



The Source for Entertaining Ideas

June 11, 2009

Re: LCBO WINES Product Needs Letter For 2009

Attached is the LCBO WINES Category's product needs for the balance of the 2009 calendar year. Product needs for the first half of 2010 will be released later this year.

Our product needs this year are for specific regions and varieties at targeted price bands, and we ask that you adhere to the criteria outlined in the product needs. Products submitted outside of this criteria can not be considered for purchase. Should you wish to present a product outside the specific parameters of the call, please contact the appropriate Category Manager.

Product Submissions:

The LCBO WINES category will place greater emphasis on price / quality relationship this year, and all new products will be evaluated by an organoleptic assessment conducted by both the LCBO tasting panel and the WINES Category Management team. As such, we will now require two samples of each product per submission. A third sample will be required for laboratory analysis, should your product be accepted.

All new products presented to the WINES Category are expected to have a strong brand appeal and significant marketing budgets. Submissions are to be made through the LCBO's New Item Submission System (NISS). Please visit www.lcbotrade.com for instructions on using this system.

All submissions must include:

1. An application submitted in the New Item Submission System (NISS).
2. A one-page Marketing Plan, including itemized marketing spend for year one.
3. Two samples of the product

Environmental Packaging

The LCBO continues to pursue an environmental strategy in keeping with the high priority that the government and our customers place on preserving Ontario's natural heritage. Special consideration will be given to products in light weight glass bottles and / or made using sustainable agriculture and production practices. Current LCBO standards for light weight glass are bottles weighing 340g to 420g. Please discuss with the appropriate Category/Product Manager if you require additional information. Priority will also be given to products with Screw Cap closure.

Sales Targets

Finally, new this year is the introduction of updated Sales Targets. All new and existing products will be subject to a Net Dollar sales target determined by our current business. More detailed information on the actual targets will be forthcoming in the coming weeks.

Thank you for supporting the LCBO WINES category.

Sincerely,

Kathy Cannon
Business Unit Director, WINES

cc B. Downey, S. Mogk-Edwards
Attachment: LCBO WINES 2009 Product Needs

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