

January 18, 2017

Veronica Suarez
Reporting and Compliance Administrator
The Wine Group
4596 S. Tracy Blvd.
Tracy, CA 95377
VIA E-MAIL

RE: Chloe Wine Collection Red Carpet Sweepstakes

Dear Ms. Suarez:

ISSUE: This correspondence is in response to your e-mail of December 14, 2016, in which you request legal review of a sweepstakes promotion to be conducted in Pennsylvania by Chloe Wine Collection (“Sponsor”).

According to the official rules you provided, the “Chole Wine Collection Red Carpet Sweepstakes” promotion is scheduled to run from January 3, 2017 to February 28, 2017. Consumers may enter the sweepstakes by visiting www.chloewinecollection.com/redcarpetsweeps and completing the onscreen registration form. Consumers may gain additional entries into the sweepstakes by sharing his/her sweepstakes entry on Facebook, or by visiting the “@chloewine” Instagram page and submitting the required sweepstakes information.

One entrant will be randomly selected to receive the grand prize of a two-day, two-night trip for two people to Los Angeles, California to attend an entertainment industry awards show to be determined by the Sponsor. The trip includes the following: round trip coach class air transportation; two tickets to the awards show; two night accommodations at a hotel in the City of Los Angeles; round trip ground transfers between Los Angeles International Airport and the hotel; and round trip transfers between the hotel and the awards show venue. The approximate retail value of the grand prize is \$7,250.00. The grand prize winner and guest must be twenty-one years of age or older and no purchase is necessary to enter.

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 proposed contest promotion and determined that it comports with applicable liquor laws and regulations, specifically section 5.32(h) of the PLCB's Regulations, 40 Pa. Code § 5.32(h), as long as no alcoholic beverages are awarded as part of the grand prize.

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, 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 PLCB's wine and 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

LCB Advisory Opinion No. 16-578