

September 17, 2014

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Alexandra Chinn
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RE: Distillers of the Year Trip to Scotland Sweepstakes

Dear Ms. Chinn:

ISSUE: This correspondence is in response to your e-mail received in this office on September 5, 2014, in which you request legal review of a proposed sweepstakes promotion to be conducted in Pennsylvania.

According to the materials that you provided, the “Distillers of the Year Trip to Scotland Sweepstakes” promotion is scheduled to begin on December 1, 2014, and runs until January 4, 2015. Interested individuals may enter the sweepstakes by completing and submitting the online official entry. There is a limit of one (1) entry per household. The sweepstakes is open only to residents of Pennsylvania who are at least twenty-one (21) years of age, and no purchase is necessary to enter or win.

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 20, 2015, from among all eligible entries received. The grand prize winner will receive a four (4)-day and five (5)-night trip for two (2) people to Scotland. The trip includes airfare and hotel accommodations, tours of the Balvenie and Glenfiddich distilleries, and transportation to and from the distilleries. The approximate retail value of the grand prize is seven thousand dollars (\$7,000.00).

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 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 tours of the Balvenie and Glenfiddich distilleries, involves 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. 14-514