



Discover the World

March 8, 2010

Attention: To all Trade Councils

Please share the following updates with your membership.

A \$265 Promotional Fee will be applied on the following Promotional Turns:

Turn 1, 2010 – Wines:

The Promotional Fee will be charged to all Wines SKUs.

The fee will be waived for the SKUs participating in the following programs: POD Displays, Hero Display, End Aisles Displays, Shelf Extenders, Mini-Thematic and Newspaper Free Standing Inserts advertising.

Turn 2, 2010 - France:

The Promotional Fee will be charged to all Wines, Spirits and Beers SKUs produced in France

The fee will be waived for the SKUs participating in the following programs: POD Displays, Hero Display, End Aisles Displays, Shelf Extenders, Mini-Thematic and Newspaper Free Standing Inserts advertising.

Turn 3 & 4, 2010 - Patio Season:

The Promotional Fee will be charged to all Gin, Rum, Vodka, Tequila, Canadian Whisky, Coolers, Cocktails-to-Go and One Pour Cocktails SKUs.

The fee will be waived for the SKUs participating in the following programs: POD Displays, Hero Display, End Aisles Displays, Shelf Extenders, Mini-Thematic, Newspaper Free Standing Inserts advertising, Seasonal Gifts, Premium Fixture products, Seasonal Blockpile, and 50 mL & 200 mL.

Turn 5, 2010 – Beers:

The Promotional Fee will be charged to all Beer SKUs.

The fee will be waived for the SKUs participating in the following programs: POD Displays, Hero Display, End Aisles Displays, Shelf Extenders, Newspaper Free Standing Inserts advertising, Seasonal Blockpile, Combo stores-only, Mix & Match, One-shot Premium Specialty Beer Program and Ontario Craft Beers with limited distribution SKUs.

Turn 8, 2010 – Whisky:

The promotional fee will be charged to all Whisk(e)y SKU's - Canadian, Scotch, American, Irish, Imported.

The fee will be waived for the SKU's participating in the following programs: POD Displays, Hero Display, End Aisle Displays, Shelf Extenders, Whisky Mini-Thematic, Newspaper Free Standing Inserts advertising, Seasonal Gifts, Premium Fixture products, 50 mL and 200 mL SKUs.

The website www.lcbotrade.com will be updated shortly.



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New Spirits strategies:

We have also reviewed the eligibility of Spirits products to our promotional programs. The new Spirits Category strategies are:

- Standard products will not be approved for End Aisles display unless at the Category Manager's discretion.
- Two out of three products on an End Aisle Display must participate in a support program¹, only one of which may be a necktag.
- If an End Aisle Display is shared between three suppliers, all three products must participate in a support program, none of which can be a necktag.
- A necktag is no longer considered a sufficient support program when a product participates to the Shelf Extender program.

Please also note the following clarification regarding the participation of standard priced Spirits on End Aisle displays and in regular shelf positions:

- If one SKU in a brand family is moved to a lower price band, then the entire brand family is considered as part of that price band.
 - Consequences for brand families that fall into the standard price band will include loss of sold space for the entire brand family.
 - Other consequences include change of shelf position; the brand family will be merchandised with the correct subset

If you have any questions with regards to these updates, please do not hesitate to contact the appropriate Category Manager.

Best regards,

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¹ Support Programs: Bonus Air Miles®, Bundled Bonus Air Miles®, Limited Time Offer, IMAGE Shelf Talker, Value Add, Necktag, Contest.