

# **Saskatchewan Liquor & Gaming Authority**

## **Wholesale Policies and Supplier Manual**

Last updated: August 2020

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## 1. Purpose of This Document

This document will:

- 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.

SLGA reserves the right to make changes to this document and all policies and guidelines, as necessary.

## 2. Product Listings

### A. Listing Committee

- The Listing Committee is comprised 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 Listing Committee ensures decisions about wholesale listings and delistings are made objectively, and are transparent, equitable and socially-responsible, and consistent with SLGA's mission.

### B. Processes and Details

- Each month, Category Management will post the call-out details on [slga.com](http://slga.com), including the specific products that will be considered to complement and help grow the category. The listing schedule is found in Schedule A.
- Applications for Core, Allocation, Pre-Order listings must be submitted via the online application form; supporting documentation, digital bottle image, and supporting information pertinent to the listing decision must be emailed to [listings@slga.gov.sk.ca](mailto:listings@slga.gov.sk.ca). Incomplete and late applications will not be considered.
- Special Order application forms will be provided by the Special Order team when a customer requests a Special Order product.
- Applications submitted outside of the listing schedule will typically be held until the next listing call corresponding to the appropriate category. At the sole discretion of Category Management, off-call applications may be reviewed with the next listing call, regardless of category.
- Applications for products that do not fit the call-out will 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 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.

## C. Samples

- Effective September 1, 2020, samples will not be required to accompany listing applications.
- Note: per the *Alcohol and Gaming Regulation Act 1997*, 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 retailers and commercial permittees must work with the retailer/commercial permittees 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 retailer/commercial permittees.

## D. Types of Listings

### 1) Core (i.e. General List)

- **Definition:** Products made available to all retailers through the Distribution Centre on an ongoing basis. The products fit within the category strategy and are expected to achieve sales forecasts.
- Core products are subject to the Beverage Alcohol Quality Assurance Policy; see the policy on the Supplier website for details. If the required valid Certificate of Analysis (CoA) is not received within 90 days of the listing notification, the Listing Committee reserves the right to cancel the listing.

### 2) Supplier-Limited Allocation

- **Definition:** Products which have a limited quantity available for Saskatchewan and are typically available only one time or one time per year. New vintages of previously allocated products are considered new products and require a new application.
- SLGA will manage the distribution process, ensuring equitable opportunity for all retailers.

### 3) Pre-Order

- **Definition:** Products which are typically purchased one time where SLGA takes orders from retailers prior to committing to quantities from the agent/suppliers.
- These may be seasonal or limited-time products, or products SLGA sees opportunity in but are not a good fit for a Core listing at the time.
- If the product is available, retailers may purchase the product via Special Orders before or after a Pre-Order.

#### 4) *Special Order*

- **Definition:** Products which are not stocked in the Distribution Centre, but are demand-driven, and ordered for a customer on an as-needed basis.
- Agents/suppliers may work with retailers, commercial permittees (i.e. restaurants and bars), wine clubs, consumers, or special-event permittees to generate product demand.
- Note: Special Order products may be selected at SLGA's discretion for a Core listing if they meet the overall category need or if there is sufficient and ongoing demand for the product.

#### 5) *Exclusive*

- **Definition:** Products that are available only to supplier-specified retailers.
- Overall accountability for product exclusivity is the responsibility of the agent/supplier, who is accountable for notifying SLGA if the product is considered exclusive.

#### 6) *Third-Party Distributed*

- **Definition:** Products distributed by approved third-party distributors in Saskatchewan.
- **How to apply:** Upon agreement with the distributor, a listing application form, pricing worksheet and product image. Required application forms are available by contacting [wholesalepricing@slga.go.sk.ca](mailto:wholesalepricing@slga.go.sk.ca) and must be submitted to [wholesalepricing@slga.go.sk.ca](mailto:wholesalepricing@slga.go.sk.ca) four weeks in advance of the product 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.

### E. Listing Evaluation Criteria

Product listing applications are evaluated 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; have the capacity to generate revenue and additional sales in the category; adds to the category, rather than stealing from it.
- Product and brand – performance across Canada; Special Order sales in Saskatchewan; third-party awards and accolades; product differentiation; innovation in product; agent/supplier accuracy of sales forecasts.
- Marketing – marketing and promotional plans, both provincially and nationally; agent/supplier-forecasted sales; local representation with an active representative.
- Taste – taste scores from online sources, which may include a mix of both accredited tasters and consumer scoring systems.
- Packaging – label and package appeal; attention-grabbing.

## F. Category Review and Delisting

- Product performance reviews for the purpose of delisting are typically completed in alignment 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: Agents/suppliers are responsible for monitoring the performance of their products; notice of underperformance is considered a courtesy and is not required before delisting a product.
- Once it has been determined that a Core listing product will be delisted, the agent/supplier will be notified in writing 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 18.9kg.
  - 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, SLGA will work with the agent/supplier to clear-out remaining inventory from the Distribution Centre. If necessary, SLGA reserves the right to decrease the wholesale price up to 25% for all remaining inventory, invoicing the agent/supplier for the difference in landed cost, multiplied by the inventory on hand in the Distribution Centre on the effective date of the price reduction. SLGA is under no obligation to purchase residual inventories held by the agent/supplier.

## 3. LION Reporting

- Agents/suppliers are expected to monitor the performance of their products through SLGA's [Liquor Information On-line \(LION\)](#) system, which provides reports on distribution of beverage alcohol within the province. LION includes information on both SLGA wholesale and privately-distributed products.
- Information on how to use LION can be found on the Supplier Portal under '[Data Reporting](#)'.
- 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](mailto:LionComments@slga.gov.sk.ca).

## 4. Product Standards Policy

- 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).

## 5. Quality Assurance Policy

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

## 6. Pricing Structure & Policy

See 'Wholesale Pricing Structure & Policy Manual' on slga.com.

## 7. Stock-Shortage Distribution Policy

In situations where demand exceeds current supply of Core-listed product, SLGA will manage the distribution process using a formula based on retailer size, which is designed to ensure equitable opportunity for all retailers.

While it is preferred that agents/suppliers support the SLGA distribution model, agents/suppliers may choose to direct up to 25% of available stock to any one specific retailer and up to 40% of available stock if allocating to more than one retailer. SLGA will manage distribution of remaining stock using the current distribution process.

Requests for exemption to the SLGA distribution model must be made in writing to Listings prior to stock arriving at the SLGA Distribution Centre and shall include reasons for the exemption request. SLGA may further consult with the agent/supplier before final approval/denial of the request.

SLGA reserves the right to make changes to this policy as necessary.

## 8. Category Management Contact Information

Please direct all emails to the general email. This is a shared email box that is ensures a timely response regardless of people being absent.

**General email:**

[listings@slga.gov.sk.ca](mailto:listings@slga.gov.sk.ca)

**Product Manager – Spirits, Liqueurs & Refreshment Beverages**

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## Listing Schedule 2020 - 21

Category	Listing Call-Out Posted	Listing Application Deadline	Listing Results Communication to Suppliers
<b>APRIL 2020</b> TABLE WINE: United States	April 6, 2020	May 4, 2020	Week of June 1st
<b>MAY 2020</b> SPARKLING: Champagne, Sparkling (all countries)	May 4, 2020	June 1, 2020	Week of June 29th
<b>JUNE 2020</b> TABLE WINE: Argentina, Chile DARK SPIRITS: Brandy, Cognac/Armagnac Rum (amber/dark), Whisk(e)y	June 1, 2020	June 29, 2020	Week of July 27th
<b>JULY 2020</b> OTHER: Dessert, Fortified (Port, Sherry, Madeira, Vermouth, Aperitif) (all countries) LIQUEURS	July 6, 2020	August 3, 2020	Week of August 31st
<b>AUGUST 2020</b> TABLE WINE: Beaujolais Nouveau	August 3, 2020	August 31, 2020	Week of September 28th
<b>SEPTEMBER 2020</b> TABLE WINE: Spain, Portugal, South Africa	September 7, 2020	October 5, 2020	Week of November 2nd
<b>OCTOBER 2020</b> TABLE WINE: Australia, New Zealand	October 5, 2020	November 2, 2020	Week of November 30th
<b>NOVEMBER 2020</b> RTD: Coolers, Ciders, Cocktails	November 2, 2020	November 30, 2020	Week of December 28th
<b>DECEMBER 2020</b> TABLE WINE: Rosé, Fruit, Flavoured (all countries)	December 7, 2020	January 4, 2021	Week of February 1st

## Appendix B – Document Revisions

DATE	REVISIONS
25Sept2018	<ul style="list-style-type: none"> <li>• Wholesale Supplier Manual and Listing Manual have been combined.</li> <li>• General formatting improvements &amp; content clarification.</li> <li>• Significant changes to content in the following sections:               <ul style="list-style-type: none"> <li>○ Conditional Listings</li> <li>○ Product Exchanges</li> <li>○ Category Reviews and Delisting</li> <li>○ Value-Add Programs</li> <li>○ Holiday/Seasonal Gift Packs</li> <li>○ Marketing Programs</li> <li>○ Listing Schedule</li> </ul> </li> </ul>
5Dec2018	<ul style="list-style-type: none"> <li>• General formatting improvements, including Schedule A: Listing Schedule.</li> <li>• Edited: 5A.Listing Call Process (Samples section)</li> <li>• Edited: 5A.Listing Call Process (Off-Call Applications section)</li> <li>• Edited: 11.Value-Add Programs</li> </ul>
14Jan2019	<ul style="list-style-type: none"> <li>• Edited: 5A. Listing Call Process (Samples section re: recommend rather than require quantities; no samples means no score for taste)</li> <li>• Edited: Schedule A. Significant changes to Listing Call schedule</li> </ul>
24May2019	<ul style="list-style-type: none"> <li>• Deleted: 1. Our Company. Details are on website.</li> <li>• Edited: 5Aii. Samples section re: extra samples</li> <li>• Edited: 5. Listing Call Process re: Certificates of Analysis.</li> <li>• Edited: 13. Marketing Programs</li> </ul>
25Sep2019	<ul style="list-style-type: none"> <li>• Updated: Product Manager details.</li> </ul>
02Feb2020	<ul style="list-style-type: none"> <li>• Updated: Listing Schedule</li> </ul>
2Sep2020	<ul style="list-style-type: none"> <li>• General formatting improvements &amp; content clarification</li> <li>• Removed Marketing sections; created new document 'Marketing Programs and Policies' found on the Supplier website</li> <li>• Updated: 2C. Samples</li> <li>• Added: 2D. Pre-Order</li> <li>• Updated 2E. Listing Evaluation Criteria</li> <li>• Added: 15. Stock-Shortage Distribution Policy</li> <li>• Updated: Appendix A – Listing Schedule</li> </ul>