

Saskatchewan Liquor & Gaming Authority

Wholesale Policies and Supplier Manual

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1. Our Company

SLGA is responsible for the distribution and regulation of liquor and gaming products across the province, and is committed to promoting social responsibility and public safety in both liquor and gaming activities. Liquor is retailed in Saskatchewan through a mixed public-private system. SLGA owns and operates beverage alcohol retail stores in several communities throughout the province and also partners with privately-owned beverage alcohol retail stores.

SLGA also plays the primary role in warehousing and wholesaling alcohol. SLGA is also responsible for regulating the sale and service of alcohol in the province with oversight of establishments that serve and/or retail alcohol.

A. Mission

SLGA serves Saskatchewan people with excellence, contributing to economic growth through the socially responsible distribution and regulation of liquor and gaming products, directly and with our partners.

B. Vision

To be the best liquor and gaming distributor and regulator in Canada.

C. Liquor Wholesale & Distribution Division (LWDD)

A division of SLGA, Liquor Wholesale and Distribution is accountable for the product selection, procurement, and distribution of all products sold in the Saskatchewan market.

LWDD builds and maintains relationships with our customers and business partners to ensure delivery of the right products, at the right price, at the right time to our Retail Store Permittees (RSPs).

2. Purpose of This Document

The purpose of this document is to:

- Provide a basic understanding of SLGA's wholesale category and product management policies and procedures.
- Document objective processes through which beverage alcohol agents/suppliers can access the Saskatchewan wholesale market.
- Establish criteria used to decide wholesale listing and delisting of beverage alcohol products.
- Communicate policies and procedures that agents/suppliers must follow when distributing beverage alcohol in Saskatchewan.

3. New Agent/Supplier Requirements

A. Letter of Authorization

Letters of Authorization are necessary for any agent/supplier, authorizing them to manage a product or portfolio. If an agent is replacing an existing agent as a representative, the supplier/manufacturer needs to provide a letter of authorization/de-authorization before any new business can be carried forward. Samples for Letter of Authorization and Letter of Authorization/De-Authorization are found on the Agent/Supplier Portal.

B. Accounts Payable Banking Instructions

SLGA requires a completed accounts payable banking form, found on the Agent/Supplier Portal, in order to pay agents/suppliers.

4. Product Life-Cycle

The general lifecycle for a product at SLGA is:

- Agent/supplier submits a listing application.
- SLGA evaluates the product and approves or declines the application.
- If approved, SLGA sets up the product in the systems and places a purchase order.
- Product is received at the Distribution Centre (DC).
- SLGA makes the product available for RSPs to order.
- SLGA evaluates the product during the corresponding listing call, leaving as Core or delisting as appropriate.

5. Listing Call Process

Effective October 2018, SLGA has moved to a 'call-out' process. Each month, as per the listing schedule (Schedule A), Category Management will post the call-out details on the [Supplier section of the website](#), including the specific products that will be considered to complement and help grow the category. Applications for products that do not fit the call-out may be reviewed; however the primary focus will be on the products meeting the specifics of the call-out as they will most help SLGA grow the category.

The listing schedule has been significantly revised and now follows this format:

- 1st Monday of the month – call-out posted.
- 4th Monday of the month – deadline: applications due/listing call closes.
- 4 weeks after the deadline – approvals and declines communicated.

*Holiday/Seasonal Gift Packs follow a separate timeline – see the Holiday/Seasonal Gift Pack section below for details.

The Listing Committee reserves the right to decline a listing application if it is determined that the product offends prevailing community standards or contradicts the promotion of the responsible use of beverage alcohol products.

The application process varies based on the type of listing being sought, and are as follows:

A. Core Listing

Definition: Products that fit within the category strategy and are expected to achieve sales forecasts are given a Core listing. These products are available through the DC on an ongoing basis. There are typically no restrictions on the distribution of these products and they will be available for all RSPs to order.

How to apply: Applications for Core listings must be made according to the listing schedule (see Appendix A) and must include a completed application form (found on the Agent/Supplier section of the website), sample(s), digital bottle image and other supporting information that will help Category Management award a listing. Listing applications must be accurate and complete, and product samples received by the listing application deadline; incomplete and late applications will not be considered.

Applications must be [submitted online or](#) emailed to listings@slga.gov.sk.ca

If the product is a line extension, only the application (no sample) is required.

Applications that have been unsuccessful through the listing review process may not be reconsidered again for 12 months, at the discretion of SLGA.

Samples: The number of samples required for each category is:

Wine	2 bottles
Spirits/ Liqueurs	1 bottle
Beer/Coolers/Ciders/Cocktails	4 cans/bottles (single servings) OR 1 bottle (750 ml or larger)

Samples **MUST** be sent via courier (NOT Canada Post) and are to be delivered to:

SLGA Listing Committee
c/o SLGA Distribution Centre
12252 Ewing Avenue
Regina, SK S4M 0A1

Samples sent to SLGA from outside Canada for the purposes of an SLGA wholesale listing review are not subject to any fees. Agents/Suppliers may not ship samples to Saskatchewan for purposes other than an SLGA wholesale listing application.

Agents/suppliers wanting to bring in non-listed products for sampling with RSPs and CPs must work with the RSP/CP to bring in the product through the existing Special Order process. Arrangements for both the ordering of the product and any special pricing negotiations must be made directly with the RSP/CP.

Off-call applications: Applications submitted outside of the listing schedule will typically be held until the next corresponding listing call. At the sole discretion of Category Management, off-call applications for products showing sudden and significant growth in sales numbers in other parts of Canada, or new products that are unique from others in its category may be reviewed [with the next listing call](#), regardless of category.

B. Conditional Listing

Definition: Products that will be trialed in-market to determine category fit and market adoption will be given a Conditional listing, which will include specific conditions, such as sales expectations, promotional programs, and product availability; the conditions must be met within a 6 or 12-month time frame. Conditions and time frames will be determined on a case by case basis.

Conditional items will be stocked in the DC and treated as a Core listing until condition review. If conditions are not met, the Listing Committee has sole discretion to delist the product at any time with no advance notice or appeal; conversely, if conditions are met or exceeded, the product may be moved to a Core listing. Conditional listings may be re-ordered and the time-frame extended as required by the Listing Committee.

How to apply: Conditional listings cannot be applied for and are at the sole discretion of the Listing Committee as an alternate option to an application for a Core listing.

C. Agent/Supplier Limited Allocation

Definition: Products which have a limited quantity available for Saskatchewan will be considered for an Allocation listing.

Typically these products are released/purchased once per year. New vintages of previously allocated products are considered new and will require an application yearly. Agent/Supplier Limited Allocations can be submitted at any time (off-call).

Inventory will be available to all RSPs on a first-come, first-served basis. However, the quantity available per order may be limited.

How to apply: Applications for Agent/Supplier Limited Allocation are accepted at any time. Each submission must include a completed application form (found on the Agent/Supplier section of the website), digital bottle image and other supporting information, emailed to listings@slga.gov.sk.ca.

Once a product has been approved for allocation the following steps are taken:

- Allocations are announced to RSPs on Friday.
- Orders are taken from RSPs on a first-come, first-served basis, with maximum quantities available per RSP.
- Orders are amalgamated for a period of one week or until sold out, whichever comes first.
- At the close of the Allocation, orders are shipped with the next RSP order.
- Additionally, RSPs can identify if they want more than the allowable quantity, and if product remains it will be distributed accordingly
- If product remains after the Allocation, it becomes part of the regular ordering process until stock is depleted.

D. Special Order

Definition: Special Order products are those which are not stocked in the DC, but are ordered for a customer/RSP on an as-needed basis. Once the products arrive at the DC, they will be sent out on the next regularly scheduled shipment.

Special Orders include products that are specifically requested by an RSP, a commercial permittee, consumer, wine club, or special-event permittee.

How to apply: When a customer requests a Special Order product, the Special Order team will reach out to the agent/supplier to arrange the purchase and will provide the application form at that time.

Other: Special Order products may be selected at SLGA's discretion for inclusion as a Core listing if they meet the overall category need.

E. Exclusive Products

Definition: Products that are available only to specified RSPs.

Exclusive Core products must fit the category need and will be available through the DC to the appropriate RSPs, as per the exclusivity agreement.

If the product is not a Core listing, it will be available through Special Orders by appropriate RSPs, as per the exclusivity agreement.

How to apply: Overall accountability for product exclusivity is the responsibility of the agent/supplier, who is accountable for notifying SLGA if the product is considered exclusive. SLGA will make every attempt to limit orders of exclusive products to the customer indicated by the agent/supplier.

F. Third-Party Distributed Products

Definition: Products distributed by approved third-party distributors in Saskatchewan.

How to apply: A listing application form, pricing worksheet and product image must all be submitted four weeks in advance of the launch date. SLGA will set up the product in SLGA systems and assign a product-item number, which is required to distribute the product. Note: products applied for later than 4 weeks in advance, may not be ready for expected launch.

Application, pricing worksheet and price list are to be sent to wholesalepricing@slga.gov.sk.ca and cc: listings@slga.gov.sk.ca.

Approved third-party distributors can only distribute beer, ciders, and non-alcoholic beer products. All other products must go through the Wholesale Listing process for distribution through the SLGA DC.

Exclusions: Authorized local producers may distribute their products directly.

G. Product Exchanges

Definition: Rebranding and/or repackaging of a currently-listed product.

How to exchange: A listing application for the new product is required (found on the Agent/Supplier section of the website), including bottle image, and must be given with as much notice as possible to ensure a smooth transition to the new product. Failure to notify SLGA of such changes in advance may result in delays and/or delisting.

6. Listing Evaluation Criteria

Product listing applications are evaluated are based on the following criteria, as well as the overall judgment of the Listing Committee:

- Category need – preference will be given to products that meet the call-out criteria.
- Brand/product – brand and product performance across Canada; product differentiation; third-party awards and accolades; innovation in product.
- Marketing – marketing and promotional plans, both provincially and nationally; agent/supplier-forecasted sales.
- Taste – taste of the product. Note: an unacceptable score from the tasting panel may cause the application to be rejected.
- Packaging – label and package appeal.
- Agent/supplier – agent/supplier relationship with SLGA, including but not limited to ease of working with, regular and effective communication, accurate and timely applications, availability of stock; local presence and participation in tradeshow and other activities; and accuracy of sales forecasts.

7. Category Reviews and Delisting

Product performance reviews for the purpose of delisting will be done in conjunction with the listing schedule. Core listings will be delisted as a result of poor sales performance and market demand, or based on a lack of fit with the category strategy.

Upon performance review, Category Management may send emails notifying agents/suppliers that specific products are underperforming and may be delisted in future if sales do not increase. Note: notice of underperformance is considered a courtesy and is not required before delisting a product.

Agents/suppliers are responsible for monitoring the performance of their products.

Once it has been determined that a Core listing product will be delisted, the agent/supplier will be notified in writing. Any outstanding purchase orders will be cancelled, if applicable and possible, and no further purchase orders will be issued.

SLGA reserves the right to delist any product without notice due to:

- Inconsistent supply, product unavailability and/or inability to fulfill orders.
- Failure to comply with the Canadian standard case weight of 18.9 kg.

- Failure to comply with federal labeling and advertising standards.
- Offense to prevailing community standards.
- A marked increase in wholesale price resulting from a revised agent/supplier quotation or foreign exchange fluctuations.

When a product is delisted, for any reason, to facilitate the clear-out of the product from the DC, SLGA may decrease the wholesale price up to 25% for all remaining inventory. The agent/supplier will be invoiced for the difference in landed cost on the product, multiplied by the inventory on hand in the DC on the effective date of the price reduction. SLGA is under no obligation to purchase residual inventories held by the agent/supplier.

8. Listing Committee and Tasting Panel

The purpose of the Listing Committee is to evaluate beverage alcohol products for wholesale listing and delisting in a timely, equitable and socially-responsible manner.

The Committee fulfills this role by:

- Ensuring its decisions are consistent with SLGA's mission for the distribution, control and regulation of alcohol throughout Saskatchewan in ways that promote transparency, fairness, and fiscal and social responsibility.
- Providing its stakeholders with excellent customer service.
- Applying the Listing Policy equitably to all products.
- Appointing individuals to the Tasting Panel*.
- Evaluating, approving and implementing changes to the Listing Policy, guidelines and criteria.
- Ensuring policy, guidelines and criteria are communicated to agents/suppliers.
- Ensuring listing decisions and reviews receive timely attention and are dealt with in an objective and consistent manner.
- Ensuring meeting notes document decisions on product listings and delistings.
- Communicating Committee decisions to successful and unsuccessful agents/suppliers in writing.

The committee consists of: Product Managers; Manager, Category Strategy; Director, Supply Chain and Category Strategy; and VP, Liquor Wholesale and Distribution. A minimum of three members of the committee must be present to achieve quorum.

*The Tasting Panel is comprised of qualified, accredited individuals. There are six panel members and a minimum of three members must be present to achieve quorum.

9. LION Reporting

Agents/suppliers are expected to monitor the performance of their products and can do so through SLGA's Liquor Information On-line (LION) system, which provides reports on distribution of beverage alcohol within the province. The reports include information on both SLGA wholesale and privately-distributed products to help agents/suppliers manage their products.

For new-user access to LION reporting, email your Agent/Supplier ID number, email address, phone number, and address to LionComments@slga.gov.sk.ca.

10. Product Standards

Products must meet the requirements of the *Canadian Food and Drugs Act and Regulations*, and *The Litter Control Act*. In the event that there are issues with the product standards, it is the agent/supplier's responsibility to resolve the issue, or pay for the disposal of the product.

Agents/suppliers shall ensure that labels meet the requirements of all Federal legislation. These regulations can be found in the *Guide to Food Labelling and Advertising – Chapter 10*, available on the *Canadian Food Inspection Agency* web site.

All sales units must bear the Universal Product Code as outlined in the *Product Identification Standards Manual*, as issued by the Canadian Association of Liquor Jurisdictions.

All shipping cases must conform to the Case Label Specifications as contained in the *Product Identification Standards Manual*, issued by the Canadian Association of Liquor Jurisdictions. Each case must be labelled with the GTIN/SCC code. Case weight must not exceed 18.9 kg (41.58 lbs).

11. Value-Add Programs

Value-adds can be used to promote product and drive sales. Consideration should be given to driving customers up the value chain by offering value-add of and on premium-priced products.

Value-adds include both alcoholic and non-alcoholic items, which are attached to the bottle at no additional cost to the consumer. The application form can be found on the Agent/Supplier Portal.

The following terms and conditions apply to all value-add programs:

- The value-add must not bring the product below Social Reference Price (SRP).
- All value-adds must be applied for **3 periods in advance**.
- Value-adds are not permitted at the same time as LTOs due to SRP.
- The total case weight, including the value-adds, must not exceed 18.9 kilograms or 41.58 pounds.
- To manage inventories, SLGA reserves the right to approve the application with different order quantity than applied for.

A. Beverage Alcohol Value-Add Items

An agent/supplier must submit an application to have beverage alcohol value-adds included on beverage alcohol containers.

The following rules apply to all beverage alcohol value-adds:

- Maximum one value-add applied per container.
- Value-add must be a maximum of 50ml.
- Value-add must be attached to the container.
- Beverage alcohol value-adds are permitted on 750 ml, 1140 ml, and 1750 ml containers only.
- Value-add containers must be labeled “not for resale” and must not be labelled with a UPC barcode (or the barcode must be defaced before shipment to SLGA).

Plant-Applied Value-Adds

- Agents/suppliers will be invoiced the following:
 - SLGA markup (\$0.10) per 10 milliliters of value-add beverage alcohol.
 - Environmental surcharge (\$0.07) per value-add container.
 - Refundable deposit (\$0.10) per value-add container
 - GST (\$0.06) per value-added container.
- Plant-applied value-adds must be domestically-sourced, and must be duty-paid.
- Plant-applied value-adds can be promoted via the Marketing Promotions (see below for details).
- For wholesale distribution, value-adds must be plant-applied at the production facility or participating agent-stocked warehouses.

Rep-Applied Value-Adds

- Rep-applied value-adds must be purchased via Special Orders or through the RSP.

- Arrangements for rep-applied value-adds must be made directly with RSPs for both the purchase and on-packing of the value-add.

B. Non- Beverage Alcohol Value-Add Items

An agent/supplier must submit an application to have non-beverage alcohol value-add items applied to selected products. At the agent/supplier's request, SLGA will order value-added product with a specific PO.

Rep-applied on-packs or near-packs must be arranged directly with RSPs.

C. Free-of-Charge Packaging

Free-of-charge packaging refers to gift tins or gift boxes, packaged at the supplier's facilities that result in no additional cost to the customer. An agent/supplier may submit a Plant-Applied Value-Add application. At the agent/supplier's request, SLGA will order value-added product with a specific PO.

Note: Holiday/seasonal items follow separate policies (see Holiday/Seasonal Gift Packs).

12. Holiday/Seasonal Gift Packs

SLGA works with agents/suppliers to enable RSPs to pre-order holiday/seasonal items (which may include limited-quantity Allocations), including but not limited to summer, Halloween, Christmas, and New Year's items. This helps ensure proper quantities and timeliness of seasonal items.

Following is the typical process:

- March – agents/suppliers submit applications following the listing-call process (including CoA if available).
- Category Management creates a flyer of all holiday and seasonal items.
- April/May – the flyer is sent to RSPs to pre-order their selections.
- May – SLGA provides case-commitments to agent/supplier.
- SLGA works with agents/suppliers to fulfill the orders, and sends notice to RSPs if an item becomes unavailable from the supplier.
- As the orders arrive at the DC, they are sent directly to the RSPs, and may include specific instructions as to when the product must be on-shelf. Example: Halloween items should be on-shelf in September so they are sold out by October 31st.

The following rules apply to gift packs:

- Cost of the package cannot be more than 40% of the total cost of the gift pack.
- Packaging that does not add extra value to the customer is included in the value of the gift pack and cannot have a separate cost. Examples include but are not limited to:
 - A specially-shaped collectors-item glass bottle – would have a separate cost.
 - Glasses sold with a bottle – would have an extra cost.
 - A specialty-made container used as the case (examples: chest, tin, etc) – would have an extra cost.
 - A standard cardboard box (whether used for just the bottle(s) or to hold bottles and gift items, such as glasses) – would not have a separate cost.

13. Marketing Programs

SLGA will work with agents/suppliers to run marketing programs, which will meet two objectives:

- Increase product sales.
- Enable agents/suppliers to reach the entire province of 700 retailers without having to visit them personally.

Agents/suppliers should complete the 'Wholesale Marketing Program Application', (found on the Agent/Supplier Portal) and send to listings@slga.gov.sk.ca to get started.

Marketing programs include, but are not limited to:

- Giveaways or draw items, which follow two processes:
- Small giveaways, which must be pre-packaged and be the size of a case or smaller, can be sent from the DC with qualifying orders. A handling fee of \$3.50 per package is charged to the agent/supplier.
- Large giveaways, which must be delivered by the agent/supplier within a timely manner. Examples include: bar-be-que, canoe, etc.
- Sample bottles for the RSPs to use with their customers.
- Advertising/point-of-sale items to help promote the product, such as: displays (pop-up stands, end-caps, etc), posters, signs, shelf-talkers, neck tags, etc.
- Aligning with WPPs or LTOs.

Agents/suppliers set the rules of the program, and can consult Category Management for insight on the best options. Rules may include, but are not limited to:

- Minimum order quantities – RSPs must purchase the product and quantity outlined by the agent/supplier.

- Limited pack quantities – agents/suppliers can specify the number of promo packs available, which will be distributed on a first-come, first-served basis.
- Targeted RSPs – agents/suppliers can offer the promotion to all RSPs or can target specific groups, as desired. For example: agents/suppliers may choose to run a program targeted at medium-small RSPs to improve market reach.

SLGA will track and share results of Marketing Programs.

14. Quality Assurance Policy

See 'Beverage Alcohol Quality Assurance Policy' on the Agent/Supplier Portal.

15. Pricing Structure & Policy

See 'Wholesale Pricing Structure & Policy Manual' on the [Supplier section of the website](#).

16. Category Management Contact Information

For fastest response, direct all emails including questions, meetings, products, listings, etc to the general email, rather than to individual Product Managers. This is a shared email box that is more closely managed than the private individual mailboxes.

General email:

listings@slga.gov.sk.ca

Product Manager, Wine & Refreshment Beverages

David Merenick

Phone: 306.787.3860

Email: dmerenick@slga.gov.sk.ca

Product Manager, Beer, Spirits & Liqueurs

Jessica Newman Braun

Phone: 306.798.2576

Email: jnewmanbraun@slga.gov.sk.ca

Manager, Category Strategy

Tara Mantyak

Phone: 306.787.1894

Email: tmantyak@slga.gov.sk.ca

Appendix A – Listing Schedule

- 1st Monday of the month – call-out posted.
- 4th Monday of the month – deadline: applications due/listing call closes.
- 4 weeks after the deadline – approvals and declines are communicated.

Note: See [Holiday/Seasonal Gift Packs](#) section for special timelines.

The following outlines the Category reviewed each month:

MONTH	WINE	OTHER
JANUARY	TABLE: Canada, Argentina, Chile	WHITE SPIRITS: Vodka, Gin, Tequila, Rum (white), Miscellaneous
FEBRUARY	TABLE: Spain, Portugal OTHER: Fruit, Flavoured, Rose	SLGA-DISTRIBUTED BEER
MARCH	TABLE: France, Italy, Germany	HOLIDAY/SEASONAL GIFT PACKS
APRIL	TABLE: United States, South Africa	
MAY	SPARKLING: Champagne, Sparkling, Fortified, Miscellaneous (Port, Sherry, Madeira, Vermouth, Aperitif), Dessert	
JUNE	TABLE: Australia, NZ	LIQUEURS
JULY	TABLE: Canada, Argentina, Chile	DARK SPIRITS: Brandy, Cognac/ Armagnac, Rum (amber/dark), Whisk(e)y
AUGUST	TABLE: Spain, Portugal	SLGA-DISTRIBUTED BEER
SEPTEMBER	TABLE: France, Italy, Germany	
OCTOBER	TABLE: United States, South Africa	
NOVEMBER		RTD: Coolers, Ciders, Cocktails
DECEMBER	TABLE: Australia, NZ	LIQUEURS

Appendix B - Revisions

DATE	REVISIONS
25Sept2018	<ul style="list-style-type: none">• Wholesale Supplier Manual and Listing Manual have been combined.• General formatting improvements & content clarification.• Significant changes to content in the following sections:<ul style="list-style-type: none">○ Conditional Listings○ Product Exchanges○ Category Reviews and Delisting○ Value-Add Programs○ Holiday/Seasonal Gift Packs○ Marketing Programs○ Listing Schedule
5Dec2018	<ul style="list-style-type: none">• General formatting improvements, including Schedule A: Listing Schedule.• Edited: 5.Listing Call Process (Samples section)• Edited: 5.Listing Call Process (Off-Call Applications section)• Edited: 11.Value-Add Programs