

June 4, 2014

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Mary A. Monahan
Marketing Compliance Officer
Banfi Vintners
1111 Cedar Swamp Road
Old Brookville, NY 11545

RE: “Riunite Ultimate Chili Challenge” Contest

Dear Ms. Monahan:

ISSUE: This correspondence is in response to your e-mail and attached letter dated May 28, 2014, in which you seek approval, on behalf of Banfi Vintners, to run the “Riunite Ultimate Chili Challenge” contest promotion in Pennsylvania.

According to the “Official Rules” that you provided, the contest is open only to legal residents of the fifty (50) United States and the District of Columbia who are twenty-one (21) years of age or older, and no purchase is necessary to enter or win the contest.

The contest will be conducted in three (3) sequential phases: recipe entry judging; eight (8) regional semi-final cook-offs; and one (1) national final cook-off.

Interested individuals may enter the contest by creating an original chili recipe best paired with Riunite Lambrusco and visiting the “Riunite Ultimate Chili Challenge Website” at www.riunitetailgate.com to register the recipe between August 1, 2014 and September 20, 2014. As part of the entry process, entrants will be required to provide their contact information, the name of their recipe, the text for their recipe (which must be five hundred (500) words or less in length), and the region located in closest proximity to their residence in which they would be able to compete if chosen as a semi-finalist. Alternatively, interested individuals may enter via mail by writing the above information on a plain piece of paper and then mailing it to the address specified in the “Official Rules.” There is a limit of three (3) entries

per entrant; however, each entrant may not register the same recipe more than once. A panel of qualified independent judges selected by the sponsor will select forty (40) semi-finalists (five (5) from each region) from all eligible entries received using the following criteria: originality—thirty-three and one-third percent (33.3%); perceived taste appeal—thirty-three and one-third percent (33.3%); and perceived pairing with Riunite Lambrusco—thirty-three and one-third percent (33.3%).

The semi-finalists will then be required to prepare their chili recipe in a live cooking competition to take place four (4) hours prior to a pro football game on the following dates and at the following locations: September 28, 2014—Dallas, Texas; October 5, 2014, New Orleans, Louisiana; October 12, 2014—New York, New York; October 19, 2014—Baltimore, Maryland; October 26, 2014—Jacksonville, Florida; November 2, 2014—Cincinnati, Ohio; November 9, 2014—Seattle, Washington; and November 16, 2014—Phoenix, Arizona. A panel of qualified independent judges selected by the sponsor will judge each prepared chili based on the following criteria: originality—twenty-five percent (25%); taste—twenty-five percent (25%); appearance/overall presentation—twenty-five percent (25%); and pairing with Riunite Lambrusco—twenty-five percent (25%). The one (1) semi-finalist per region with the highest total score will be declared a national finalist.

Each semi-finalist will receive two (2) upper-level end zone football game tickets to the game held on the date and at the location of their regional cook-off and one (1) one hundred dollar (\$100.00) pre-paid debit card for required chili ingredients. If a semi-finalist lives within two hundred (200) miles from the regional cook-off city, the semi-finalist will be required to provide their own ground transportation to and from the event and will receive one (1) two hundred dollar (\$200.00) pre-paid debit card for fuel and toll expenses. If a semi-finalist lives more than two hundred (200) miles from the regional cook-off city, the semi-finalist will receive economy-class airfare for two (2) between the semi-finalist's home and the game city and hotel accommodations for one (1) night (one (1) room, double occupancy). The semi-finalist's guest must be at least twenty-one (21) years of age. The approximate retail value of the semi-finalist prize is seven hundred fifty dollars (\$750.00).

The eight (8) national finalists (one (1) from each region) will then be required to prepare their chili recipe in a live cooking competition to take place four (4) hours

prior to the pro football game to be held in San, Diego, California, on November 23, 2014. A panel of qualified independent judges selected by the sponsor will judge each prepared chili based on the following criteria: originality—twenty-five percent (25%); taste—twenty-five percent (25%); appearance/overall presentation—twenty-five percent (25%); and pairing with Riunite Lambrusco—twenty-five percent (25%). The one (1) national finalist with the highest score will be declared the grand prize winner.

Each national finalist will receive two (2) upper-level end zone football game tickets to the game held on the date of the national final cook-off and one (1) one hundred dollar (\$100.00) pre-paid debit card for required chili ingredients. If a national finalist lives within two hundred (200) miles from the national cook-off city, the national finalist will be required to provide their own ground transportation to and from the event and will receive one (1) two hundred dollar (\$200.00) pre-paid debit card for fuel and toll expenses. If a national finalist lives more than two hundred (200) miles from the national cook-off city, the national finalist will receive economy-class airfare for two (2) between the national-finalist's home and the game city and one (1) night hotel accommodations (one (1) room, double occupancy). The national finalist's guest must be at least twenty-one (21) years of age. The approximate retail value of the national finalist prize is one thousand, two hundred fifty dollars (\$1,250.00).

The grand prize winner will receive a trip for two (2) to the Super Bowl, which is scheduled to be held in Glendale, Arizona, on Sunday, February 1, 2015. The trip includes the following: roundtrip economy-class airfare for two (2) to Phoenix, Arizona, from a major airport nearest the grand prize winner's residence; three (3) nights' hotel accommodations (one (1) room, double occupancy); two (2) upper-level end zone tickets to the pro football game; pre-game hospitality; one (1) two hundred fifty dollar (\$250.00) prepaid debit card; and two (2) deluxe gift bags. The grand prize winner's guests must be at least twenty-one (21) years of age. The approximate retail value of the grand prize is twelve thousand, five hundred dollars (\$12,500.00).

OPINION: Section 5.32(h) of the Pennsylvania Liquor Control Board's ("Board") Regulations states that a manufacturer, manufacturer's representative, 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 proposed 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, as long as alcoholic beverages will not be included as any part of the prizes.

Please be advised that to the extent that any part of the trips being awarded as the prizes involve taste testing, sampling or the provision of alcohol at no additional cost to the winners and/or their guests, this would be construed as the awarding of alcohol as a prize and is not permitted.

Furthermore, 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 Management 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 alcoholic beverages are not awarded as any part of the prizes, it is permissible to conduct the proposed promotion in the Commonwealth, as indicated above, in reference to the areas checked below:

- retail licensed premises.
- distributor licensed premises.
- both retail and distributor licensed premises.

- X the Board's wine and spirits stores, subject to approval of the Bureau of Product Selection (POS only).
- X 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
Dale Horst, Interim Director of Marketing and Merchandising
Michelle Bonsick, Director, Bureau of Marketing Communications,
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Pamela Bernd, Product Selection

LCB Advisory Opinion No. 14-248