October 3, 2016

Patty Voight
Marketing Coordinator
Breakthru Beverage Group
VIA E-MAIL

RE: Sterling Thanks Giveaway Sweepstakes

Dear Ms. Voight:

ISSUE: This correspondence is in response to your e-mail of September 24, 2016, in which you request legal review, on behalf of Sterling, of a proposed promotion to be conducted in Pennsylvania.

According to the official rules you provided, the "Sterling Thanks Giveaway" sweepstakes promotion is scheduled to begin on October 31, and run until November 27, 2016. To enter the sweepstakes, consumers must go to www.greatamericancelebrationsuso.com and fill out the required sweepstakes information.

Three entrants will be randomly selected "by the Pennsylvania Liquor Control Board" to receive Visa gift card valued at $1,000.00. The promotion is only open to Pennsylvania residents who are of legal drinking age. No purchase is necessary to enter the sweepstakes.

OPINION: Section 5.32(h) of the Pennsylvania Liquor Control Board's ("PLCB") 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 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 promotion and determined that it would comport with applicable liquor laws and regulations, specifically section 493(24)(i) of the Liquor Code and section 5.32(h) of the PLCB's Regulations, 47 P.S. § 4-493(24)(i); 40 Pa. Code § 5.32(h), **so long as the PLCB and its Fine Wine & Good Spirits stores are not used for the conducting of drawings or the awarding of prizes**.

The sweepstakes description indicates the prize drawing will be conducted "by the Pennsylvania Liquor Control Board." Please be advised that a retail licensed premises may only be involved as pick-up or drop-off points for entry forms and not for conducting drawings or the awarding of prizes by anyone, including the PLCB and its employees. Therefore, drawings or the awarding of prizes at such retail licensed premises, including the PLCB's Fine Wine and Good Spirits stores, are not permissible. 40 Pa. Code § 5.32(h)(iii); Advisory Notice No. 10 (6th Revision).

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 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 the promotion in the Commonwealth, so long as the drawing is <u>not</u> conducted by the PLCB, in reference to the areas checked below:

___ retail licensed premises.

___ distributor licensed premises.

___ both retail and distributor licensed premises.

_X_ the PLCB's wine and spirit stores, subject to approval of the Bureau of Product Selection (POS only).

_X_ 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 ANDPOLICIES 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
Charles Mooney, Chief Operating Officer
Dale Horst, Director of Marketing and Merchandising
Stacy Kriedeman, Director, Marketing Communications
Joseph Puhalla, Director, Bureau of Product Selection

LCB Advisory Opinion No. 16-394