

May 14, 2014

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Deborah A. Rossi
Assistant Secretary
Mark Anthony Brands Inc.
328 South Jefferson Street, Suite 1050
Chicago, IL 60661

RE: Mike's® Hack Challenge Contest

Dear Ms. Rossi:

ISSUE: This correspondence is in response to your letter of May 2, 2014, wherein you seek approval to conduct the Mike's® "Hack Challenge Contest" in Pennsylvania.

According to the "Official Rules" that you provided, the contest is divided into two (2) challenges. The first challenge was scheduled to begin on May 7, 2014, and runs until May 27, 2014. The second challenge is scheduled to begin on June 11, 2014, and runs until July 1, 2014.

Interested individuals may enter the contest by accessing the Mike's® website at www.getmikehacks.com/challenges and following the instructions to complete and submit an entry. Entrants are required to submit their best "hack" either by video or photograph as described in the website. A "hack" is an ingenious way to make ordinary social occasions better or more flavorful. Multiple entries are permitted, but each entry must be separate. Entrants may enter either or both challenges.

One (1) grand prize and one (1) first prize will be awarded for each challenge. The winners will be determined by an independent judging organization based on the following criteria: originality—twenty-five percent (25%); creativity—twenty-five percent (25%); adherence to theme—twenty-five percent (25%); and technical merit—twenty-five percent (25%).

Each grand prize winner will receive a three (3)-day, two (2)-night trip for two (2) to Illinois, from August 1, 2014, to August 3, 2014, to attend Lollapalooza, including two (2) Lollapalooza tickets and access to a VIP after party at the Woven House on

Saturday, August 2, 2014. The approximate retail value of each grand prize is three thousand, four hundred dollars (\$3,400.00).

Each first prize winner will receive a one (1)-year membership to “Instructables.” The approximate retail value of each first prize is sixteen dollars (\$16.00).

The contest is open only to legal residents of the United States who are twenty-one (21) years of age or older at the time of entry. No purchase is necessary to enter or win the contest.

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 promotion and determined that it comports 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 is acceptable for use in this Commonwealth, as long as no alcoholic beverages are awarded as part of the grand prizes.

Please be advised that to the extent that any part of the trips being awarded as the grand prizes, including the tickets to Lollapalooza or access to the VIP after party at the Woven House, involve taste testing, sampling, or the provision of alcohol at no additional cost to the winners and/or their guests, this would be considered awarding alcoholic beverages as part of the prize and is not permitted.

Further, please be advised that prior approval of malt or brewed beverages point-of-sale (“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 grand prizes being awarded do not include any alcoholic beverages, it is 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 (POS only).
- the Board's wine and spirit stores, subject to approval of the Bureau of Product Selection.
- 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

LCB Advisory Opinion No. 14-206