

April 23, 2015

Capricia Borrero  
Coupon Specialist  
Insight Resource Group

**RE: Hess Select Customer Satisfaction Guarantee**

Dear Ms. Borrero:

ISSUE: This correspondence is in response to your e-mail of April 13, 2015, wherein you request legal review of a money-back guarantee promotion to be offered in Pennsylvania by your client, The Hess Collection.

The promotion will offer consumers a full refund of the purchase price of a 750ml bottle of any Hess Select wine if the customer is in any manner dissatisfied with the product. To receive a refund, the customer must mail the completed refund form, along with the original cash register receipt and UPC code of the product, to a designated address. The offer is valid from June 1 through September 30, 2015, and is limited to adults of legal drinking age.

OPINION: Generally it is unlawful for any manufacturer or licensee to offer, pay, make, or allow any allowance or rebate, refund, or concession, whether in the form of money or otherwise, to induce directly the purchase of liquor or malt or brewed beverages. [47 P.S. § 4-493(22)]. However, this office has historically allowed an exception for a refund policy associated with a product satisfaction guarantee program. Prior approval is generally not required in such cases, and neither the Liquor Code nor the Pennsylvania Liquor Control Board's Regulations impose any specific requirements regarding the method of refunding an item.

Therefore, a rebate up to the full purchase price (excepting taxes) is allowable and would not be considered an unlawful inducement.

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

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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. 15-184