

January 14, 2016

Kathryn Ellestad
Arrowhead Promotion & Fulfillment Co.
VIA E-MAIL

RE: UV Vodka “Flavor Challenge Text to Win Sweepstakes”

Dear Ms. Ellestad:

ISSUE: This correspondence is in response to your e-mail and letter of December 29, 2015, in which you request approval to conduct the UV Vodka “Flavor Challenge Text to Win Sweepstakes” promotion in Pennsylvania.

According to the “Official Rules” that you provided, the sweepstakes promotion was scheduled to begin on January 1 and run through February 8, 2016. The sweepstakes is open only to legal residents of the United States who are twenty-one years of age or older at the time of entry.

Interested individuals may enter the sweepstakes by texting “FLAVOR” to “24587” during the sweepstakes period and then following the directions to complete and submit an entry form when prompted. Alternatively, interested individuals may enter the sweepstakes by visiting UVVodka.com/FlavorChallenge during the sweepstakes period and following the directions to complete and submit an entry form. There is a limit of one entry per person, per calendar week, regardless of the method of entry.

Five grand prizes, ten first prizes, one hundred fifty second prizes, and four hundred third prizes will be awarded for the sweepstakes. The winners will be selected in a random drawing to be conducted on or about April 18, 2016. Each grand prize winner will receive a 4K television having an approximate retail value of \$599.00. Each first prize winner will receive two regular season 2017 NCAA Basketball tickets, subject to availability, having an approximate retail value of up to \$400.00. Each second prize winner will receive a \$20.00 Visa gift card. Each third prize winner will receive UV Vodka Swag, awarded as either a t-shirt, shot glass, or hat, having an approximate retail value of \$5.00.

OPINION: Section 5.32(h) of the Pennsylvania Liquor Control Board's ("Board") Regulations states that a manufacturer, a manufacturer's representative, or a licensee may sponsor sweepstakes promotions subject to the following conditions:

- i. No purchase is necessary to enter.
- ii. Entrants shall be twenty-one 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)].

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 brand of any one manufacturer at any one time may not exceed \$300.00 on a retail licensed premises. [47 P.S. § 4-493(20) (i)].

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 Selection.
- 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,

RODRIGO J. DIAZ
EXECUTIVE DEPUTY CHIEF COUNSEL

cc: Pennsylvania State Police, Bureau of Liquor Control Enforcement
Dale Horst, Director, Marketing and Merchandising
Stacy Kriedeman, Director, Marketing Communications
Joseph Puhalla, Director, Bureau of Product Selection

LCB Advisory Opinion No. 15-522