

April 30, 2015

Joe Quagliaroli  
Account Coordinator  
Avid Marketing Group

**RE: Jose Cuervo® Surf Camp Sweepstakes**

Dear Mr. Quagliaroli:

ISSUE: This correspondence is in response to your e-mail sent April 20, 2015, in which you request approval on behalf of your client, Proximo Spirits, Inc., to conduct the “Jose Cuervo® Surf Camp Sweepstakes” in Pennsylvania.

According to the “Official Rules” that you provided, the sweepstakes is scheduled to begin on July 1, 2015, and runs until August 31, 2015. Interested individuals may enter the sweepstakes by visiting [www.surfcuervosweeps.com](http://www.surfcuervosweeps.com) and following the on-screen instructions to complete and submit an entry. Alternatively, interested individuals may enter the sweepstakes by texting “CUERVO” to “839863.” There is a limit of one (1) entry per person, household, e-mail address, or mobile device number, regardless of the method of entry.

Two (2) grand prizes will be awarded for the sweepstakes. The winners will be selected in a random drawing to be conducted on or about September 1, 2015. Each grand prize winner will receive a trip for two (2) people to Baja California, Mexico to attend adult surf camp. Each trip includes the following: round trip coach air transportation for two (2) people from the major airport nearest the winner’s home to Baja California; accommodations for seven (7) days and six (6) nights (one (1) room, double occupancy) at a hotel of the sponsor’s choice; week-long surf camp for the winner and one (1) guest; and one (1) five hundred dollar (\$500) VISA® gift card. The approximate retail value of each prize is five thousand dollars (\$5,000.00) . Alcoholic beverages are not part of the prize.

The sweepstakes is open only to legal U.S. residents who are at least twenty-one (21) years of age at the time 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 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 grand prizes.

Although the "Official Rules" that you provided indicate that alcoholic beverages are not part of the grand prizes, it is important to point out, in case you are unaware, that to the extent that any part of the grand prizes being awarded will involve sampling, taste testing, or the provision of alcoholic beverages at no additional cost to the winners and/or their guests, this would be construed as awarding alcoholic beverages as part of the prizes 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 grand prizes, 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. 15-197