

February 22, 2016

Bill Helfferich
Region Manager PA, Liberty Division
Pernod Ricard USA
VIA E-MAIL

RE: Made in America and Beach House Sweepstakes Promotions

Dear Mr. Helfferich:

ISSUE: This correspondence is in response to your e-mail of February 3, 2016, in which you request legal review of a pair of sweepstakes promotions proposed to be conducted in Pennsylvania.

According to the official rules you provided, the first promotion, the “Seagram’s Gin ‘Made in America’ Sweepstakes,” is scheduled to run from April 25 through May 29, 2016. Consumers may participate online via the promotional website or by mail. One entrant will be randomly selected to receive the grand prize of a pair of VIP tickets to the Made in America Music Festival being held September 3 and 4, 2016, along with lodging for two nights and meal vouchers. The approximate retail value (“ARV”) of the grand prize is \$3,000.00. The sweepstakes is open only to legal residents of Pennsylvania who are twenty-one years of age or older at the time of entry, and no purchase is necessary to enter.

The second promotion, the “Malibu Summer Beach House Sweepstakes,” is scheduled to run from April 25 through May 29, 2016. Consumers may participate online via the promotional website or by mail. One entrant will be randomly selected to receive the grand prize of a trip for the winner and four guests to Lake Wallenpaupack, Pennsylvania, including lodging for seven nights in a vacation house rental. The ARV of the grand prize is \$2,000.00. In addition, fifteen entrants will be selected to receive a Live Nation electronic gift card with a value of \$25.00, \$50.00, or \$100.00, and 125 entrants will be selected to receive a Pandora electronic gift card valued at \$4.99, which is equivalent to one month of service. The sweepstakes is open only to legal residents of Pennsylvania who are twenty-one years of age or older at the time of entry, and no purchase is necessary to enter.

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 promotions and determined that they comport 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)].

Accordingly, it would be permissible to conduct the promotions 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

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BASED ARE SUBJECT TO CHANGE BY THE LEGISLATURE OR THE
PENNSYLVANIA LIQUOR CONTROL BOARD.

Very truly yours,

RODRIGO J. DIAZ
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. 16-026