

May 16, 2016

April Pyatt  
Marketing Compliance Manager  
Pernod Ricard USA  
**VIA E-MAIL**

**RE: Absolut® Summer Host Sweepstakes**

Dear Ms. Pyatt:

ISSUE: This correspondence is in response to your e-mail of April 29, 2016, wherein you request legal review of a sweepstakes promotion that Pernod Ricard USA wishes to offer to consumers in Pennsylvania, the “Absolut® Summer Host Sweepstakes.”

According to the “Official Rules,” the sweepstakes was scheduled to begin on May 1, 2016, and runs until September 4, 2016. The sweepstakes is divided into eighteen weekly entry periods. Interested individuals may enter the sweepstakes online with a purchase by buying at least one 750ml bottle of Absolut® (any flavor), taking a picture of the receipt for the corresponding purchase, and then following the instructions to upload the picture and complete the online entry form. Alternatively, an interested individual may enter the sweepstakes via mail without making a purchase by printing his or her name, address, e-mail address, phone number, and date of birth on a three-inch by five-inch card and mailing it in an envelope to the designated address. There is a limit of five entries per person/e-mail address per day, regardless of the method of entry.

A total of 450 prize winners will be selected for the sweepstakes, with 25 prize winners being selected for each weekly entry period. The winners will be selected in random drawings to be conducted on or about June 6, 2016, and September 14, 2016. Each winner will receive an Absolut®-branded “disco ball” cooler, a \$25.00 gift card, and a recipe card. The approximate retail value of each prize is \$155.00. There is a limit of one prize per person throughout the sweepstakes period.

The sweepstakes is open only to legal U.S. residents of the forty-eight contiguous United States or the District of Columbia who are twenty-one years of age or older 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 ("PLCB") 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 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 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 PLCB's Regulations, 40 Pa. Code § 5.32(h), as long as alcoholic beverages are not awarded as part of the prizes. Please keep in mind that the gift cards being awarded must be capable of being redeemed for items other than alcoholic beverages in order to avoid violating the prohibition against awarding alcoholic beverages as part of the prizes.

Moreover, please be advised that to the extent that any of the gift cards being awarded as prizes are redeemable at retail establishments licensed by the PLCB, Pernod Ricard USA would need to purchase such gift cards and pay full face value for the same in order to avoid violating the interlocking business prohibitions found in the Liquor Code and the PLCB's Regulations. See 47 P.S. §§ 4-411, 4-443; 40 Pa. Code § 13.52.

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 PLCB's Fine Wine and Good 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, subject to the limitations set forth above, it would be permissible to conduct this promotion in the Commonwealth in reference to the areas checked below:

- retail licensed premises (POS only).
- distributor licensed premises.
- both retail and distributor licensed premises.
- the PLCB's Fine Wine and Good 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.

Sincerely,



RODRIGO J. DIAZ  
CHIEF COUNSEL

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