

January 30, 2015

Sarah Larsen, Paralegal
Jackson Family Wines, Inc.
421 Aviation Boulevard
Santa Rosa, CA 95403

RE: La Crema Virtual Vintner Label Design Voting Sweepstakes

Dear Ms. Larsen:

ISSUE: This correspondence is in response to your e-mail and attached letter sent January 19, 2015, in which you seek approval to conduct the “La Crema Virtual Vintner Label Design Voting Sweepstakes” promotion in Pennsylvania.

According to the “Official Rules” that you provided, the sweepstakes is scheduled to begin on February 23, 2015, and runs until March 8, 2015. Interested individuals may enter the sweepstakes by visiting <http://vv.lacrema.com>, completing the registration process, and submitting a vote for one (1) of the labels posted to the website by the sponsor. Alternatively, interested individuals may enter the sweepstakes by e-mailing their name, address, e-mail address, and date of birth to digital.communications@lacrema.com with a subject line of “Virtual Vintner Label Voting Sweepstakes.” There is a limit of one (1) entry per person/e-mail address, regardless of the method of entry.

One (1) prize will be awarded for the sweepstakes. The prize winner will be selected in a random drawing to be conducted on or about March 13, 2015. The prize winner will receive two (2) passes to the Alt Summit Summer Conference in Salt Lake City, Utah, to take place from June 9, 2015 through June 12, 2015. The prize winner will also receive a one thousand dollar (\$1,000.00) prepaid gift card for travel and expenses. The approximate retail value of the prize is one thousand, six hundred twenty-five dollars (\$1,625.00). Alcohol will not be included in the prize. The prize winner’s guest must be twenty-one (21) years of age or older as of the time of the trip.

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

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 as described above 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)], as long as no alcoholic beverages are awarded as part of the prize.

Although the "Official Rules" that you provided indicate that alcohol will not be included in the prize, it is important to point out, in case you are unaware, that to the extent that any part of the prize being awarded, including the passes to the Alt Summit Summer Conference, will involve sampling, taste testing, or the provision of alcoholic beverages at no additional cost to the winner and/or his or her guest, this would be construed as awarding alcoholic beverages as part of the 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 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 prize, it is permissible to conduct the proposed 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 spirits 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 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, Director of Marketing and Merchandising
Michelle Bonsick, Director, Bureau of Marketing Communications
Joseph Puhalla, Director, Bureau of Product Selection

LCB Advisory Opinion No. 15-015