

September 3, 2014

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Janis A. Carlow
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Vice President, Off Premise
Lantern Division
Southern Wine & Spirits
1600 Northwest 163rd Street
Miami, FL 33169

RE: “McClelland’s Highland Sweepstakes”

Dear Ms. Carlow:

ISSUE: This correspondence is in response to your e-mail dated August 27, 2014, in which you seek approval on behalf of Morrison Bowmore Distillers Limited to conduct the “McClelland’s Highland Sweepstakes” promotion in Pennsylvania.

According to the “Official Rules” that you provided, the sweepstakes is scheduled to begin on October 1, 2014, and runs until December 31, 2014. Interested individuals may enter the sweepstakes by visiting www.mcclellandssweepstakes.com and following the on-screen instructions to complete and submit an entry. There is a limit of one (1) entry per person.

One (1) grand prize will be awarded for the sweepstakes. The grand prize winner will be selected in a random drawing, to be conducted on or about January 2, 2015, from among all eligible entries received. The grand prize winner will receive an eight (8)-day, seven (7)-night trip for two (2) people to Scotland. The trip includes the following: roundtrip coach class airfare for two (2) people between the major international airport closest to the winner’s residence and a major international airport in Scotland or the United Kingdom; one (1) night standard hotel accommodations in Scotland (single room, double occupancy); one (1) overnight stay in Inverlochy Castle (single room, double occupancy) in the Scottish Highlands; two (2) overnight stays at the Glasshouse (single room, double occupancy) in Edinburgh; one (1) overnight stay at Glenmoriston House Hotel in the Highlands; one (1) overnight stay at Culloden House in the Highlands; one (1) overnight stay in Fortinghall Hotel in Perthshire; ground transfer while in Scotland between the airport, hotel and events listed in the prize package; a tour for two (2) people of Edinburgh Castle; dinner for two (2) people at the Witchery by the Castle; a tutored tasting of McClelland’s by a Master Blender; a visit to Culloden; a visit to a castle; lunch

and tour of the Scotch Whisky Experience; and a personal ancestral discovery session for the winner at the Scotland's People Center in Edinburgh, subject to availability. The total approximate retail value of the grand prize is sixteen thousand dollars (\$16,000.00).

The sweepstakes is open only to legal residents of the forty-eight (48) contiguous United States or the District of Columbia, who are twenty-one (21) years of age or older as of the date of entry. No purchase is necessary to enter or win the sweepstakes.

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 sweepstakes promotion and determined that it comports with the 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 prize.

Please be advised that to the extent that any part of the trip being awarded as the grand prize, including the dinner at the Witchery by the Castle, the tutored tasting of McClelland's by a Master Blender, or the lunch and tour of the Scotch Whisky Experience, involve taste testing, sampling, or the provision of alcohol at no additional cost to the winner and/or his or her guest, 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 no alcoholic beverages are awarded as part of the grand prize, it is permissible to conduct this sweepstakes 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 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, Director of Marketing and Merchandising
Michelle Bonsick, Director, Bureau of Marketing Communications,
Branding & Design
Pamela Bernd, Product Selection

LCB Advisory Opinion No. 14-497