

**Date:** November 26, 2018

**To:** All LCRB staff  
All licensees  
All industry associations  
All local government, First Nations and police agencies

**Re:** **Value-added promotional items for private retailers**

**Please note: these policy changes are effective immediately**

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## **1. Value-added promotions for private retailers**

### **Current Policy**

Private retailers may only accept a value-added promotional item containing liquor (a liquor on-pack) if BC Liquor Stores have been offered the same item.

### **New Policy**

Agents may offer value-added promotional items to private sector retailers regardless of whether that same promotion has been offered to BC Liquor Stores.

### **Explanation**

This change is consistent with the effort to provide equal treatment to public and private retailers.

## **2. Approval and monitoring of value-added promotions**

### **Current Policy**

The Liquor Distribution Branch's (LDB) marketing department must approve and monitor value-added promotions and write an approval letter for the agent to provide to the retailer.

### **New Policy**

The agent must keep a record of the value-added promotions that are offered and be able to produce it upon request by an inspector. An approval letter from the LDB is no longer required.

### **Explanation**

It was determined that the public retailer should not have approval authority and monitoring responsibility regarding promotions that are offered in the private retail sector.

### **3. Annual allowance for value-added promotions**

#### **Current Policy**

Promotional items are limited to 5 times per SKU per year.

#### **New Policy**

Promotional items are limited to 5 times per SKU per calendar year.

#### **Explanation**

This amendment clarifies that the maximum allowance for value added promotions is based on the calendar year.

### **4. Value of promotional items**

#### **Current Policy**

The liquor or non-liquor item must not have a value greater than 20% of the retail value of the host item.

#### **New Policy**

The liquor or non-liquor item must not have a value greater than 25% of the wholesale cost of the host product.

#### **Explanation**

The value of the promotional item is now a percentage of the wholesale price rather than the retail price.

### **5. Individual sale of value-added items**

This section does not contain a new policy announcement, but rather a term and condition which clarifies the existing policy for the individual sale of value-added items.

The retailer must not sell a value-added item as a separate item.

#### **Further Information**

Further information regarding liquor control and licensing in British Columbia is available on the Liquor and Cannabis Regulation Branch website at <http://www.gov.bc.ca/liquorregulationandlicensing>

If you have any questions regarding these changes, please contact the Liquor and Cannabis Regulation Branch toll free in Canada at 1-866-209-2111 or 250 952-5787 if calling from the Victoria area.

*Original signed by*

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A/Assistant Deputy Minister and General Manager