

**OFFICE OF THE
WASHINGTON STATE LIQUOR CONTROL BOARD
Board Meeting Minutes – March 25, 2009**

Board Chairman Lorraine Lee called the regular meeting of the Washington State Liquor Control Board to order at 10:03 am, on Wednesday, March 18, 2009 in the Conference room at the Distribution Center, 4401 East Marginal Way S, Seattle. Board Members Roger Hoen and Ruthann Kurose were present.

The Board acknowledged and welcomed stakeholder attendees:

Chuck Smith, NABCA Industry Committee, Pernod-Ricard

Rick Przebieda, NABCA Industry Committee, Luxco

Dave Holiday, NABCA Industry Committee

Mike Fuller, Pernod-Ricard

Mark Levine, DRAW

Paul Chiles, Seattle Urban League

Delegation of Authority Issue Paper – Alan Rathbun, Director of Licensing and Regulation

Alan presented the Board with a proposal to delegate to the Director of Licensing and Regulation the authority to make the initial determination to grant licenses or seek denial or non-renewal of a liquor license application when an objection has been made.

RCW 66.24.010 governs the issuance of liquor licenses. When either a new license application is received or when a license is pending renewal, state law requires the applicable local government authority to be notified and given the opportunity to object to said issuance. Under current procedure, a pending application or renewal with a timely and appropriate objection is forwarded to the Board for an initial decision whether to seek denial or non-renewal. In its submission to the Board, Licensing (and often Enforcement) staff submits recommendations with justification. Upon making a threshold determination on licensure, the Board must again make the final determination in the same case. This final determination may be in reaction to either an appeal by the licensee/applicant or the local government authority.

The process of threshold review is complex and somewhat confusing. While not inappropriate under the Administrative Procedures Act (RCW 34.05 APA), the current process presents an *appearance of fairness* concern. A procedure where both the threshold determination and final determination are made by the same body, it may appear that the final determination is biased. The current process also has inefficiency because the Board will potentially see a case twice. Communication during the threshold or initial determination phase is also duplicated. Licensing staff must first communicate the case to the Board and then following the initial decision inform the licensee/applicant of the Board's ruling.

Under this proposed process, if an administrative hearing on staff's initial determination is timely requested, the hearing would be conducted before an Administrative Law Judge. Any party aggrieved by the ALJ determination (including Licensing Division) can petition the Board for administrative review. Like the current model, the Board would issue the Final Order after reviewing the ALJ's Findings, Conclusions and Proposed Order.

Under this proposal, the initial determination by Licensing staff will be reviewed and approved by the Director of Licensing and Regulation before notice is given to any party in the action. Notice to either the applicant/licensee and/or local authority will be signed by the Licensing Director.

If the licensee/applicant either chooses not to contest the staff's initial determination or the request for hearing is not timely, staff will prepare a Final Order for the Board to consider.

Alternatively, if staff's initial determination is to seek licensure over the objection of a local authority, staff will communicate that initial decision to the local authority and they will be given the opportunity to seek a hearing. In this circumstance a hearing is at the discretion of the Board.

The issue paper was communicated to stakeholders. The Board Members asked Alan if any public comments were received. Alan indicated that Michael Transue, Washington Restaurant Association, did ask if the agency would begin the rulemaking process for the proposed changes. Alan informed Michael that rulemaking process would occur and the WRA would have an opportunity to provide further comment at that time.

Some procedural issues need to be worked out in the division on how to address situations when the division objects to a decision by the local authority. These elements will be included in future proposals.

The Board asked Alan to proceed with rulemaking. File the CR 101 and draft an interim policy to address the processes.

Interpretive Statement # LCB-INT 01-2009 Clarification of the Return of Exported Washington Wine for Ultimate Sale – Alan Rathbun, Director of Licensing and Regulation

Interim Policy #03-2009 – Washington Domestic Winery Returning Exported Product back to Producing Winery – Stacey Sitko, Comptroller

Alan Rathbun and Stacey Sitko presented the Board with a recommended interpretive statement and interim policy to provide clarity regarding the return of exported Washington wine into the state.

As written, the language of RCW 66.24.170 is ambiguous insofar as it relates to Washington wine exported out of state and its subsequent return into Washington by the manufacturing winery. LCB staff have previously interpreted this statute to preclude such return; in other words, only sparkling wine is allowed to be returned and, therefore, if it is not sparkling wine then it cannot be returned.

However, another reasonable interpretation of this language is that this provision only addresses those instances when the wine is made into sparkling wine out of state. And, because the provision provides for the wine's return into Washington in its new form of sparkling wine, the language does not either permit or prohibit the return of wine. Thus, this statutory provision is silent with respect to wine that remains unchanged in form. And this is the interpretation adopted in the draft interim policy.

With these possible interpretations in mind, we use the general guiding principle that, unless public safety considerations dictate otherwise, the activity is permitted. However, additional procedures will be necessary to ensure the efficient and accurate collection of taxes.

The Board Members approved the Interpretive Statement #LCB-INT 01-2009 - Clarification of the Return of Exported Washington Wine for Ultimate Sale (*See Attachments*). The Board Members approved Interim Policy #03-2009 – Washington Domestic Winery Returning Exported Product back to Producing Winery. (*See Attachments*)

Liquor Supplier Social Responsibility Survey Pilot discussion with the NABCA Industry Committee – Pat McLaughlin

Pat McLaughlin acknowledged the attendees and thanked them for providing valuable feedback to the Liquor Supplier Social Responsibility Survey Pilot Program.

Review of the Survey:

General:

Comment – The term “Liquor” is often referred to as spirits. If the term includes beer and wine, then clarity is recommended.

Comment – Recent revisions to the pilot survey have addressed a majority of stakeholder concerns. The prior survey was more subjective.

Comment – The lite survey may set double standards and smaller suppliers may have an advantage if the LCB implements a lite survey. Chuck Smith suggests having smaller suppliers write NA if a question does not apply. LCB staff would need to know the small and large suppliers when compiling data.

Comment – Is the LCB is concerned about suppliers being dishonest with their survey answers.

Pat Kohler, LCB Administrative Director, acknowledged the importance of communicating to all suppliers that the agency takes issues related to good stewardship, underage access, advertising, and responsible use very seriously.

Comment – Consider placing a message of Public Safety importance at the beginning of the survey.

Comment – Suppliers are not in favor of having survey results influence the listing and de-listing process.

Roger Hoen asked if it was necessary to state that the survey results may effect whether an item was listed or not as it seems to have a chilling effect on the suppliers and stated that the agency considers several factors when making decisions related to listing and de-listing which are not specifically identified.

Comment – The agency should not score suppliers. Consider eliminating the word “scorecard”.

Advertising:

No specific comments relating to advertising.

Underage Access:

Comments

- Answering Yes or No questions related to social responsibility is much different than answering questions on a supplier scorecard. In some areas a supplier may not want to answer a question due to privacy or proprietary issues. There are going to be sensitive areas suppliers will have difficulty answering.

Pat McLaughlin acknowledged that suppliers may experience difficulties answering Yes or No to all the survey questions. Pat noted that the survey is a pilot and modifications can be made if needed.

- Providing more examples and lead ins for the questions would be helpful.
- On the opening page, indicate that Yes or No answers are needed.

Responsible Use:

Comments -

- Spell out MAST (Mandatory Alcohol Server Training) or use the term Server Training.
- Some questions appear to be Washington State specific, if this is correct, please clarify.

Good Stewardship:

Comments –

- Clarify the term “Fleet”. This term is unclear.
- Many suppliers will not be able to answer questions related to “green fleet practices”. Most suppliers do not have fleets.

Pat Kohler commented that suppliers could work with company supply officers to implement various types of green practices. If company cars are purchased for sales representatives, indicate if these are hybrid models.

- Consider adding a fleet option to question number 4-6.
- Clarify if the questions are related to US operations or global operations.

Ruthann Kurose encourages suppliers to provide “green” information on global operations. Some suppliers have already implemented best “green” practices. The intent is to have industry share best practices among each other.

Lorraine Lee acknowledged that the public disclosure related questions will be a concern. In addition, the lite survey was developed for smaller suppliers due to the amount of supplier staff time needed to participate. We received this feedback from small suppliers who are participating in the current supplier scorecard program.

Lorraine asked stakeholders if the survey questions will be answered by one individual within their company or if a team approach is necessary. Participants acknowledged that several staff members will be needed to complete the survey (legal, operations, sales, marketing, and human resources).

Lorraine asked participants if any similar pilots exist in the US. Attendees noted that Washington state is the first to develop a social responsibility survey.

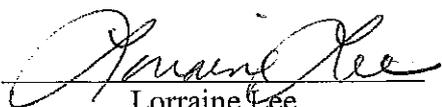
Pat Kohler stated that the agency’s intention is to utilize the social responsibility survey to recognize liquor supplier industry best practices.

Debi Besser, Purchasing Director, shared the current timelines with the group. The Board Members asked Debi and Pat McLaughlin to delay the pilot start date by two months. The agency will consider all the feedback received and make necessary changes to the survey. Sharing the modified survey with the entire NABCA Steering Committee at the NABCA Annual Conference in May will provide another opportunity for industry stakeholder input and feedback. Debi will contact workgroup members to communicate new timeline information.

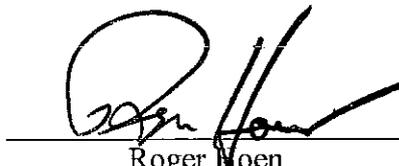
See attached Supplier Social Responsibility Pilot Interim Policy and Survey.

Approval of Minutes – Board Members

Board Members unanimously approved the March 11, 2009 Board Meeting minutes. The Board Meeting was adjourned at 12:15 PM.



Lorraine Lee
Board Chairman



Roger Moen
Board Member



Ruthann Kurose
Board Member

Issue Paper: Intent to Deny or Not Renew a Liquor License

For Discussion at the March 4, 2009 Executive Management Team

Presented by: Alan Rathbun, Licensing and Regulation Division Director

Description of the Issue:

Propose delegation to the Director of Licensing and Regulation the authority to make the initial determination to grant licenses or seek denial or non-renewal of a liquor license application when an objection has been made.

Background:

RCW 66.24.010 governs the issuance of liquor licenses. When either a new license application is received or when a license is pending renewal, state law requires the applicable local government authority to be notified and given the opportunity to object to said issuance. Under current procedure, a pending application or renewal with a timely and appropriate objection is forwarded to the Board for an initial decision whether to seek denial or non-renewal. In its submission to the Board, Licensing (and often Enforcement) staff submits recommendations with justification. Upon making a threshold determination on licensure, the Board must again make the final determination in the same case. This final determination may be in reaction to either an appeal by the licensee/applicant or the local government authority.

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Proposal:

Other licensing agencies, including boards and commissions, utilize a different model in which the initial or threshold determination to seek denial of a license is made by licensing program staff. Upon an initial determination by licensing staff to seek denial or non-renewal, the applicant/licensee is notified through a Statement of Charges or Statement of Intent to Deny. This document clearly outlines the reason for the proposed action and the respondent's right to request a hearing on the initial determination.

Under this proposed process, if a hearing on staff's initial determination is timely requested, the hearing would be conducted before an ALJ. Any party aggrieved by the ALJ determination (including Licensing Division) can petition the Board for administrative review. Like the current model, the Board would issue the Final Order after reviewing the ALJ's Findings, Conclusions and Proposed Order.

Under this proposal, the initial determination by the Licensing Division will be reviewed and approved by the Administrative Director before notice is given to any party in the action. Notice to either the applicant/licensee and/or local authority will be signed by the Administrative Director.

If the licensee/applicant either chooses not to contest the staff's initial determination or the request for hearing is not timely, staff will prepare a Final Order for the Board to consider.

Alternatively, if staff's initial determination is to seek licensure over the objection of a local authority, staff will communicate that initial decision to the local authority and they will be given the opportunity to seek a hearing. In this circumstance a hearing is at the discretion of the Board.

Attached are flowcharts of the existing procedure and proposed procedures applied to both contested liquor applications and contested renewals.

Authority for this proposed approach:

While RCW 66.24.010 grants the Board authority to delegate approval of uncontested licenses to staff, it does not contain a specific authorization for the Board to delegate other initial licensing decisions to staff. Martha Lantz has provided rationale whereby this proposed authority could be delegated to staff and a copy of her March 17, 2008 memorandum is ***attached***. The basis behind this delegation is that license issuance truly does not become contested until the initial determination is made. Under the proposal described above, the final determination still lies with the Board and the aggrieved party in any initial determination still has the opportunity for a hearing.

Advantages of Proposal:

- Removes the appearance of fairness concern because the Board only acts once on a proposal and that is when a party is aggrieved by the initial decision.
- The proposal enhances efficiency and saves "Board time". This is of added importance with the potential of a volunteer board.

Disadvantages of Proposal:

- There may be discomfort in staff making this initial decision. Lack of specific statutory authority may be raised in an objection. Amending the

provisions of WAC 314-42 (Board Operations) would make the procedure more transparent and clarify what is meant by a "contested" case.

Implementation and Communication Plan:

Depending on the Board's support for this proposal and their urgency to move in this direction, there are alternative ways of communicating this proposed delegation of authority:

- Distribute this Issue Paper to industry stakeholders and hold a public meeting to accept comments. The Board could proceed with implementation through an interim policy while rules are drafted to implement the change in procedure; or
- Commence rule making with industry stakeholders encouraged to participate. Await implementation until rule amendments are adopted; and
- Post Issue Paper and supporting documentation on LCB website; and
- Communicate processes during local authority reach-out initiative.

Recommendation:

Send the proposal to stakeholders for comment. Include stakeholders' comments with the proposed submission to the Board. Action on this recommendation should be made at an open public Board meeting. Execute the stakeholder communication plan and direct the commencement of rule making should the Board approve the proposal.

Lorraine Lee
Chair

Roger Hoen
Board Member

Ruthann Kurose
Board Member

Attachments





Washington State Liquor Control Board

INTERPRETIVE STATEMENT Number LCB-INT 01-2009

RE: Clarification of the return of exported Washington wine for ultimate sale.

Contact: Alan E. Rathbun, Director of Licensing and Regulation
Washington State Liquor Control Board

Supersedes: N/A

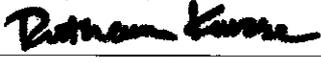
Approved by:



Lorraine Lee, Board Chairman



Roger Hoen, Board Member



Ruthann Kurose, Board Member

Date Approved: March 25, 2009

In order to provide clarity regarding the return of exported Washington wine, the Washington State Liquor Control Board (LCB) issues this interpretive statement pursuant to RCW 34.05.010(8) and 34.05.230.

Background:

As written, the language of RCW 66.24.170 is ambiguous as it relates to Washington wine exported out of state and its subsequent return into Washington by the manufacturing winery. LCB staff has interpreted this statute to preclude such return. In other words, only sparkling wine is allowed to be returned, as stated in subsection (6) of RCW 66.24.170 and, therefore, if it is not sparkling wine then it cannot be returned.

However, another reasonable interpretation of RCW 66.24.170 is that subsection (6) only addresses those instances when the wine is made into sparkling wine out of state. Because subsection (6) provides for the wine's return into Washington in the changed form of sparkling wine, the language does not either permit or prohibit the return of wine. Thus, this statute is silent with respect to wine that remains unchanged in form.

With these possible interpretations in mind, the LCB will use the general guiding principle that, unless public safety considerations dictate otherwise, the activity is permitted. However, additional procedures will be necessary to ensure the efficient and accurate collection of taxes.

Interpretative Statement

The Washington State Liquor Control Board interprets RCW 66.24.170 to permit shipping Washington non-sparkling wine out of, and returned to Washington State for ultimate sale.

The Board further intends that the following conditions must apply to returned Washington wine:

- The wine is produced in Washington by a licensed winery. The export shall be from said winery and returned to the same entity;
- Label approval must be obtained from WSLCB either before export or upon return;
- The returned wine must not have been altered in any way, with the exception of sparkling wine;
- Entities returning previously exported Washington wine, must comply with tax collection and tracking requirements initiated by the WSLCB;
- Washington Wine Commission assessment will continue to be collected at the time of export.

This interpretation of RCW 66.24.170 is effective upon the date referenced above. Rules will be adopted to address procedures necessary to implement the above conditions.



**Washington State
Liquor Control Board**

Liquor Control Board Interim Policy #03- 2009

Subject: Washington Domestic Winery Returning Exported Product back to Producing Winery

Effective Date: March 25, 2009

Ending Date: March 31, 2010

Approved:

Lorraine Lee, Board Chairman

Roger Hoen, Board Member

Ruthann Kurose, Board Member

Background

Washington Liquor Control Board has been approached by the wine and agriculture industry for an interim policy to allow exported Washington wine to be returned to producing winery.

RCW 66.24.170 is silent on returning exported Washington non-sparkling wine to producing winery.

Purpose Statement

Two of the Liquor Control Board priorities are to promote public safety and maximize financial return to the state. Returning wine does not impose a public safety issue. LCB has the ability to collect Washington wine liter tax when/if returned wine is sold in Washington, maximizing revenue back to the state.

The Washington State Liquor Control Board interprets RCW 66.24.170 to permit shipping Washington non-sparkling wine that has been shipped out of the state to be returned to Washington State for ultimate sale. This understanding is defined in Interpretive Statement Number LCB-INT 01-2009 entitled "Clarification of the return of exported Washington wine for ultimate sale".

Liquor Control Board Interim Policy #03- 2009

Policy Statement

The Washington State Liquor Control Board permits Washington Domestic Wineries to ship Washington non-sparkling wine out of, and return to Washington State for ultimate sale under the following conditions:

Wineries will complete additional reporting to the LCB on form LIQ-021, keep records pertaining to this report for two years and have records available for audit.

The winery is restricted to only bringing back their own wine and it must be returned to the winery or a licensed, bonded wine warehouse in Washington before distributing.

Revisions to form LIQ-021 may be necessary as additional information requirements are identified.

Distributors are not allowed to purchase and pickup or receive product from those storage locations outside of Washington.

Policy Duration

This interim policy #03-2009 will be effective upon adoption and stay in effect until superseded by WAC or rescinded by Board.

Policy Implementation

Upon approval and signature of LCB Board of Directors

Attachments:

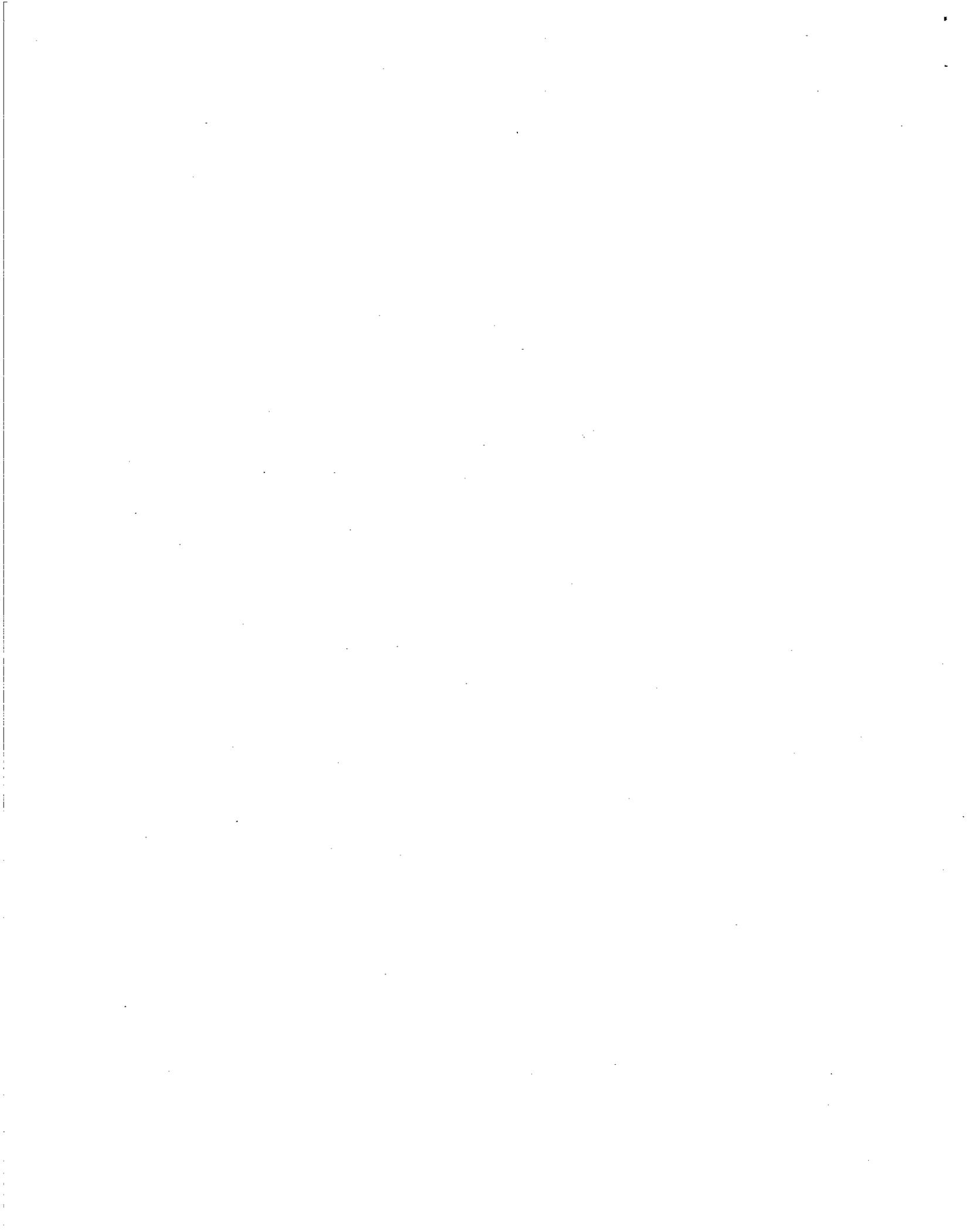
Reporting Instructions for Domestic Winery Returning Exported Wine to WA
Form LIQ-021 Domestic Winery Report of Product Returned to WA

Reporting Instructions for Domestic Winery Returning Exported Wine to WA

1. File form LIQ-021 for month wine was returned.
 - a) Report the returned wine on tax form LIQ-774.
 - b) Subtract the gallons from the export line (12) NON-TAXABLE SALES.
 - c) Record wine gallons returned in the appropriate upper right part of the form (REMOVAL ACTIVITIES) to balance out the numbers.
 - d) Add to line (3) or line (4) amounts (if federally tax paid product returned).
 - e) Deduct from line (7) amount (if received in bond at the winery).
 - f) Deduct from line (8) amount (if received in bond at a Washington bonded wine warehouse).
 - g) Any product then sold would be reported accordingly on form LIQ-774.
2. Submit form LIQ-021 by the 20th of the following month when wine was returned in one of these three manners:
 - a) Submitting by mail, include with monthly report LIQ-774.
 - b) E-mail copy of form; send as an additional attachment with LIQ-774.
 - c) E-filing, email separately with subject line stating "LIQ-774 was e-filed".
3. Domestic Winery must keep on file for audit purpose, clear source records (shipping documents, etc), a copy of form LIQ-021 with winery copy of monthly LIQ-774. The records need to show what wine was returned to the state that was previously reported as an export (including number of cases and gallons).

*The winery is restricted to only bringing back their own wine and it must be returned to the winery or a licensed bonded wine warehouse in Washington before distributing.

**Distributors are not allowed to purchase and pickup or receive product from those storage locations outside of Washington.





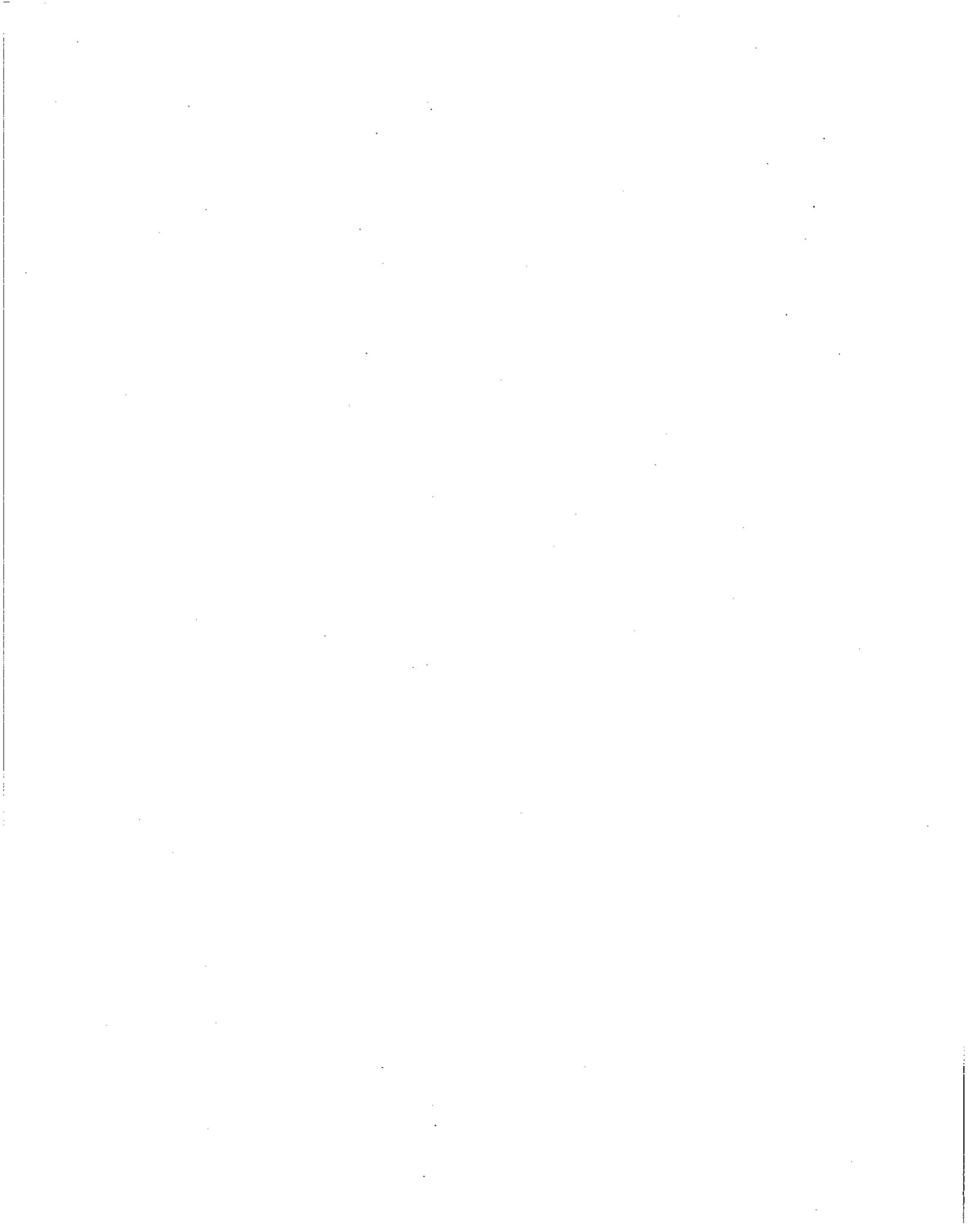


AGENDA
BOARD MEETING
WA STATE LIQUOR CONTROL BOARD
Wednesday, March 25, 2009
Seattle Distribution Center
4401 East Marginal Way S
Seattle WA 98134

10:00 a.m.

- 1. Delegation of Authority Issue Paper.....Alan Rathbun**
- 2. Returning wine back into our state – Interpretive Statement
.....Alan Rathbun**
- 3. Supplier Social Responsibility Survey Pilot discussion with the NABCA
Industry Committee.....Pat McLaughlin**
- 4. Old Business.....Board Members**
- 5. New Business.....Board Members**

Recess/Adjourn





Washington State
Liquor Control Board

Tuesday, March 24, 2009

Dear Valued Supplier,

We are asking for your participation in a new pilot program that the Liquor Control Board has developed to further our top priority of promoting public safety. The mission of the Liquor Control Board (LCB) is to *"Contribute to the safety and financial stability of communities by ensuring the responsible sale, and preventing the misuse, of alcohol and tobacco"*. Our suppliers, distributors, and brokers have significant impacts on public safety through their own business practices. The responsibility of industry to be aware of their effect on responsible consumer behavior, the community, and environment, is commonly known as social responsibility.

To understand all the great work that is being done in this area, we developed the attached Supplier Social Responsibility Survey. A team of LCB staff, liquor and wine supplier representatives, and prevention community representatives provided input at each stage of the development. In this survey, the Board is asking suppliers to share their social responsibility business practices. Please also include activities conducted by your broker and/or distributor when responding to questions. We recognize that our suppliers will be at different stages of growth in their social responsibility programs and some may not be able to provide results for each question.

The survey contains questions about four areas of social responsibility:

1. Minimizing youth exposure to and impact of alcohol advertising.
2. Providing and/or supporting education and tools to prevent underage access and use.
3. Providing and/or supporting education and tools to prevent over-consumption and encourage responsible use.
4. Being a good steward of your local community and the environment (in support of Governor Gregoire's *Green Initiative*).

In the same way that we want to work with suppliers that perform well – deliver on-time, keep their product in stock, and ship special orders quickly – we also want to work with suppliers that take a strong stand on social responsibility.

Through these survey results, we will be able to identify and share best practices, and discover potential partnerships and synergies between the LCB and our suppliers. We will recognize suppliers that have best-in-class social responsibility programs. We will also look at the survey results as an additional factor in influencing business decisions.

Suppliers will only need to complete the survey once a year. This annual update provides an opportunity to share new initiatives, or provide updated results from existing programs.

If you need assistance completing the survey or interpreting the questions please contact Debi Besser at djb@liq.wa.gov.

Thank you for taking the time to share information on your social responsibility efforts with us. Please send your completed survey to Meagan Renick at mkr@liq.wa.gov no later than _____.

Best Regards,

Debi Besser
Director of Purchasing
Washington State Liquor Control Board

Please note that the surveys and any supporting material provided to the LCB (as with any state agency) is considered a public record per RCW 42.56 .

Attachments:
Supplier Social Responsibility Survey



Liquor Supplier Social Responsibility Survey

Thank you for participating in the Liquor Control Board (LCB) Supplier Social Responsibility Survey. The Board would like to know about all the positive efforts that your company is making in the social responsibility arena. Please answer the questions and include details where applicable about your activities, particularly those in Washington State. Please include any activities or programs conducted by your broker or distributor.

Through these survey results, we will be able to identify and share best practices, and discover potential partnerships and synergies between the LCB and our suppliers. We will recognize suppliers that have best-in-class social responsibility programs. We will also look at the survey results as an additional factor in influencing business decisions.

Date:

Supplier Name: _____

Respondent's Name: _____

Address: _____

Position: _____

State/Province: _____

Phone: _____

Zip/Postal Code: _____

Advertising

The Distilled Spirits Council of the United States (DISCUS) is the national trade association representing producers and marketers of distilled spirits sold in the US. They have developed a code of responsible practices for beverage alcohol advertising and marketing. There are similar organizations for the wine and beer industry that have also developed advertising guidelines. The LCB believes that such guidelines help to promote responsible advertising.

(1-1). Does your company comply with the DISCUS Advertising Code or other industry advertising codes, such as from the Wine Institute?

(1-2). Does your company have a formal training program on compliance with the DISCUS Code (or other industry code)?

(1-3). Has your company ever been alerted to a potential problem advertisement by DISCUS? If so, what was action was taken?

(1-4). What percent of over-21 viewing population do you require for media where you advertise?

Underage Access

Preventing youth access requires the involvement of the alcohol industry as well as the prevention community. There are many things suppliers can do to decrease youth access to alcohol, as well as reduce their exposure to alcohol advertising.

(2-1). Do your mass media messages speak to the prevention of underage access and use? This may include TV, radio, and print ads.

(2-2). Is your company associated with Century Council, or another similar organization that provides training to prevent underage access and use?

(2-3). Does your POS contain messages regarding underage access or use? This could include off-premise materials such as bottle neckers, back cards or on-premise materials such as table tents, etc.

(2-4). Does your company provide on-line or printed educational materials on the prevention of underage access and use? This could include links on your website.

(2-5). Does your website require users to enter their birthdate in order to access your site?

(2-6). Have you trained your sales and marketing employees on the effects of underage alcohol use within the past 2 years?

(2-7). Do you reinforce prevention of underage access in your on-premise product trainings?

(2-8). What other efforts is your company undertaking to prevent underage access and use?

Responsible Use

Everyone has a role to play to ensure that consumers make good decisions regarding their use of alcohol. A supplier's advertising approach, employee training, and providing information to consumers all affect the public's attitude toward alcohol consumption.

(3-1). Does your company have a policy or program to promote employee's responsible drinking behavior? Examples include a consumption code of conduct, or provisions for people who over-consume.

(3-2). Does your company have responsible use training for staff that interacts with servers or direct consumers? If yes, please describe the key topics covered.

(3-3). Does your company have a policy requiring Washington sales employees to attend server training (MAST) at least every 5 years?

(3-4). How many community organizations, trade associations, or groups do you partner with to provide education to the public to encourage responsible use? Examples include law enforcement, MADD, etc.

(3-5). Do you reinforce responsible use in your on-premise product trainings?

(3-6). Does your POS contain messages regarding responsible use? This could include off-premise materials such as bottle neckers, back cards or on-premise materials such as table tents, etc.

(3-7). Please describe any other innovative methods and tools your organization uses to emphasize responsible use. Examples include: texting tips on how to cut off, more frequent training, etc.

Good Steward

Caring for, and investing in, your community and environment will provide long lasting benefits to your company and society as a whole. There are many different ways to positively impact the communities where you conduct business.

(4-1). What programs or activities does your company have in place to give back to the community? Examples might include: donations to charitable organizations, or allowing employees paid work time to volunteer.

(4-2). Does your company have a policy to make your fleet more environmentally friendly?

(4-3). Does your company have a roadmap to describe how your company will work towards having sustainable packaging?

(4-4). What percent of your product packaging (including shipping materials) is recycled and/or biodegradable?

(4-5). Do you have a policy to reduce your energy consumption and/or waste generation? If possible, please describe how much you have reduced these over the past year.

(4-6). Do you have a program for employees to reduce environmental impacts, such as through energy conservation, recycling, or carpooling?

(4-7). Please describe any other efforts underway to reduce your company's impact on the environment.

(4-8). How does your company ensure fair and ethical sourcing? Examples might include a Women/Minority/Disadvantaged sourcing policy, or efforts to ensure products are responsibly produced (fair wages, environmentally sensitive, no child labor).

Thank you for your responses. Your efforts are greatly appreciated!

Print Survey

Submit Survey by E Mail



Washington State
Liquor Control Board

Tuesday, March 24, 2009

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1. Minimizing youth exposure to and impact of alcohol advertising.
2. Providing and/or supporting education and tools to prevent underage access and use.
3. Providing and/or supporting education and tools to prevent over-consumption and encourage responsible use.
4. Being a good steward of your local community and the environment (in support of Governor Gregoire's *Green Initiative*).

In the same way that we want to work with suppliers that perform well – deliver on-time, keep their product in stock, and ship special orders quickly – we also want to work with suppliers that take a strong stand on social responsibility.

Through these survey results, we will be able to identify and share best practices, and discover potential partnerships and synergies between the LCB and our suppliers. We will recognize suppliers that have best-in-class social responsibility programs. We will also look at the survey results as an additional factor in influencing business decisions.

Suppliers will only need to complete the survey once a year. This annual update provides an opportunity to share new initiatives, or provide updated results from existing programs.

If you need assistance completing the survey or interpreting the questions please contact Debi Besser at djb@liq.wa.gov.

Thank you for taking the time to share information on your social responsibility efforts with us. Please send your completed survey to Meagan Renick at mkr@liq.wa.gov no later than _____.

Best Regards,

Debi Besser
Director of Purchasing
Washington State Liquor Control Board

Please note that the surveys and any supporting material provided to the LCB (as with any state agency) is considered a public record per RCW 42.56 .

Attachments:
Supplier Social Responsibility Survey



Liquor Supplier Social Responsibility Survey

Thank you for participating in the Liquor Control Board (LCB) Supplier Social Responsibility Survey. The Board would like to know about all the positive efforts that your company is making in the social responsibility arena. Please answer the questions and include details where applicable about your activities, particularly those in Washington State. Please include any activities or programs conducted by your broker or distributor.

Through these survey results, we will be able to identify and share best practices, and discover potential partnerships and synergies between the LCB and our suppliers. We will recognize suppliers that have best-in-class social responsibility programs. We will also look at the survey results as an additional factor in influencing business decisions.

Date:

Supplier Name: _____

Respondent's Name: _____

Address: _____

Position: _____

State/Province: _____

Phone: _____

Zip/Postal Code: _____

Advertising

The Distilled Spirits Council of the United States (DISCUS) is the national trade association representing producers and marketers of distilled spirits sold in the US. They have developed a code of responsible practices for beverage alcohol advertising and marketing. There are similar organizations for the wine and beer industry that have also developed advertising guidelines. The LCB believes that such guidelines help to promote responsible advertising.

(1-1). Does your company comply with the DISCUS Advertising Code or other industry advertising codes, such as from the Wine Institute?

(1-2). Does your company have a formal training program on compliance with the DISCUS Code (or other industry code)?

(1-3). Has your company ever been alerted to a potential problem advertisement by DISCUS? If so, what was action was taken?

(1-4). What percent of over-21 viewing population do you require for media where you advertise?

Underage Access

Preventing youth access requires the involvement of the alcohol industry as well as the prevention community. There are many things suppliers can do to decrease youth access to alcohol, as well as reduce their exposure to alcohol advertising.

(2-1). Do your mass media messages speak to the prevention of underage access and use? This may include TV, radio, and print ads.

(2-2). Is your company associated with Century Council, or another similar organization that provides training to prevent underage access and use?

(2-3). Does your POS contain messages regarding underage access or use? This could include off-premise materials such as bottle neckers, back cards or on-premise materials such as table tents, etc.

(2-4). Does your company provide on-line or printed educational materials on the prevention of underage access and use? This could include links on your website.

(2-5). Does your website require users to enter their birthdate in order to access your site?

(2-6). Have you trained your sales and marketing employees on the effects of underage alcohol use within the past 2 years?

(2-7). Do you reinforce prevention of underage access in your on-premise product trainings?

(2-8). What other efforts is your company undertaking to prevent underage access and use?

Responsible Use

Everyone has a role to play to ensure that consumers make good decisions regarding their use of alcohol. A supplier's advertising approach, employee training, and providing information to consumers all affect the public's attitude toward alcohol consumption.

(3-1). Does your company have a policy or program to promote employee's responsible drinking behavior? Examples include a consumption code of conduct, or provisions for people who over-consume.

(3-2). Does your company have responsible use training for staff that interacts with servers or direct consumers? If yes, please describe the key topics covered.

(3-3). Does your company have a policy requiring Washington sales employees to attend server training (MAST) at least every 5 years?

(3-4). How many community organizations, trade associations, or groups do you partner with to provide education to the public to encourage responsible use? Examples include law enforcement, MADD, etc.

(3-5). Do you reinforce responsible use in your on-premise product trainings?

(3-6). Does your POS contain messages regarding responsible use? This could include off-premise materials such as bottle neckers, back cards or on-premise materials such as table tents, etc.

(3-7). Please describe any other innovative methods and tools your organization uses to emphasize responsible use. Examples include: texting tips on how to cut off, more frequent training, etc.

Good Steward

Caring for, and investing in, your community and environment will provide long lasting benefits to your company and society as a whole. There are many different ways to positively impact the communities where you conduct business.

(4-1). What programs or activities does your company have in place to give back to the community? Examples might include: donations to charitable organizations, or allowing employees paid work time to volunteer.

(4-2). Does your company have a policy to make your fleet more environmentally friendly?

(4-3). Does your company have a roadmap to describe how your company will work towards having sustainable packaging?

(4-4). What percent of your product packaging (including shipping materials) is recycled and/or biodegradable?

(4-5). Do you have a policy to reduce your energy consumption and/or waste generation? If possible, please describe how much you have reduced these over the past year.

(4-6). Do you have a program for employees to reduce environmental impacts, such as through energy conservation, recycling, or carpooling?

(4-7). Please describe any other efforts underway to reduce your company's impact on the environment.

(4-8). How does your company ensure fair and ethical sourcing? Examples might include a Women/Minority/Disadvantaged sourcing policy, or efforts to ensure products are responsibly produced (fair wages, environmentally sensitive, no child labor).

Thank you for your responses. Your efforts are greatly appreciated!

Print Survey

Submit Survey by E Mail