

# LCBO

## GROCERY OPERATIONS

Addendum to LCBO Product  
Management Policy & Procedures  
Manual for Wholesale to Authorized  
Store Operators

For Suppliers

Version 1.3 October 2016

## **Welcome to the Ontario wholesale marketplace!**

As the wholesaler of record for all beverage alcohol products\* sold to authorized store operators in Ontario\*\*, the LCBO is committed to working with you as our valued partners, and have implemented simple and clear procedures and practices to help you pursue new market opportunities for your business.

This addendum to the LCBO Product Management Policy & Procedures Manual is intended to be a resource for suppliers of eligible products who are seeking additional distribution via authorized store operators in the Province of Ontario.

It is designed to provide a basic understanding of the way in which the wholesale marketplace will operate in Ontario between authorized store operators, suppliers, the LCBO and The Beer Store (TBS).

As a dedicated group inside the LCBO, the Grocery Operations Group has prepared this addendum to help you understand who to contact to help serve your needs, and what to expect in terms of getting eligible products listed and fulfilled via the wholesale channel. This addendum does not modify any of the contents of the LCBO Product Management Policy & Procedures Manual but sets out unique policies and procedures applicable to the wholesale of eligible products to authorized store operators.

The LCBO, in collaboration with wholesale market stakeholders, will be continually streamlining and evolving its processes and systems. Detailed and up-to-date information on specific programs, deadlines and the use of various web-based systems can be found on our trade website: [www.doingbusinesswithlcbo.com](http://www.doingbusinesswithlcbo.com).

**\*refers to beverage alcohol products an eligible store operator is authorized to sell under the AGCO issued authorization**

**\*\*refers to grocery store and wine boutique operators authorized to sell under an AGCO issued authorization**

**Please note that the requirements set out in Ontario Regulation 232/16 are set out in this Addendum for ease of reference. In the event of a conflict or inconsistency, the provisions of the Regulation will prevail.**

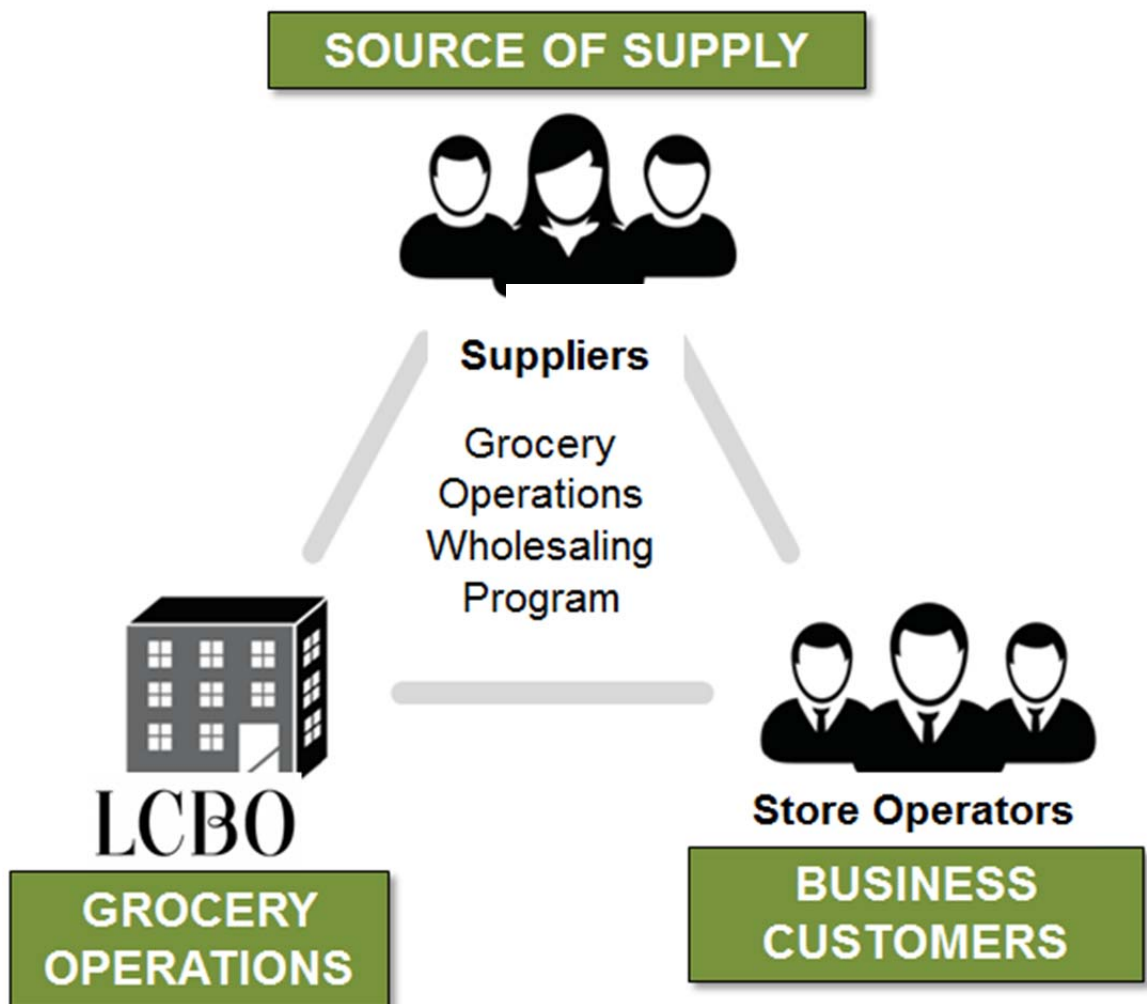
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## ROLES AND RESPONSIBILITIES

### The marketplace

The grocer and wine boutique marketplace comprises interconnected relationships between the LCBO for wholesale operations, authorized store operators as business customers, and manufacturers of eligible products as the source of supply for eligible beverage alcohol products.



## The working relationships

The basis of how store operators, supplying sources and the LCBO connect and activate their business relationships is illustrated below. The core activity between store operators and the LCBO centers on ensuring a smooth-running product ordering and fulfillment process is established. To enable that, the LCBO provides suppliers with the ability to list eligible products for wholesale purchase by store operators. In turn, for store operators and suppliers to maximize their shared market opportunities, a constructive and ongoing working relationship between store operators and suppliers should focus on sales, marketing and product planning.



It is important for suppliers to build healthy working relationships directly with store operators in order to maximize market opportunities. The LCBO is not party to go-to-market sales plans – those are to be pursued and developed directly between suppliers and store operators. In addition to development of sales and marketing plans, suppliers and store operators will also have direct control over the sharing of information related to forecasting and inventory reporting.

## **SPECIFIC RESPONSIBILITIES**

### **LCBO responsibilities:**

1. All orders for authorized grocers and wine boutiques are placed with the LCBO.
2. All payments to suppliers are made by the LCBO.
3. Responsible for performing the role of sole wholesaler of all eligible beverage alcohol products to authorized store operators in the Province of Ontario.
4. Responsible for providing listing services and systems to suppliers to access the grocery and wine boutique market.
5. Responsible for ongoing administration and maintenance of the eligible product catalogue for store operators.

### **Supplier responsibilities:**

1. Responsible for manufacturing products, making products available for wholesale through the LCBO, setting retail prices, and pursuing marketing opportunities with authorized store operators.
2. Responsible for adhering to the LCBO Purchase Order terms and conditions.
3. Responsible for adhering to the LCBO Addendum to LCBO Product Management Policy & Procedures Manual for Wholesale to Authorized Store Operators.
4. Adhering to LCBO packaging and labelling requirements and standards.
5. Pursuing sales and marketing business relationships directly with store operators.

### **Store Operator responsibilities:**

This applies specifically to authorized grocery stores and wine boutiques who have entered into a Wholesale Supply Agreement (WSA) with the LCBO per the terms outlined in ONTARIO REGULATION 232/16.

[www.ontario.ca/laws/regulation/160232](http://www.ontario.ca/laws/regulation/160232)

1. Responsible for all purchasing decisions on brand and quantity of eligible beverage alcohol products ordered from LCBO for final retail sale by store operator.
2. Responsible for following the legislation applicable for sale of eligible beverage alcohol products in grocery stores and wine boutiques.
3. Responsible for choosing product assortment for each authorized store.
4. Working directly with suppliers on sales and marketing plans.
5. Store operator pays the LCBO for eligible products received.

## **Supplying source**

All orders are placed with the LCBO, and then fulfilled via multiple deliveries and multiple deliverers. Store Operators will receive deliveries from multiple supplying sources based on the brand of eligible product ordered; either through LCBO, TBS (for domestic beer) or from one or more of the Ontario manufacturers.

The LCBO, TBS or Ontario beer manufacturers supply domestic beer and Ontario cider and wine manufactures supply domestic cider and wine, while non-Ontario products are supplied exclusively by the LCBO. The supplying source of each product is identified in the product catalogue.

## **THE LCBO GROCERY OPERATIONS GROUP**

In order to fully serve store operators in the most customer-focused manner, the LCBO has set up a dedicated group comprising all of the most important functional roles related to facilitating wholesale to grocery stores and wine boutiques.

### **LCBO Grocery Operations Group – Roles and contacts**

#### **Customer Service**

Responsible for general and account inquiries, IT applications, the ordering process, returns and claims.

The following email addresses are all contacts administered by Customer Service within the Grocery Operations Group

General and account inquiries

[wholesaleservice@lcbo.com](mailto:wholesaleservice@lcbo.com)

Product returns and claims

[wholesalereturns@lcbo.com](mailto:wholesalereturns@lcbo.com)

Order inquiries

[wholesaleorders@lcbo.com](mailto:wholesaleorders@lcbo.com)

## **Product Catalogue Administration**

Responsible for overall administration of the product catalogue hosted in the secure Grocery Management System (GMS) at [www.lcbowholesaleoperations.com](http://www.lcbowholesaleoperations.com). Functions include working with suppliers on listing of products made available, administering product information details provided by suppliers, applying product updates, pricing and promotion information.

## **Inventory Management**

Responsible for logistics related to orders placed via the LCBO including transfer of information to supplying sources (TBS and Ontario manufacturers of Beer, Cider, and Wine), coordination of delivery information and for orders shipped from LCBO warehouses, and receiving store operator's demand forecasts.

## **Financial Administration**

Responsible for issuing invoices to store operators, processing payments to suppliers for eligible beverage alcohol products delivered to store operators, resolving any discrepancies between store operator receipts and shipments from supplying sources, and processing debit/credit notes related to claims, returns, product quality issues, etc.

## **Grocery Operations Website**

The LCBO has established a website specifically for suppliers and store operators. It is designed to provide the most up-to-date information as well as access to web-based systems used to conduct business with the LCBO.

The URL or address for your web browser is: [www.lcbowholesaleoperations.com](http://www.lcbowholesaleoperations.com).

Wholesale to grocery stores and wine boutique related content can be accessed by following the SUPPLIER tab from this homepage.

A link to the Grocery Management System (GMS) is available on this site for suppliers delivering directly to store operators.

The LCBO's trade website can also be accessed from the home-page of the main LCBO website at [www.lcbo.com](http://www.lcbo.com) by clicking on *Doing Business with LCBO* link.

We strongly encourage all suppliers and agents who conduct business with the LCBO, to review [www.lcbowholesaleoperations.com](http://www.lcbowholesaleoperations.com) regularly, as it is updated often and contains the most up-to-date version of this manual, forms, program information, planning tools, and other business information.

The Grocery Operations Website acts as the primary form of communication between LCBO grocery operations, suppliers and store operators.



## **SECTION 1**

### **REGISTERING WITH THE LCBO AS A WHOLESALE SUPPLIER FOR AUTHORIZED STORE OPERATORS**



## GETTING SET-UP AS A WHOLESALE SUPPLIER WITH THE LCBO FOR AUTHORIZED STORE OPERATORS

In order to register as a wholesale supplier with the LCBO, suppliers are required to follow the steps outlined below:

### Step 1

Access the [www.lcbowholesaleoperations.com](http://www.lcbowholesaleoperations.com) website.

### Step 2

#### NEW SUPPLIERS

If you are a **new** supplier to the LCBO, download the following form(s):

- a) **Vendor Profile form**
- b) **Grocery Management System (GMS) IT Access form** for supplying sources.

If you are a **new** Ontario manufacturer of eligible beverage alcohol products **delivering directly** to store operators

#### EXISTING SUPPLIERS

If you are an **existing** supplier to the LCBO and you are also an **Ontario manufacturer** of eligible beverage alcohol products that is **delivering directly** to store operators, download the following form from [www.lcbowholesaleoperations.com](http://www.lcbowholesaleoperations.com)

- a) **Grocery Management System (GMS) IT Access form** for supplying sources.

If you are an **existing** supplier to the LCBO and you are **not** an Ontario manufacturer of eligible beverage alcohol products you do not need to complete any additional forms.

### Step 3

Complete the forms with the necessary information.

### Step 4

Submit the completed forms via email to [wholesaleservice@lcbo.com](mailto:wholesaleservice@lcbo.com)

## **SECTION 2**

### **ELIGIBLE PRODUCTS**



## **ELIGIBLE PRODUCT DEFINITIONS**

Beverage alcohol products eligible for sale by authorized store operators as well as in store display requirements are identified in Ontario Regulation 232/16 which can be found at:

[www.ontario.ca/laws/regulation/160232](http://www.ontario.ca/laws/regulation/160232)

Store operators order product from the LCBO product catalogue.

The summary below is provided for information purposes and does not change or amend any requirements of the regulation. Suppliers should review the regulation carefully and ensure they become aware of any amendments or changes as required.

### **Beer: Grocery Operators**

The store operator must not sell or offer to sell beer in containers having a volume of more than 750 millilitres.

The store operator must not sell or offer to sell beer that is a malt-based cooler.

The store operator must not sell or offer to sell beer if,

- i. the beer contains alcohol that was obtained other than by the fermentation of an infusion or decoction of barley, malt and hops or of any similar products, and
- ii. the alcohol described in subparagraph i increases the total alcohol content of the beer by more than 0.5 of 1 per cent by volume.

The store operator must not sell or offer to sell beer if the total alcohol content of the beer exceeds 7.1 per cent by volume.

The store operator must not sell or offer to sell beer in packages with more than six containers and must not offer a discount or a rebate in respect of purchases of more than six containers.

The store operator must not sell or offer to sell a brand of beer if the store operator or any of its affiliates has a direct or indirect financial interest in the brand or a trademark under which the beer is marketed.

### **Cider: Grocery Operators**

The store operator must not sell or offer to sell cider in containers having a volume of more than 750 millilitres.

The store operator must not sell or offer to sell cider if the total alcohol content of the cider exceeds 7.1 per cent by volume.

The store operator must not sell or offer to sell cider in packages with more than six containers and must not offer a discount or a rebate in respect of purchases of more than six containers.

The store operator must not sell or offer to sell a brand of cider if the store operator or any of its affiliates has a direct or indirect financial interest in the brand or a trademark under which the cider is marketed.

## **Wine: Grocery Operators**

The store operator must not sell or offer to sell wine in containers with a volume of more than four (4) litres.

The store operator must not sell or offer to sell wine with alcohol content greater than 18 per cent by volume.

The store operator must not sell or offer to sell cream wines.

The store operator must not sell or offer to sell wine beverages.

The store operator must not sell or offer to sell a brand of wine if the store operator or any of its affiliates has direct or indirect financial interest in the brand or a trademark under which the wine is marketed.

The store operator is not permitted to sell wine (excluding cider) that has a lower price, by size, than presented in the following table:

Container size (in millilitres)	Retail Price in dollars
50 or less	\$0.85
200	\$3.35
250	\$4.10
300	\$4.80
375	\$5.90
400	\$6.20
500	\$7.60
600	\$9.00
720	\$10.65
750	\$10.95
1000	\$14.05
1500	\$20.15
2000	\$25.90
2250	\$28.75
3000	\$37.90
4000	\$49.35

Note: Refer to Regulation for pricing formula for sizes not presented in the table

## **RESTRICTED Wine: Grocery Operators**

For the first three (3) years of a restricted beer and wine authorization, the grocery store operator is permitted to sell only:

- i) cider
- ii) wine that is produced by a small winery using grapes from a single country; and,
- iii) quality assurance wine produced using grapes from a single country by a mid-sized winery

*(see glossary of terms for definitions)*

The store operator must not sell or offer to sell wine in containers with a volume of more than four (4) litres.

The store operator must not sell or offer to sell wine with alcohol content greater than 18 per cent by volume.

The store operator must not sell or offer to sell cream wines.

The store operator must not sell or offer to sell wine beverages.

The store operator must not sell or offer to sell a brand of wine if the store operator or any of its affiliates has direct or indirect financial interest in the brand or a trademark under which the wine is marketed.

The store operator is not permitted to sell wine (excluding cider) that has a lower price, by size, than presented in the following table:

Container size (in millilitres)	Retail Price in dollars
50 or less	\$0.85
200	\$3.35
250	\$4.10
300	\$4.80
375	\$5.90
400	\$6.20
500	\$7.60
600	\$9.00
720	\$10.65
750	\$10.95
1000	\$14.05
1500	\$20.15
2000	\$25.90
2250	\$28.75
3000	\$37.90
4000	\$49.35

Note: Refer to Regulation for pricing formula for sizes not presented in the table.

## **Wine: Wine Boutique Operators**

The wine boutique operator must not sell or offer to sell cider with an alcohol content greater than 7.1 per cent by volume.

The wine boutique operator must not sell or offer to sell wine with an alcohol content greater than 18 per cent by volume.

The wine boutique operator must not sell or offer to sell wine beverages.

## **PRODUCT DISPLAY REQUIREMENTS**

The Regulation also stipulates a number of product display requirements for specific classes of authorizations. It is the store operator's responsibility to meet these display requirements.

The product catalogue provides identifying product attributes to assist store operators in meeting these statutory display requirements.

It is the Supplier's responsibility to identify and provide the product attributes as requested during product registration.

## **BEER AND CIDER:**

- Minimum 20% of the containers of beer on display to consumers is beer produced by **small brewers**; and,
- Minimum 20% of the containers of cider on display to consumers is cider produced by **small cideries**.

Beer and cider manufacturers are required to self-identify as a small manufacturer at the time of product listing in NISS (New Item Submission System).

A small brewer is defined as one with less than 400,000 hectolitres annual worldwide production of beer.

A small cidery is defined as one with less than 25,000 hectolitres of annual worldwide production of cider.

## **BEER, CIDER AND WINE**

- Minimum of 20% of the containers of beer on display in the store must contain beer manufactured by **small breweries**.
- Minimum of 20% of the containers of cider on display in the store must contain cider manufactured by **small cideries**.
- Minimum of 10% of the containers of wine (excluding cider) on display in the store must contain wine manufactured by **small wineries**,
- At least 50% of the containers of wine (excluding cider) on display must contain wine that is produced using grapes from a single country and in respect of which at least one of the following criteria is satisfied:
  - The wine is **quality assurance wine**
  - The wine was produced by a **small winery**
  - The **country** where the grapes were grown produces, in the aggregate, less than 150 million litres of wine annually from grapes grown in that country

Beer and cider manufacturers are required to self-identify as a small manufacturer at the time of product listing.

A small wine manufacturer must submit proof of small status with the product submission as per the Wine Catalogue Committee requirements (see **Wine Catalogue Committee** page 18).

A small brewery is defined as one with less than 400,000 hectolitres annual worldwide production of beer,

A small cidery is defined as one with less than 25,000 hectolitres of annual worldwide production of cider.

A small winery is defined as one whose worldwide annual sales did not exceed 200,000 litres of wine.



## **BEER, CIDER AND RESTRICTED WINE**

- Minimum of 20% of the containers of beer on display in the store must contain beer manufactured by **small breweries**.
- Minimum of 20% of the containers of cider on display in the store must contain cider manufactured by **small cideries**.
- Minimum of 20% of the containers of wine (excluding cider) on display in the store must contain wine manufactured by **small wineries**.

Beer and cider manufacturers are required to self-identify as a small manufacturer at the time of product listing.

A small wine manufacturer must submit proof of small status with the product submission as per the Wine Catalogue Committee requirements (see **Wine Catalogue Committee** page 18).

A small brewery is defined as one with less than 400,000 hectolitres annual worldwide production of beer,

A small cidery is defined as one with less than 25,000 hectolitres of annual worldwide production of cider.

A small winery is defined as one whose worldwide annual sales did not exceed 200,000 litres of wine.

## Wine Catalogue Committee

There are three different classifications of wine authorizations as set out in the Regulation which can be found at: [www.ontario.ca/laws/regulation/160232](http://www.ontario.ca/laws/regulation/160232)

They are:

- i. Beer and, wine (which includes cider)
- ii. Restricted beer and wine (which includes cider)
- iii. Supplementary wine authorizations for Wine Boutique Operators

Wine products must meet specific product parameters based on type of wine, size of winery and country production limits to be eligible for the **restricted beer and wine** authorization and to meet the 50% display requirement for the **beer and, wine** authorization. Please refer to the Regulation noted above for specific product parameters required under each authorization.

The LCBO's **Wine Catalogue Committee** will review all wine submissions for inclusion in the product catalogue and assess eligibility based on the requirements of the Regulation. Acceptable documents to identify a product as Quality Assurance Wine must be issued by an Appellation Regime Governing Body. To identify as a small or mid-sized winery or a country production level of less than 150 million litres wine annually, a document issued by a government body or independent auditor must accompany the product submission (see chart).

Requirement	Documents Issued by		
	Government Institution	Independent Auditor	Appellation Regime Governing Body
Quality Assurance Wine			✓
Country Production	✓	✓	
Producer Size (winery sales)	✓	✓	

Upon review, the **Wine Catalogue Committee** will notify suppliers/agents in writing (either by regular mail, email or fax) as to the assessment of the submission.

Suppliers who do not agree with the results of the assessment, apply to the Wine Catalogue Committee for a reconsideration of the decision. Requests for reconsideration

must be received in writing within thirty (30) days of the receipt of this notice, and must include:

- The name and LCBO number of the product(s) for which reconsideration is sought;
- Reasons for requesting a reconsideration;
- Any additional documentation to support the request for reconsideration; and,
- All of the material originally submitted in the initial application.

Requests and supporting materials may be sent to [wholesaleservice@lcbo.com](mailto:wholesaleservice@lcbo.com) with “Wine Catalogue Reconsideration” in the subject line, or mailed to:

LCBO Grocery Operations Group  
Attention: Wine Catalogue Reconsideration

Decisions of the Wine Catalogue Committee may be appealed to the LCBO’s Listings Appeal Committee provided that the Supplier has exhausted its right to seek a reconsideration.

Appeals must be requested in writing thirty (30) days from the day the reconsideration decision is received or deemed to have been received by the Supplier.

An appeal to the Listings Appeal Committee shall be made by the unsuccessful applicant in writing and shall state the reasons for requesting an appeal.

The appeal shall include all of the material that was submitted to the Wine Catalogue Committee for consideration on the original application, and such additional evidence as the unsuccessful applicant believes to be relevant.

Requests and supporting materials may be sent to [wholesaleservice@lcbo.com](mailto:wholesaleservice@lcbo.com) with “Wine Catalogue - Listings Appeals” in the subject line, or mailed to:

LCBO Grocery Operations Group  
Attention: Wine Catalogue Listings Appeal

## **SECTION 3**

**PRODUCT CATALOGUE, DISCONTINUED  
PRODUCTS, PRICING, PROMOTIONS**



## **LCBO PRODUCT CATALOGUE**

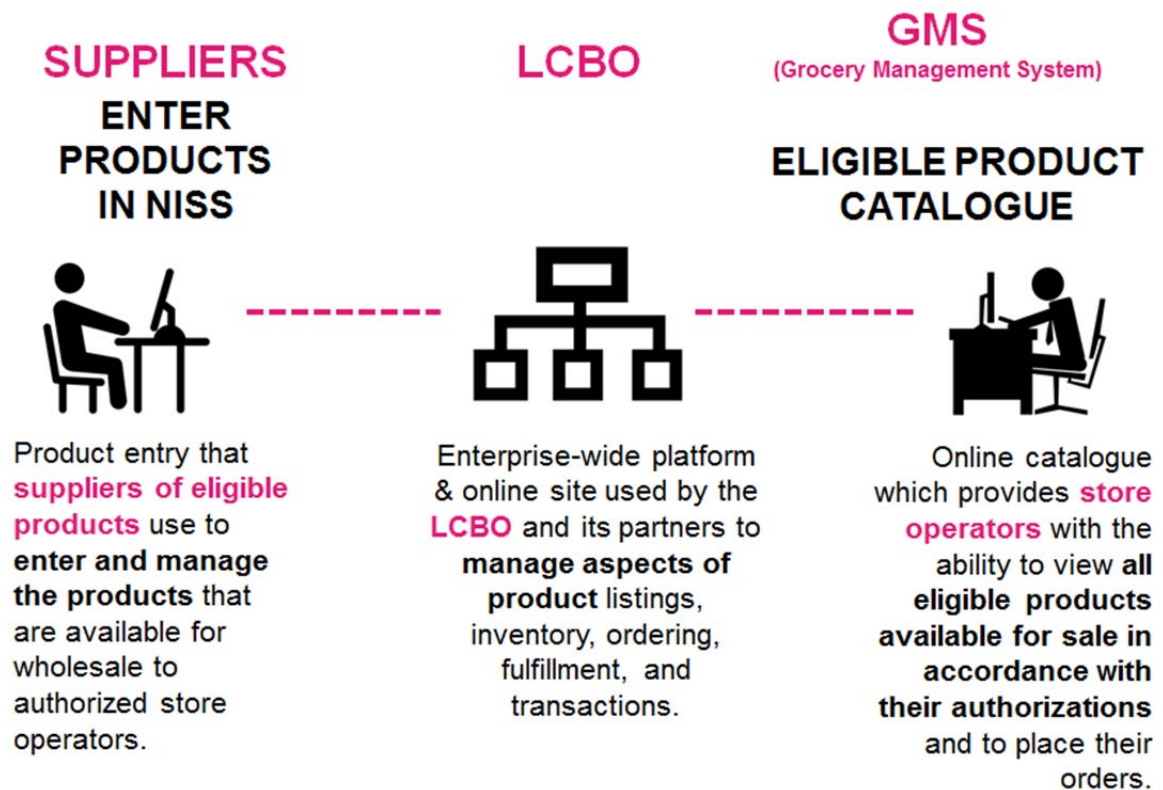
The LCBO has designed a system that connects the eligible beverage alcohol products that a supplier wants to list for sale at authorized grocery stores and wine boutiques with a product catalogue functionality to be used by store operators to place orders.

This system facilitates the following functions:

1. Suppliers identify products to be listed for store operators.
2. All products are to be made available to all store operators under the authorization which the supplier has chosen to make the product available; no exclusive products, nor private label brands.
3. Store Operators view available products and place their orders via a catalogue of eligible beverage alcohol products in GMS.
4. LCBO Grocery Operations Group post products to the catalogue of eligible beverage alcohol products including identifying products as per regulatory display requirements, and process orders and transactions.

All products are presented fairly and uniformly across store operators, according to the standardized product details provided by suppliers and the class of authorization held by the store operator.

The following illustration demonstrates how this system coordinates the listing and ordering of products.



## Product catalogue details

The product catalogue is accessed via a secured portion of the Grocery Management System (GMS) using an assigned username and password.

The catalogue is available to store operators as a self-serve solution and the format is downloadable as an Excel or a CSV file.

- Products contained and presented in the wholesale catalogue will include information on Item Details, Operational Attributes, Pricing, and Promotions.
- The catalogue contains eligible products that suppliers have chosen to make available for sale to grocers and/or wine boutiques.
- The catalogue identifies product attributes to assist store operators in meeting regulatory display requirements.
- The product catalogue is updated daily.
- If a product, either domestic or import, has not been ordered by store operator within 6 months of posting to the catalogue the LCBO reserves the right to remove the product from the catalogue.
- A product's specifications in the catalogue are reflective of what is provided by the supplier. It is the supplier's responsibility to provide the LCBO with accurate and complete product information to maximize data integrity

## Key points related to eligible products listed by suppliers:

- Suppliers decide what products are made available to store operators under specific authorizations (in the case of wine only), and when.
- Suppliers can choose to make eligible imported beer, cider or wine products currently available at the LCBO and/or TBS (for beer only) available to store operators.
- Suppliers may exclude beer, cider, or wine products from grocery that are available at LCBO stores.
- Suppliers control the timing of product availability.
- Store operators cannot pack-up or break-down a selling unit.
- Wine product submissions for wine authorizations are reviewed by the **Wine Catalogue Committee** for eligibility and inclusion in the product catalogue.
- The LCBO warehouse distribution system is available to distribute to store operators:
  - Products that are available through the LCBO retail channel.
  - Any Ontario wine, a supplier has elected and the LCBO has agreed to deliver to store operators.
- Once product is available to, Grocery Operations requires a minimum two weeks notice for:
  - Changes to UPC/SCC codes
  - Changes to supplying source

## Eligible Ontario Beverage Alcohol Products - Grocery Channel Product Call

An open ongoing product call for eligible Ontario beer, cider and wine products is established in LCBO's New Item Submission System (NISS) for suppliers to make Ontario products available to the grocery channel.

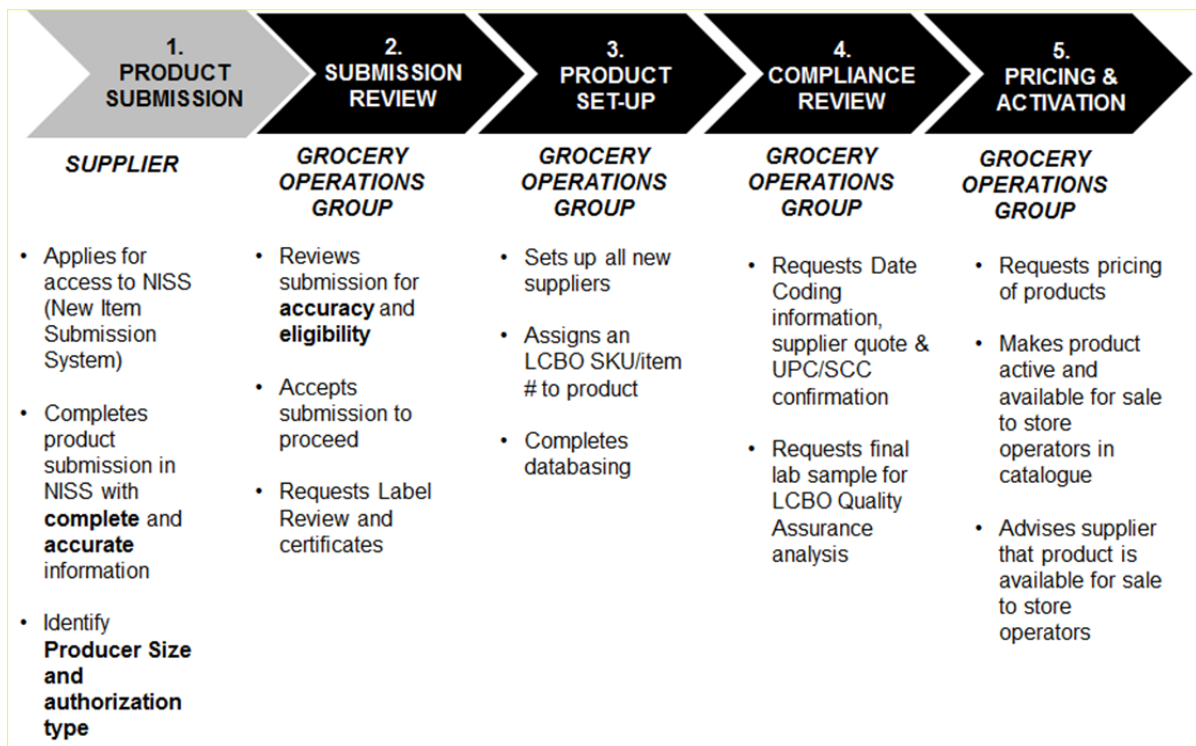
New suppliers to the LCBO can register for NISS, which is accessible from [www.doingbusinesswithlcbo.com](http://www.doingbusinesswithlcbo.com) in the Trade Resources section of the website. For further information on registering for NISS, please refer to section C in the LCBO's Product Management Policy & Procedures manual found on [www.doingbusinesswithlcbo.com](http://www.doingbusinesswithlcbo.com).

## For new Ontario products:

- NISS is used to enter and submit a new product.
- Submit eligible beverage alcohol products into the appropriate grocery product call for the product type.
- This will in turn allow for tagging of products intended for grocer retailing.
- Tagged products will be reflected in the product catalogue for store operators to use.

- A streamlined listing process for grocery consists of review of label, shipping carton (if applicable) and final lab testing
- Wine product submissions for wine authorizations are reviewed by the **Wine Catalogue Committee** for eligibility and inclusion in the product catalogue.
- New Ontario products suppliers wish to make available to LCBO retail channel and grocery channel are submitted to LCBO product calls – suppliers do not need to submit to both. The product will be tagged for grocery and/or wine boutiques and available for store operators to order once the product has completed the listing process.

## Listing Process for Eligible Ontario Beverage Alcohol Products:



## Eligible non-Ontario Beverage Alcohol Products

At the time of submission into NISS, suppliers can earmark eligible non-Ontario beer, cider and wine products for grocery channel by selecting 'eligible for grocery catalogue'. The product will be tagged for grocery and available for store operators to order once the product has completed the listing process and the submission has been assessed by the Wine Catalogue Committee.



Wine products identifying as produced by a small or mid-size winery, a Quality Assurance Wine or from a country with a production level less than 150 million litres wine annually are required to provide acceptable documentation (see page 18). These submissions are reviewed by the **Wine Catalogue Committee** for eligibility and inclusion in the product catalogue.

## **Eligible Existing Beverage Alcohol Products for Grocery Channel**

If a supplier wishes to make an eligible beverage alcohol product that is currently at LCBO retail available to the grocery channel, the process is as follows:

**Eligible beer & cider products:** email [wholesaleservice@lcbo.com](mailto:wholesaleservice@lcbo.com) with the LCBO item # and product name and identify the supplying source. Type the following in the subject line of the email: ***“ELIGIBLE BEER/CIDER TO BE ADDED TO GROCERY CATALOGUE”***

**Eligible wine products:** Submit into NISS product call ‘Wines Grocery Channel – Existing Eligible Wine Products’ and select the grocery catalogue(s)/wine authorization type(s) the product is eligible for. Wine products identifying as produced by a small or mid-size winery, a Quality Assurance Wine or from a country with a production level less than 150 million litres wine annually are required to provide acceptable documentation (see page 18). These submissions are reviewed by the **Wine Catalogue Committee** for eligibility and inclusion in the product catalogue.

## **LCBO Quality Assurance**

Products listed for grocery or wine boutique sales, even those not listed by the LCBO in retail stores, must be in compliance with the LCBO Product Packaging Standards and Chemical Guidelines, which are based on federal and provincial compositional labelling requirements.

Ontario suppliers not presently listed with the LCBO but wishing to make eligible beverage alcohol products available for wholesale to grocery and/or wine boutiques can still do so by meeting the LCBO’s Packaging Standards and Chemical Guidelines available on Trade Resources website at [www.doingbusinesswithlcbo.com](http://www.doingbusinesswithlcbo.com) .

## **Social Responsibility**

The LCBO plays a role in ensuring all eligible beverage alcohol products available for sale in Ontario are screened for market appropriateness and adherence to social responsibility parameters. The LCBO’s major framework for review (brand, imagery, text and format) is based on AGCO’s guidelines as they are enshrined in regulations. Should a product raise concerns, the extent of the LCBO’s review will be based on AGCO guideline requirements.

## **DISCONTINUED AND DELISTED PRODUCTS**

### **Discontinued products**

Suppliers must advise the LCBO when a product is no longer available for grocers and/or wine boutiques to purchase and it will be removed from the catalogue.

Suppliers can choose to discontinue an eligible beverage alcohol product at any point in time. Suppliers may also choose to cease offering an eligible beverage alcohol product to grocers and/or wine boutiques.

When a product is discontinued by the supplier, it will automatically be removed from the catalogue given that it is no longer available from the supplying source.

If a product, either domestic or import, has not been ordered by store operator within 6 months of the posting to the catalogue the LCBO reserves the right to remove the product from the catalogue.

### **Delisting of products**

From time to time an imported eligible product may be delisted by the LCBO due to sales performance at LCBO or TBS. Should this situation arise the LCBO will provide notice to suppliers and store operators..

## PRODUCT PRICING

### Uniform and Minimum Pricing

Beverage alcohol products sold by authorized store operators under various classes of authorizations must meet legislated requirements concerning uniform and minimum pricing. Minimum prices are the lowest prices that products can be sold and uniform price requires the price for a particular product to be the same throughout the province.

### Grocery Floor Price for Wine: Beer, Cider and Wine Authorizations held by Grocery Operators only

As set out in the Regulation, Grocery store operators authorized to sell wine are not permitted to sell containers of wine (excluding cider) where the retail price of the wine is below a minimum price specified in the table below:

Container size (in millilitres)	Retail Price in dollars
50 or less	\$0.85
200	\$3.35
250	\$4.10
300	\$4.80
375	\$5.90
400	\$6.20
500	\$7.60
600	\$9.00
720	\$10.65
750	\$10.95
1000	\$14.05
1500	\$20.15
2000	\$25.90
2250	\$28.75
3000	\$37.90
4000	\$49.35

Note: Refer to Regulation for pricing formula for sizes not presented in the table.

It is the Supplier's responsibility to ensure products on the product catalogue are at or above the grocery floor price for wine. If a product's price fall below the grocery floor price for wine, the product will be subject to recall from grocery shelves at the Supplier's expense.

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## **Price changes**

Store operators will be notified of price changes seven days in advance of price changes taking effect in the product catalogue to allow for time required to modify store merchandising materials.

Store operators will be notified of price changes by a price bulletin posted at the [www.lcbowholesaleoperations.com](http://www.lcbowholesaleoperations.com)

## **Emergency Price Changes**

In the event of an emergency price change, prices will be corrected and updated overnight in the product catalogue. An alert will be sent out to all store operators and notice will be posted on [www.lcbowholesaleoperations.com](http://www.lcbowholesaleoperations.com) website.

## **Key points related to product pricing**

1. The retail price for all eligible beverage alcohol products sold to the public will be as determined by suppliers.
2. Pricing will then be communicated and administered by the LCBO.
3. Pricing will be the same through all retail channels.
4. Grocery Store Operators authorized to sell wine are subject to a grocery specific floor price.

## **PROMOTIONS**

Suppliers are to apply for LTO, Super Sale and Deal of the Week pricing by following the existing application process, and all approved products for these programs will be simultaneously in effect across all channels including grocery and wine boutiques.

Suppliers will be debited based on store operator sales during the promotion period. The calculation is based on the number of selling units sold multiplied by the discount amount. Charges for grocery and wine boutique sales will be reflected as separate line items on existing LTO debit notes.

Note: Wine products sold through grocery store operators are subject to a grocery floor price for wine (see page 27 for more details) . Under no circumstances – including LTO, Super Sales and Deal of the Week – can the price of a product sold in this channel fall before the grocery floor price for wine.

## **Advertising and Promotions**

The AGCO sets requirements for liquor advertising, promotion, sampling and giving of liquor and sets prohibitions on inducements. The law regarding these matters is contained in the Liquor Licence Act and Regulations and all Suppliers and Agents must comply with these and all other applicable laws.

The AGCO also publishes “Advertising Guidelines” that may be downloaded from their website or obtained from their offices. Please visit the AGCO’s Website, [www.agco.on.ca](http://www.agco.on.ca) to access AGCO’s Liquor Advertising Guidelines: Liquor Sales Licensees and Manufacturers.

When advertising and/or promoting the sale of a product, the Supplier/ Agent must comply with the provisions outlined in these Advertising Guidelines. Failure to do so may result in the LCBO discontinuing its purchase of a product(s).

### **Key points related to loyalty programs and promotions:**

1. No cross-promotions with other items are allowed.
2. Loyalty rewards can be earned on purchases of eligible beverage alcohol products.
3. Eligible beverage alcohol products cannot be purchased by redemption of loyalty program rewards (points, cash or otherwise).
4. Trade spending on sales & marketing is not permitted.
5. No retail-level discounts or rebates for multiple package buying. No pack up pricing.

## **SECTION 4**

### **ORDER FULFILLMENT AND DELIVERY**



## **SUPPLYING SOURCE**

Store operators place all orders for eligible beverage alcohol products with the LCBO. LCBO will fill orders through various supplying sources. Store operators will receive deliveries from multiple supplying sources based on the brand of eligible beverage alcohol product ordered either through LCBO, TBS (for domestic beer) or from one or more of the Ontario Beer, Cider or Wine Manufacturers .

Domestic beer is supplied by the LCBO, TBS or OBM (Ontario Beer Manufacturer), which is identified in the product catalogue.

Domestic cider is supplied by the LCBO or an Ontario Cider Manufacturer, which is identified in the product catalogue.

Domestic wine is supplied by the LCBO or an Ontario Wine Manufacturer, which is identified in the product catalogue.

Imported eligible beverage alcohol products are supplied exclusively by the LCBO.

## **Delivery lead times**

The required number of business days from the time a store operator places an order to it being delivered is as follows:

<b>LCBO/TBS:</b>	up to 7 days
<b>Ontario Manufacturers:</b>	up to 14 days

## **Eligible product ordering and fulfillment process**

The diagrams on the following pages illustrate the steps along the ordering and fulfillment process, reflecting detailed timing for the main stages of the process prior to product receipt.

### **Purchase orders**

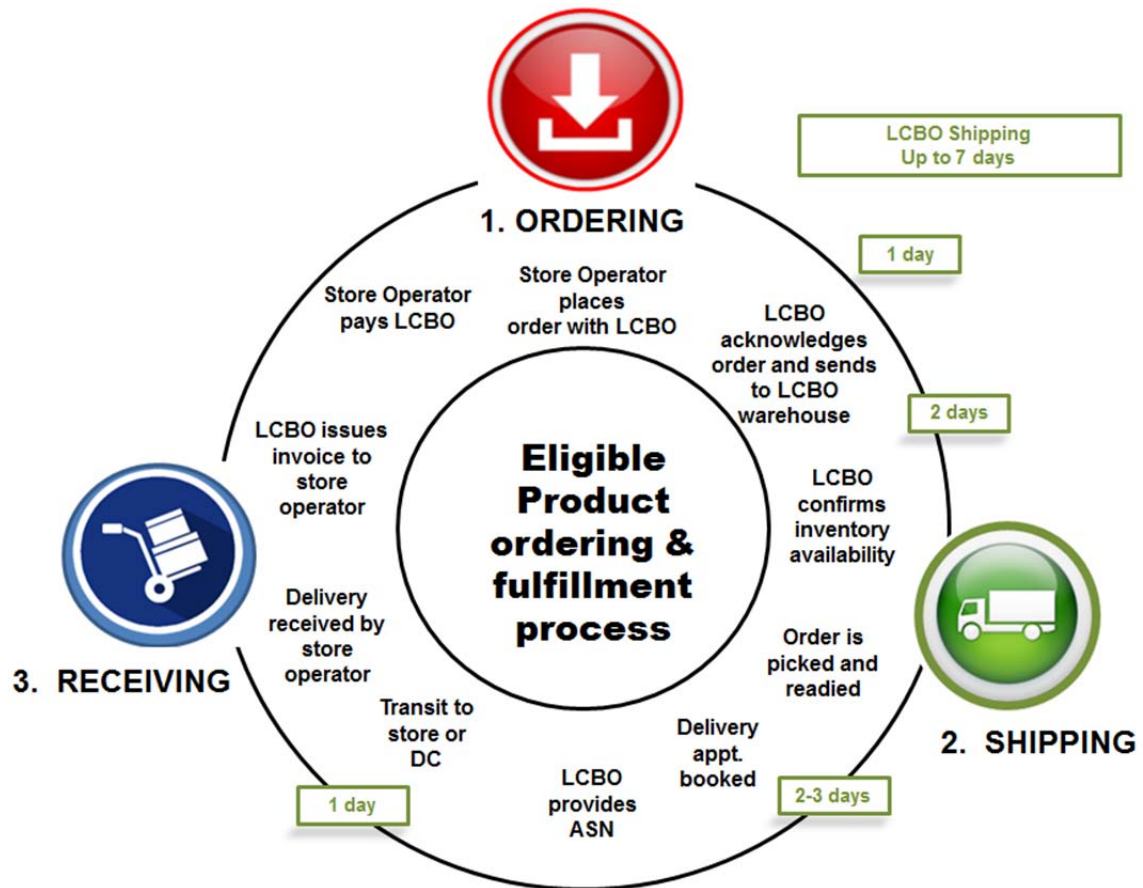
The LCBO will issue LCBO purchase orders for all eligible beverage alcohol products and will identify ship to locations of authorized store operators as applicable. All LCBO purchase orders are subject to and incorporated by reference to the LCBO's standard purchase order terms and conditions for beverage alcohol products ("Terms and Condition") which are available online at:

[www.lcbotrade.com](http://www.lcbotrade.com) under Resources, Conditions of Purchase;

[www.lcbowholesaleoperations.com](http://www.lcbowholesaleoperations.com) under the supplier tab or by calling LCBO's Supplier service representative at 416-365-5855 and requesting a copy be forwarded.



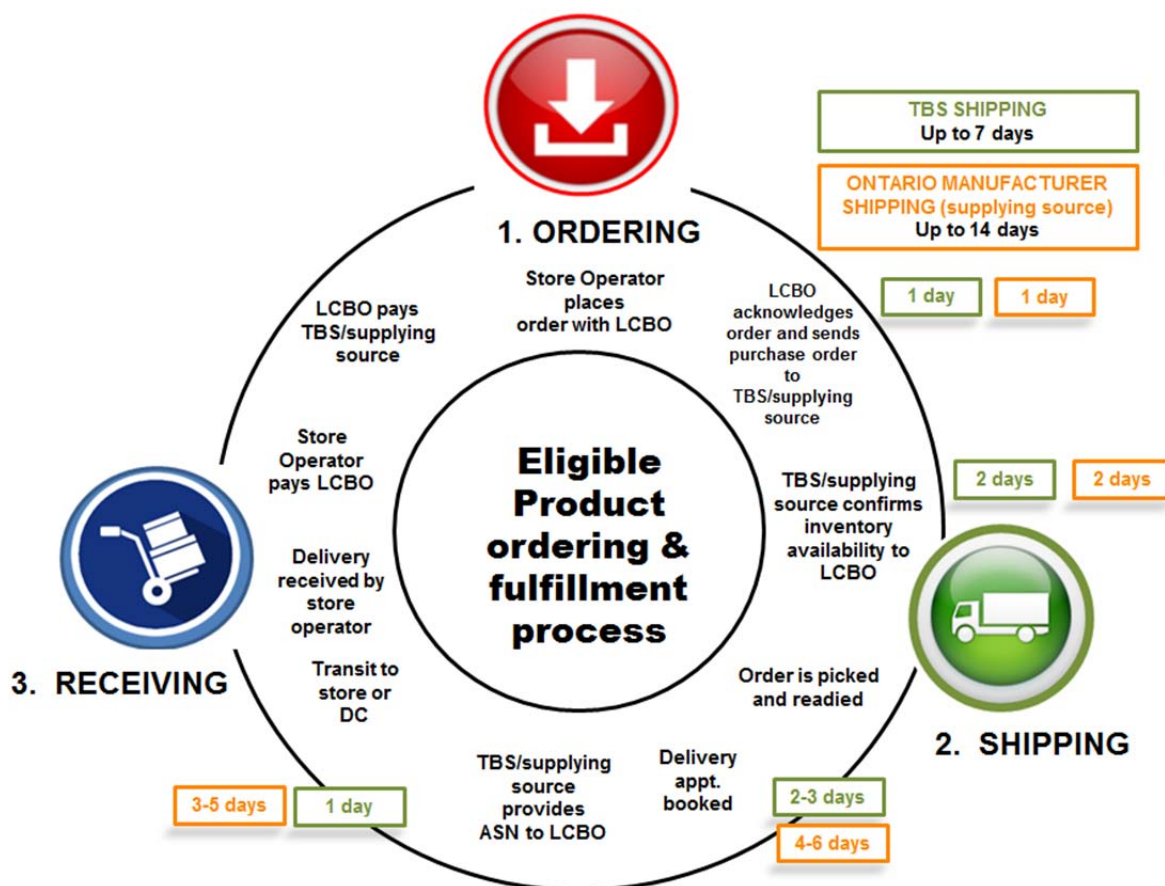
## FULFILLMENT BY: *LCBO*



DETAILED STEPS	ACTIVITY
1. Store Operator place order with LCBO from eligible beverage alcohol product catalogue	Orders are submitted online via the secured portion of GMS at <a href="http://www.lcbowholesaleoperations.com">www.lcbowholesaleoperations.com</a> .
2. LCBO acknowledges order and sends order to LCBO warehouse	LCBO warehouse confirms order availability
3. LCBO confirms inventory availability back to store operator	GMS used to confirm order availability and expected delivery date with store operator
4. Order is picked and readied, delivery appointment is booked, and the LCBO provides ASN to store operator.	These steps can vary in sequencing depending on nature of order.

<b>5. Order is in transit to either a operator’s store or a distribution centre (DC)</b>	Order and delivery is shipped according to store operator delivery specifications.
<b>6. Delivery is received by store operator. Store operator remits receipt details to LCBO or follows “deemed receipt” process.</b>	
<b>7. LCBO issues invoice to store operator</b>	Invoice is issued based on store operator’s receipts, or in the case of deemed receipts, shipment quantities.

## FULFILLMENT BY: TBS AND ONTARIO MANUFACTURERS (SUPPLYING SOURCES)



DETAILED STEPS	ACTIVITY
1. Store operator place order from eligible beverage alcohol product catalogue	Orders are submitted online via the secured portion of GMS at <a href="http://www.lcbowholesaleoperations.com">www.lcbowholesaleoperations.com</a> .
2. LCBO acknowledges receipt of order and sends purchase order to supplying source	GMS used to alert supplying source of new store operator order
3. Supplying source acknowledges inventory availability back to LCBO	Supplying sources are required to inform the LCBO of inventory availability within 24 hours of receiving order so that the LCBO can confirm back with store operators
4. Order is picked and readied, delivery appointment is booked.	These steps can vary in sequencing depending on nature of order.

5. <b>Supplying source provides ASN to LCBO.</b>	ASN required 24 hours prior to delivery.
6. <b>Order is in transit to either a store or a distribution centre (DC)</b>	Order is shipped according to store operator delivery specifications.
7. <b>Delivery is received by store operator. Store operator remits receipt details to LCBO or follows “deemed receipt” process.</b>	Delivery as agreed upon with supplying source.
8. <b>LCBO issues invoice to store operator</b>	Invoice is issued based on store operator’s receipts, or in case of deemed receipts, shipment quantities.
9. <b>Store operator pays LCBO. LCBO pays supplying source.</b>	Store operator pays LCBO. LCBO pays supplying source, terms net 30.

## GENERAL DELIVERY GUIDELINES

Store operators will receive deliveries from multiple supplying sources based on the brand of eligible beverage alcohol products ordered; either through LCBO, TBS (for domestic beer) or from one or more of the Ontario manufacturers. Supplying sources may only deliver eligible beverage alcohol products to authorized store operators to satisfy the LCBO issued purchase order.

Regardless of supplying source, the LCBO will track shipments originating from supplying sources.

### General guidelines:

- The supplying source will be responsible for arranging – where necessary – delivery appointments with the ship-to location (ie. An operator’s store or distribution centre (DC)).
- The supplying source cannot substitute products during the fulfillment and delivery process.
- The supplying source cannot attempt a second delivery for products that were originally unavailable.
- All deliveries will be freight prepaid by the supplying source, FOB ship-to location.
- Upon request, supplying source will provide LCBO with the signed proof of deliveries/bills of lading within 48 hours of a request.

## Delivery charges related to Ontario Manufacturers

As per Ontario Regulation 232/16, if the store operator charges a fee to beer, cider or wine manufacturers for providing distribution and warehousing services, the fee must be calculated in the same manner for all manufacturers and must be made publicly available.

ONTARIO REGULATION 232/16

[www.ontario.ca/laws/regulation/160232](http://www.ontario.ca/laws/regulation/160232). Store operators will not impose on any supplying sources; any penalties, fees, charges or surcharges for late delivery, non-compliant deliveries, breakages, non-compliant pallets or fill rates.

- No allowances or chargebacks to the LCBO or TBS will be accepted if store operators provide store delivery through their distribution centres.

## Supplying source responsibilities for delivery to authorized store operators

Each supplying source is expected to review the specific needs of the ship-to location to determine any unique delivery requirements. A list of ship-to locations and corresponding LCBO store numbers is available at: [www.lcbowholesaleoperations.com](http://www.lcbowholesaleoperations.com)

It is the supplying source's responsibility to confirm delivery appointments, if required, with the authorized store operators and arrange transportation. Delivery appointment will be confirmed by the supplying source, if required, with the ship-to location.

## ASN (Advanced Shipping Notification)

The Advance Shipping Notification (ASN) is a **mandatory** step in the delivery process to facilitate accurate receiving and to ensure payment to supplying sources. The ASN must be created accurately in GMS by each supplying source twenty four (24) hours prior to delivery, after the order has been picked and readied for shipment.

## Deemed Shipments

Effective July 1, 2016:

Supplying sources **who do not** enter their ASN details into the Grocery Management System (GMS) within 14 days of receipt of an order will have their shipment quantities defaulted to zero (0), which can negatively impact payment.

## Shipping Documentation

The following shipping documentation **must** accompany each shipment and be type faced and not hand-written:

1) **Bill of Lading (BOL)** must contain the following information:

- Identification of ship-to-location (store operator name and LCBO store #)
- Store operator purchase order number
- Total number of pallets
- Total number of cases
- Identify any company-owned or returnable pallets
- Must be marked 'freight prepaid'

2) **Packing Slip** must contain the following information:

- Identification of ship-to location ( store operator name and LCBO store #)
- Store operator purchase order number
- Itemized list of the shipment including
  - LCBO Item #
  - LCBO Item Description
  - Quantity of delivery in **cases**

## Upon Delivery

Store operators must sign the transportation BOL to verify the number of pallets and cases received. At the time of delivery, any observed damages to product or variances in the quantities of pallets and cases, is to be noted on the BOL. The supplying source's delivery representative shall follow all safety policies and procedures in effect at the applicable receiving location.

## Key summary points to note

- Supplying sources ship as per the LCBO's purchase order.
- Supplying sources can ship in quantities less than or equal to the purchase order amount.
- Supplying sources will deliver product in accordance with lead times.
- Supplying sources will not:
  - Back order product.
  - Substitute other products to top-up an order, nor replace unavailable products.
  - Attempt a second delivery for products that were originally unavailable.
- If supplying source cannot ship product, "0" (zero) must be entered into both the ACKNOWLEDGEMENT and ASN (advanced shipping notification) fields in GMS (Grocery Management System).

## **SECTION 5**

### **PAYMENT PROCESS AND TERMS**



## **PAYMENT PROCESS AND TERMS**

### **Payment process and terms for grocery and wine boutique orders fulfilled by TBS and Ontario manufacturers of eligible beverage alcohol products**

The LCBO will issue payment to supplying sources based on store operator weekly receipts. In the event weekly receipts are not submitted by store operators, payment will be made based on shipment quantities entered in GMS by supplying sources (known as the 'deemed receipt' process).

Any variances between shipping and delivery reports will be investigated by the LCBO Grocery Operations Group. Upon request, supplying sources must provide the LCBO with signed proof of deliveries/bills of lading within 48 hours of a request to support any required invoice adjustments.

Supplying sources shall not set off any amounts owed to the LCBO relating to grocery or wine boutique deliveries.

Invoices are issued on a weekly basis for deliveries made in the previous week (Sunday – Saturday).

For supplying sources that deliver directly to store operators payment terms are 30 days from the date of the store operator's invoice and payments will be issued by direct deposit.

Supplying sources must not include grocery or wine boutique deliveries on invoices sent to the LCBO. Invoice and payment details including store operator name and store number, BOL (Bill of Lading) number, PO number, SKU, cases shipped, cases received, supplier quote, container deposit, freight rebate (where applicable) and HST will be available in iSupplier.

For information on registering for iSupplier, please visit <http://www.doingbusinesswithlcbo.com/tro/Web-Systems/iSupplier.shtml> or email [isupplier@lcbo.com](mailto:isupplier@lcbo.com).

### **Payment process and terms for orders fulfilled by LCBO**

There is no change to the current process and terms.



## **SECTION 6**

### **RETURNS AND CLAIMS**



## RETURNS AND CLAIMS

All sales of eligible beverage alcohol products made to store operators by the LCBO are final under the Wholesale Supply Agreement that the store operator has entered into with the LCBO. Store operators may request to the LCBO to:

1. Return unopened, saleable eligible beverage alcohol products to the supplying source
2. Claim reimbursement for product quality related issues:
  - Product recalls
  - Product quality complaint returns
3. Claim reimbursement for damaged, unsaleable inventory received from a supplying source.

Saleable condition means that the product:

- Is unopened with tamper evident seals, labels and original packaging intact and with no visible tampering
- Is in its original condition
- Is in its original selling unit (for example, a full case)
- Has no evidence of age related deteriorations
- Is not stale-dated

The following applies to all returns and claims:

- All returns and claims are initiated by the store operator and must be submitted to the LCBO by the store operator for approval.
- Store operators must complete and return forms to process a return/claim.
- Once approved, the supplying source and the store operator must mutually agree on a time for pick-up of the returned product(s).
- Eligible beverage alcohol products damaged by store operators are ineligible for returns.
- Reimbursement to store operators for returns will be based on original purchase price and will be issued via credit memo by the LCBO.
- Deductions to suppliers by the LCBO will be based on original quote and will be issued via debit note.

## 1. Saleable Product

A store operator can make a request to the LCBO to return saleable product when:

### 1.1 A shipping error occurs

The product is in saleable condition and the supplying source makes an order error.

1.1.1 Examples of shipping errors include, but are not exclusive to:

- Picking error (wrong product placed on the error)

### 1.2 Other

The product is in saleable condition but returned for other reasons

1.2.1 Examples of other reasons include, but are not exclusive to:

- Store operator out of business
  - Licence suspended
- i) Once the return is approved by the LCBO, the supplying source will coordinate with the store operator to mutually agree on a time, and arrange for pick-up of the returned products by the supplying source.
- ii) All returns must be in original packaging and/or shipping container (i.e., cartons or trays). When a product is returned because of a supplying source error, freight charges – if necessary – are covered by the supplying source.
- iii) Store operators must complete and return forms to process the return.

## 2. Product Quality Issues

2.1. Product Recalls are initiated by the LCBO on behalf of the supplier or agent.

There are three types of product recalls:

- Class 1 which may pose an “immediate or potential health hazard”
- Class 2 requiring product removed from sale but may escalate to Class 1 after further investigation (example of this is foreign material present in bottle)
- Floor Price Product Recall: **ONLY APPLIES TO GROCERY OPERATORS AUTHORIZED TO SELL WINE**

When the LCBO has confirmation of a recalled product, ***specific instructions will be provided by the LCBO to the store operator via email regarding.***

- Removal of the product for sale, any public notices required and return of the recalled product to the supplying source
- Making a claim for reimbursement

- 2.2 Product Quality Complaints may or may not require further investigation and refund or exchange to retail customer is based on store operator's return policies.
- i) Customers general complaints do not generally require further investigation and include, but are not limited to:
    - Off colour
    - Off odour
    - Off taste
    - Sediment in bottle
  - ii) Product Quality Complaints requiring further investigation include, but are not limited to:
    - Alleged illness
    - Property damage
    - Personal injury
    - Customer requests for investigation

Product Quality Complaints require the store operator to complete the **Product Quality Complaint** form that is available at [www.lcbowholesaleoperations.com](http://www.lcbowholesaleoperations.com) website. If the store operator issues a refund to the customer, the store operator may submit a request to the LCBO to be reimbursed by completing both the **Product Quality Complaint** form (including valid proof of purchase information from the customer) along with the Return/Refund Authorization form and email it to the LCBO at [wholesalereturns@lcbo.com](mailto:wholesalereturns@lcbo.com). The LCBO will issue a debit note to the supplier for the cost of the returned product, including all supporting documentation.

### **3. Claims for reimbursement for short shipments, damaged and unsaleable inventory within 72 hours of delivery**

After receiving, claims may be made by the store operator for short shipments, damages or incorrect shipping, including:

- Goods received in bad order (e.g., short in case, dry breaker, stale dated upon receipt)
- Defective product
- In-transit damage not identified at the time of receipt (e.g., breakage, frozen or heated load)
- Unsaleable inventory found while unloading or stocking shelves
- Short shipments discovered after receiving

Store operators are required to submit a Store Operator Adjustment Report to the LCBO, along with supporting documentation, including photos, as requested by LCBO. Upon

LCBO review and approval, specific instructions will be provided to the store operator by the LCBO. Where a payment adjustment is required, the LCBO will issue a credit note to the store operator and a debit note to the supplying source for the cost of the product.

Unless the LCBO provides specific instruction for the return of eligible beverage alcohol products to a supplying source in connection with a product recall or claim, store operators are responsible for the destruction of damaged and unsaleable eligible beverage alcohol products.

In the event the product is to be returned to the supplying source, the supplying source will coordinate with the store operator to mutually agree on a time, and arrange for pick-up of the returned products by the supplying source. Freight charges – if necessary – are covered by the supplying source.

Store operators must complete and return forms to process the return/claim.

#### **4. Sampling Program Claim: Wine Boutique Operators only**

- Wine boutique operators can apply to the LCBO to be refunded the cost of up to 10 (ten) bottles per SKU (stock keeping unit) per store per LCBO fiscal year for wine manufactured by other wineries (i.e. non wine boutique owner wines)
- The LCBO will review the claim and upon approval charge back the cost of the product to the manufacturer, which will be issued via debit note.

#### **5. Floor Price Product Recall: Grocery Operators authorized to sell wine only**

Wine sold by an authorized grocery operator is subject to a grocery floor price. In the event that the retail price of a wine product falls below the regulated floor price **specific instructions will be provided to the grocery operator by the LCBO.**

The supplier will be charged back for all related costs incurred as a result of the recall.

## GLOSSARY OF TERMS

### **AGCO**

Alcohol & Gaming Commission of Ontario; regulating body for the sale of beverage alcohol in the province of Ontario.

### **ADVANCE SHIPPING NOTIFICATION (ASN)**

Created 24 hours prior to when an order is released for shipping and defines which product is being shipped and in what quantity

### **BOL**

Bill of Lading

### **CREAM WINE**

An alcoholic beverage made from wine and added milk ingredients.

### **ELIGIBLE BEVERAGE ALCOHOL PRODUCTS**

Include beer and cider products as defined by ONTARIO REGULATION 232/16. Eligible products for each individual grocer location(s) are defined in the Wholesale Supply Agreement.

### **GROCERY MANAGEMENT SYSTEM (GMS)**

The system by which store operators place orders for eligible beverage alcohol products

### **GROCERY FLOOR PRICE FOR WINE**

Minimum price, by size, at which wine products can be sold by a grocery operator under a beer and, wine authorization or restricted beer and wine authorization. The complete version of the table below can be found in ONTARIO REGULATION 232/16 at

[www.ontario.ca/laws/regulation/160232](http://www.ontario.ca/laws/regulation/160232)

Container size (in millilitres)	Retail Price in dollars
50 or less	\$0.85
200	\$3.35
250	\$4.10
300	\$4.80
375	\$5.90
400	\$6.20
500	\$7.60
600	\$9.00
720	\$10.65
750	\$10.95
1000	\$14.05
1500	\$20.15
2000	\$25.90
2250	\$28.75
3000	\$37.90
4000	\$49.35

## **LCBO GROCERY OPERATIONS GROUP**

Fully dedicated team inside the LCBO to serve wholesale customers and partner with suppliers and supplying sources.

## **LTO**

Limited Time Offer

## **MALT BASED COOLER**

An alcoholic beverage that is produced from a base of malt blended with juice, water, carbon dioxide or flavouring and that does not have the aroma or taste commonly attributed to beer.

## **MID-SIZED WINERY**

Wine manufacturer with worldwide sales of less than 4.5 million litres

## **NISS**

New Item Submission System used to register products for wholesale to store operators.

## **OBM**

Ontario beer manufacturer

## **REGULATION**

Ontario Regulation 232/16 under the Liquor Control Act regarding the sale of eligible beverage alcohol products in grocery stores and wine boutiques (as the same may be amended from time to time)

## **QUALITY ASSURANCE WINE**

Wine (excluding cider) that is designated as meeting the quality control standards of a statutory appellation of origin regime that certifies, in the aggregate, less than 50 million litres of wine (excluding cider) annually.

## **SMALL PRODUCERS**

### ***Brewery***

Beer manufacturers with worldwide production of less than 400,000 hectolitres of beer in volume/year.

### ***Cidery***

Cider manufacturers with worldwide production of less than 25,000 hectolitres of cider in volume/year

### ***Winery***

Wine manufacturer with worldwide sales less than 200,000 litres of wine per year

## **SUPPLIER**

Manufactures product and makes products available for wholesale through the LCBO

**SUPPLYING SOURCE**

Delivers eligible beverage alcohol products to authorized store operators as directed by LCBO

**TBS**

The Beer Store

**WHOLESALE SUPPLY AGREEMENT (WSA)**

Agreement of business terms between the LCBO and authorized store operators for the wholesale of eligible beverage alcohol products.

**WINE BEVERAGE**

A wine-based cocktail or an alcoholic beverage that is produced from a base of wine that may have added to it flavouring or flavouring preparation, juices, colour and sugar, that does not have the aroma or taste commonly attributed to wine and that is available in a spirits-based version.