

Mailing Date: November 25, 1996

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November 25, 1996

Michael A. Guccini
General Manager
RAMADA INN SCRANTON
Meadow Avenue
Scranton, PA 18505

RE: PROPOSED PROMOTION

Dear Mr. Guccini:

ISSUE: In your letter dated October 25, 1996, you inquired on behalf of Rumor's Lounge, Ramada Inn as to the legality of a proposed promotion. As described in your letter, the proposed promotion would consist of the following. Patrons entering the lounge would be eligible to enter a drawing to win a diamond ring valued at \$1,000. Patrons would fill out a card to enter the drawing which would be collected by the bartender. No purchase is required to enter the drawing. Once or twice a month, a drawing would be held to determine the winner. The promotion would be advertised over the radio and by flyers.

OPINION: Section 5.32 of the Board's regulations permits hotel licensees to conduct self-sponsored events, tournaments and contests on their licensed premises. [40 Pa. Code Section 5.32]. No unlawful gambling may be associated with the event, tournament or contest. The total value of all prizes for any given event, tournament or contest may not exceed \$500.

Furthermore, licensees are prohibited from distributing by mail, personally or through agents or employees, price lists, circulars or handbills off the licensed premises to the general public as a means of advertising alcoholic beverages. [40 Pa. Code Section 13.62(a)]. Your proposed promotion would not be permissible since the value of the diamond ring exceeds \$500. Should your proposed promotion be modified to comply with the above requirements, it would be permissible.

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,
FRANCIS X. O'BRIEN, JR.
CHIEF COUNSEL

cc: Bureau of Liquor Control Enforcement,
Pennsylvania State Police
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Advisory Opinion No. 96-308