

August 31

Nicole Elling
Sales & Marketing
Delicato Vineyards

RE: Gnarly Head Hat Contest

Dear Ms. Elling:

ISSUE: This correspondence is in response to your letter of August 21, 2015, in which you request legal review of a proposed contest promotion to be conducted in Pennsylvania.

According to the official rules you provided, the “Gnarly Head Hat Contest” promotion was scheduled to begin on August 24, 2015, and runs until one thousand (1,000) entries have been received. Consumers may participate online via the promotional website. One thousand (1,000) entrants will each receive a branded hat with an approximate retail value of five dollar (\$5.00). No purchase is necessary to enter, and the promotion is open only to adults of legal drinking age.

OPINION: Section 5.32(h) of the Pennsylvania Liquor Control Board’s (“Board”) Regulations states that a manufacturer 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.

This office has reviewed the promotion and determined that it comports with applicable liquor laws and regulations, specifically section 493(24)(i) of the Liquor Code and section 5.32(h) of the Board’s Regulations [47 P.S. § 4-493(24)(i); 40 Pa. Code § 5.32(h)]. Moreover, advertising novelties with a wholesale cost of less

than fifteen dollars (\$15.00) may be given to consumers by manufacturers or their agents.

Therefore, it would be permissible to conduct this 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 Management.
- 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
Joseph Puhalla, Director, Bureau of Product Selection

LCB Advisory Opinion No. 15-382