

# LCBO

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Friday July 22, 2016

RE: **Follow up to Information Session on Wine in Grocery Program: Wine Boutiques**

Dear Trade Partners:

During the week of July 11<sup>th</sup> LCBO Grocery Operations presented to you the outlines of the wine in grocery program including the steps and timelines to register your products to participate. During this presentation, a general overview of the governing regulation, Ontario Regulation 232/16, *Sales of Liquor in Government Stores*, was provided and at that time did not include wine boutiques (referred to as co-location in the presentation). The government has since approved amendments to the regulation to permit wine boutiques. As of today, an updated version of the regulation that incorporates wine boutiques, can be found at the following link: <https://www.ontario.ca/laws/regulation/160232>.

The regulation permits winery retail stores adjacent to grocery stores to operate from inside the shopping area of the grocery store and permits their wine to be purchased through the grocer's check-out, subject to the requirements of the regulation. These stores will be known as "wine boutiques".

The regulation allows for up to 70 wine boutiques to be authorized. Four owners of winery retail stores are eligible for authorization: Andrew Peller Limited, Colio Estate Wines, Constellation Brands Canada, and Magnotta Winery Estates. Wine boutique owners are required to sell the wines of other Ontario manufacturers, other than these four, meet certain shelf space requirements for VQA wine and wine from small wineries, and achieve sales targets for VQA wine and wines of other manufacturers. As emphasized in our presentation, I encourage you to familiarize yourself with this program and consider registering your wines for sale in wine boutiques.

The information session provided the timeframe and process by which wine manufacturers register existing eligible products for participation in wine in grocery. As indicated in the presentation, as of Monday July 18<sup>th</sup>, the excel spreadsheet (Product Template – Wine in Grocery) is available on our website at: [www.doingbusinesswithlcbo.com/big/supplier.html](http://www.doingbusinesswithlcbo.com/big/supplier.html) for download to submit SKU information for existing eligible products you wish to make available to grocers. It is here that you will indicate where you wish to make your product(s) available (wine boutiques, grocery stores with beer and wine authorizations and/or grocery stores with restricted beer and wine authorizations.) The template is now updated to include wine boutiques (Product Template – Wine in Grocery UPDATED).

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**For each product (LCBO item # or NISS item #) confirm:**

- **Available to Wine Boutique: YES or NO**
- Available to Beer and Wine Authorization: **YES** or **NO**
- Available to Restricted Beer and Wine Authorization: **YES** or **NO**
- Producer Size: **SMALL** or **MID-SIZE**
- Quality Assurance Wine\*: **YES** or **NO**
- Single Country Grapes: **YES** or **NO**
- Country Production: **YES** or **NO**
- Supplying Source: **LCBO** or **PRODUCER**
- Master **UPC** and **SCC**

For any new Ontario wine product, identified as a product that does not currently have an LCBO item # or NISS item #, the grocery product call opens on Monday, July 25. The option to make your product available to wine boutiques will be available to select in NISS at the time of submission.

I would also like to take the opportunity to reiterate that the LCBO is the wholesaler of record for all beverage alcohol sold to authorized grocers. This means that grocers place all of their orders for beverage alcohol with the LCBO and the LCBO purchases beverage alcohol from suppliers/agents. The LCBO pays suppliers/agents the same amount for a product whether that product is retailed through an LCBO store or a grocery store.

For further details on the process steps and timelines the presentation, in its entirety, is available at the following link: <http://www.doingbusinesswithlcbo.com/big/supplier.html>. If you have any questions, please contact myself at 416-365-5714 or [chris.dini@lcbo.com](mailto:chris.dini@lcbo.com) or Leanne Rhee at 416-365-5889 or [leanne.rhee@lcbo.com](mailto:leanne.rhee@lcbo.com)

Sincerely,



Chris Dini  
Director, Grocery Operations