

Saskatchewan Liquor & Gaming Authority

Wholesale Marketing Programs

Last Updated: October 2021

Contents

1. Wholesale Price Promotions	3
2. Value-Adds.....	3
a) Beverage Alcohol Value-Add Items.....	3
b) Non-Beverage Alcohol Value-Add Items	4
c) Free-of-Charge Packaging	4
3. Holiday/Seasonal Gift Packs.....	4
4. Dealer-Loaders	5
5. Seasonal Beer Pre-Orders	6
6. Wine of the Month	7
Appendix B – Document Revisions	8

1. Wholesale Price Promotions

OBJECTIVES

Discounts are the top method for promoting product and driving sales to all (approximately 400) retailers ordering from SLGA.

DETAILS

- Agents/suppliers request a WPP using the form and according to the deadlines found on the Supplier Portal.
- WPPs are promoted to retailers via monthly communication and on the retailer's online ordering website.
- WPPs can be offered for the full month (minimum 5% discount), or for either the first half or second half of the month (minimum 10% discount).
- Full rules and procedures can be found in the Wholesale Pricing Structure and Policy found on the Supplier Portal.

2. Value-Adds

OBJECTIVES

Value-adds can be used to promote product and drive sales and includes both alcoholic and non-alcoholic items, which are attached to a bottle at no additional cost to the consumer.

DETAILS

- Agents/suppliers are able to replace regularly ordered products with value-add products when fulfilling purchase orders at their discretion, but the purchasing team must be notified when this is occurring.
- The following terms and conditions apply to all value-add programs:
 - The value-add must not bring the product below Social Reference Price (SRP).
 - The total case weight, including the value-adds, must not exceed 18.9 kilograms or 41.58 pounds.
 - For wholesale distribution, value-adds must be plant-applied before reaching the SLGA Distribution Centre.

VALUE-ADD TYPES AND ADDITIONAL DETAILS

a) Beverage Alcohol Value-Add Items

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

- Maximum one value-add applied per container.
- Must be a maximum of:
 - 1 x 355ml container of beer, cider or refreshment beverage;

- 1 x 200ml container of wine; or
 - 1 x 50ml container of spirits.
 - Must be attached to the original container.
 - Must be attached to original containers 700ml or larger in size.
 - 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).
- i. ***Plant-Applied Alcohol Value-Adds***
 Agents/suppliers will be invoiced the following:
- SLGA markup of \$0.10 for each 10 milliliters of value-add beverage alcohol.
 - Environmental surcharge of \$0.08 per value-add container.
 - Refundable deposit of \$0.10 per value-add container
 - GST of \$0.06 per value-added container.
- Plant-applied value-adds must be domestically-sourced, and must be duty-paid.
- ii. ***Rep-Applied Alcohol Value-Adds***
- 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

- i. ***Plant-Applied Non-Alcohol Value-Adds***
- At the agent/supplier’s request, SLGA will order value-added product with a specific PO.
- ii. ***Rep-Applied Non-Alcohol Value-Adds***
- Rep-applied Value-Adds 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).

3. Holiday/Seasonal Gift Packs

OBJECTIVES

To make available and promote specialty items related to any holiday or season, such as summer, Halloween, Christmas, and New Year’s using a pre-order process to ensure advance notice for agents/suppliers and proper

quantities are purchased.

DETAILS

- The typical process is as follows:
 - 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.
 - May/June – the flyer is sent to RSPs to pre-order their selections.
 - June – 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:
 - Package cost cannot exceed 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. For example:
 - Separate cost – specially-shaped collectors-item glass bottle; drink glasses; specialty-made container that can be reused.
 - Not a separate cost – standard cardboard box used to hold the bottle(s) or the additional gift items.

4. Dealer-Loaders

OBJECTIVES

Increase product sales; and enable agents/suppliers to reach the entire province of 400 retailers without having to visit them personally.

DETAILS

- Agents/suppliers must complete the 'Wholesale Dealer-Loader Application', (found on the Supplier Portal) and send to listings@slga.gov.sk.ca.
- Programs include, but are not limited to:
 - Giveaways or draw items.
 - 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.
- There are two options for delivery:
 - SLGA-delivered – Small giveaways must be pre-packaged and be the size of a case or smaller and can be sent from the DC with qualifying orders. A handling fee of \$3.50 per package is charged to the agent/supplier.

- Agent/supplier-delivered – Large giveaways must be delivered by the agent/supplier within a timely manner. Examples include: bar-be-que, canoe, etc.
- 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 or a subset of RSPs. For example: agents/suppliers may choose to run a program targeted at medium-small RSPs to improve market reach.
- Category Management reserves the right to limit the number of Dealer-Loader Programs offered at any given time; In the event the number of requests exceeds the available limit, Category Management has sole discretion to approve the offer they deem most suitable to category and retailer need. Category Management reserves the right to decline a Dealer-Loader Program that Category Management or SLGA Customer Relations does not deem to be a good fit for RSPs, or may work with the agent/supplier to adjust the offer to meet the needs of all parties.

5. Beer Pre-Orders

OBJECTIVES

Offer an ever-changing selection of beer products to retailers, enabling suppliers to introduce new product to the market to grow Special Order sales and potentially earn a Core listing.

DETAILS

- Pre-order products may be seasonal products that are available only for a limited time, or products available year-round but do not have a core listing.
- Agents/suppliers should apply during the beer call-out in February. Off-call applications will also be considered and agents/suppliers should contact the beer Product Manager to discuss.
- Applications will be scored using regular scoring processes (see the Wholesale Policies & Supplier Manual for more details), and products receiving a pre-order listing will be scheduled into an upcoming month.
- SLGA announces each Beer Pre-Order to retailers via regular emails, including a monthly catalog of sell sheets.
- Agents/suppliers should promote the pre-order using their typical sales contacts.

6. Wine of the Month

OBJECTIVES

Generate wine sales across all retailers, giving retailers a new marketing tool to use in their store, and giving a tool for suppliers to launch new Core product in a big way.

DETAILS

- Wines must be listed within the last 12 months, with preference given to product listed within the last 6 months. Consideration will be given to non-listed wines in special circumstances.
- The discount offered should be 15%+. The discounted price will be marketed as 'introductory pricing' to support price increases after the promotional month.
- Participating retailers are able request from Category Management 'Wine of the Month' posters for their store; Category Management will provide social media content for retailers to use each month to promote the Wine of the Month.
- Agents/suppliers should contact listings@slga.gov.sk.ca to suggest a wine for participation.
- SLGA announces each Wine of the Month to retailers via regular emails, and on the Marketing Hub, and includes sell sheets.
- Agents/suppliers should promote using their typical sales contacts, including contacting chain retailers to obtain a listing and support from those retailers.
- Each Wine of the Month will be announced one month early to enable retailers' time to order, receive, and display the wine for the scheduled month. However, retailers retain the right to display and promote the wine as they choose.
- Category Management ran a Wine of the Month trial for a few months and have fine-tuned the program based on learnings. Some important learnings for agents/suppliers to know:
 - The most successful product was a Core-listed product, which continues to have good sales after the promotional month.
 - Sales activity from the agent/supplier is key in the success, including obtaining listings from the chain retailers. Since Wine of the Month wines will now be Core-listed with SLGA Wholesale, obtaining listings with retailers should be simpler.

Appendix B – Document Revisions

DATE	REVISIONS
9July2021	Updated: 2a) Beverage Alcohol Value-Add Items related to approved value-add and original container sizes. Updated: 2ai) Environmental Surcharge from \$0.07. New: 6. Wine of the Month.
21Oct2021	Corrected: 6. Wine of the Month.