about June 20, 2014, from among all eligible entries received. The grand prize winner will receive a Sutter Home Build a Better Burger Recipe Book. The promotion is open only to residents of Pennsylvania who are twenty-one (21) years of age or older. No purchase is necessary to enter or win.

Interested individuals may enter the Reach the Beach with Bacardi Sweepstakes by scanning a QR code found on in-store POS materials or visiting www.finewineandgoodspirits.com to complete and then mail in an entry form. There is a limit of one (1) entry per household. All entries must be received by June 2, 2014. One (1) grand prize will be awarded. The grand prize winner will be selected in a random drawing, to be conducted on or about June 20, 2014, from among all eligible entries received. The grand prize winner will receive a two thousand dollar (\$2,000) voucher towards a beach house rental of their choice in New Jersey or Maryland. The promotion is open only to residents of Pennsylvania who are twenty-one (21) years of age or older. No purchase is necessary to enter or win.

OPINION: Section 5.32(h) of the Pennsylvania Liquor Control Board's ("Board") Regulations states that a manufacturer, a manufacturer's representative, or a 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 sweepstakes promotions and determined that they comport with applicable liquor laws and regulations, specifically section 493(24)(i) of the Liquor Code [47 P.S. § 4-493(24)(i)] and section 5.32(h) of the Board's Regulations [40 Pa. Code § 5.32(h)], and are acceptable for use in this Commonwealth, as long as the prizes being awarded do not include any alcoholic beverages.

Please be advised that prior approval of malt or brewed beverages POS material and prior approval of 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)].

Therefore, as long as the prizes being awarded do not include any alcoholic beverages, it is permissible to conduct these proposed sweepstakes promotions 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 spirit 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 ADRESSED 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
Dale Horst, Interim Director of Marketing and Merchandising
Michelle Bonsick, Director, Bureau of Marketing Communications,
Branding & Design
Pamela Bernd, Product Selection
Jessica Seiders, Chief, Bureau of Marketing, Communications, Branding &
Design Advertising and Promotions Division

LCB Advisory Opinion No. 14-121