



Malt Beverage Distributors Association of Pennsylvania

Vol. 82 • Issue 1 • February 2018

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MBDA 82nd Annual CONVENTION & TRADE SHOW

Friday, Saturday & Sunday—
April 27, 28, 29, 2018

**Seven Springs
Mountain Resort**
777 Water Wheel Drive
Seven Springs, PA

Room Reservations:
800-452-2223 or
814-352-7777, ext. 7009

or go-on line to
www.7springs.com
and enter group code 8bn43d



**All Beer Distributors,
Brewers, Importers, and
Allied Trade Suppliers
Are Invited To Attend**

Friday, April 27nd

8:00 PM - 11:00 PM Brewski Festival—
Sample 100 beers from 50 breweries.

Saturday, April 28th

10:00 AM - 2:30 PM MBDA First Annual Sporting Clays Shoot Out—
Includes shoot, lunch, beer & refreshments.

10:00 AM - 4:00 PM Frank Lloyd Wright's Fallingwater—
"Best All-Time Work of American Architecture".
Includes bus transportation, tour and lunch.

7:00 PM - 8:00 PM Cocktail Party—Complimentary beer
& scrumptious d'oeuvres.

8:00 PM - 12:00 AM Banquet & Live Entertainment—
Fabulous food stations & an array
of great brews.

Sunday, April 29th

10:00 AM - 11:30 AM General Business Session—Addresses by
Industry & Legislative Spokespersons.

11:30 AM - 12:30 PM Distributor Business Session & Membership
Meeting - Legislative & Legal Updates

12:30 PM - 1:00 PM Policy Board Meeting - Elect MBDA directors

1:00 PM - 5:00 PM Brewer, Importer, Allied Trade Supplier
Hospitality & Exhibit Booths—More than
45 manufacturers showcase their products
and services. Enjoy great food and beer.

7:00 PM - 10:00 PM Dinner at Seven Springs' Helen's Restaurant—
Experience upscale dining in a unique
atmosphere.

Frank Pistella
President

Stephanie Eckert
Executive Secretary/Convention Coordinator

Carson Baker
Executive Director

230 South Broad Street, Suite 903, Philadelphia, PA 19102 P: 215-732-6258 F: 215-732-6023 E: mbdassn@aol.com



www.mbdapa.org

Save Time and Money Register in Advance

MBDA recommends that you register in advance for all convention events. Enclosed are two pre-registration forms. "All Events" includes Saturday cocktail party, banquet, entertainment; Sunday business sessions, hospitality & exhibit booths @ only \$140.00 per person for MBDA members and \$155.00 for non-members. "Daily Events" for attendance to select functions. Costs are as follows: Saturday cocktail party, banquet & entertainment @ \$100.00 per person. Sunday business sessions & hospitality/exhibit booths @ \$45.00 per person for MBDA members and \$60.00 for non-members.

Note that tickets for Friday's Brewski Festival @ \$15.00 per person; Saturday's Clay Shoot & Lunch @ \$110.00 for registrants bringing their own gun and ammo and \$135.00 for registrants renting a gun and ammo from Seven Springs; Saturday's transportation, tour & lunch at Fallingwater @ \$75.00 per person; and Sunday's dinner at Helen's @ \$75.00 per person are priced separately and can be purchased using either the "All Events" or "Daily Events" form.

Please return your registration forms to MBDA before April 6th. Your badges will be readily available to you at MBDA's convention registration desk on Friday, April 27th, at 8:00 PM; Saturday, April 28th, from 10:00 AM to 6:00 PM and on Sunday, April 29th, from 10:00 AM to 4:00 PM. You can also purchase tickets and badges on each day at the convention registration desk, but they will be priced slightly higher.

See pages 3 & 4 for details on each convention event. MBDA has the lowest convention registration rate of any state or national distributor association and fees are tax deductible. This is a Convention that no industry member can afford to miss!

Largest State Distributors Convention

Convention Chairman, Ryan Federbusch of Beer Express in Pittsburgh, announced that MBDA will once again present an outstanding convention for its beer distributors, brewers, importers and allied trade suppliers. This three-day event is the largest state beer distributor convention in the country, and attendance should exceed 400 registrants. Make plans now to come to the Convention, join in on the fun, and improve your business too. We look forward to seeing you there!

Easy to Get To

Seven Springs Mountain Resort, 777 Water Wheel Drive, Seven Springs, PA is conveniently located in the beautiful Laurel Highlands, just off of the Pennsylvania Turnpike. The resort is only a one-hour drive southeast of Pittsburgh, 4 hours from Philadelphia, and 2½ hours from Harrisburg. For directions go to www.7springs.com/about/directions/. Hotel parking is complimentary. Pittsburgh International Airport is the nearest metropolitan terminal.

MBDA

Guestrooms Offered at a Discounted Rate

MBDA is pleased to offer our convention registrants an incredible room rate of only \$139.00 per day + 9% tax based on single or double occupancy for the Hotel's Deluxe Queen Room (includes two queen beds).

You also have the option to upgrade to a King Tower Room @ \$159.00 or a King Jr. Suite @ \$179.00. The King Tower Room has a king-sized bed, a sleeper sofa & balcony and the King Jr. Suite has a king-sized bed, sleeper sofa, seating area, & refrigerator.

Check-in is 4:00 PM. Check-out is 11:00 AM. Early check-ins will be honored based on room availability. You can also make arrangements with the resort to book a pet-friendly room.

In-room amenities include flat-screen television, coffee maker, iron/ironing board, and complimentary wireless Internet. It is a smoke-free facility, but smoking guests may request ashtrays to be used on the room balconies.

Guarantee Your Room Reservation Before April 4th

Please be sure to contact Seven Springs before April 4th to ensure that you receive MBDA's discounted room rate. Call the resort directly at 800-452-2223 or 814-352-7777, ext. 7009 or go on line to www.7springs.com and enter our group code 8bn43d. All reservations must be guaranteed with a credit card at the time your reservation is made.

Pennsylvania's Largest Four Season Family Resort

The resort features eleven casual and fine dining restaurants and three bars and lounges.

Their recreational activities include a fitness room, heated indoor pool, on-property hiking and biking trails, tennis, sand volleyball courts, roller skating, game room, children's outdoor playground, two championship golf courses, fly fishing, horseback riding, wagon rides, mini-golf, and bowling. You can enjoy a luxurious spa treatment at their Trillium Spa—the perfect place to escape to relax, unwind and renew. The resort offers a complimentary shuttle.



Important Business Sessions Outstanding Trade Show ★ Exciting Social Events

Friday, April 27th

- Purchase half-price tickets through MBDA at only \$15.00 per person (\$30.00 value) for Seven Springs' 17th Annual **Brewski Festival** scheduled from **8:00—11:00 PM**. Only 50 tickets are available at this discounted price, so please return your registration form and check to MBDA as soon as possible. You'll enjoy fine specialty and craft beers from a unique selection of breweries from across the U.S.

Saturday, April 28th

- You are invited to participate in our **First Annual Sporting Clays Shoot Out**. Join us for a fun day of challenge and camaraderie. The shotgun start is scheduled for 10:00 AM. You will experience a variety of different shooting stations and take aim at a total of 100 clay targets. Cost is \$110.00 per-person for those bringing their own shotgun and ammunition and \$135.00 per-person for those renting a gun and ammunition through Seven Springs. Cost includes the 2 1/2 hour shoot, lunch, beer and refreshments. To participate, please return the enclosed Clay Shoot Registration Form and your check to MBDA by April 6th. Skill and door prizes will be awarded at our Saturday evening Banquet.
- Join us on our tour of **Frank Lloyd Wright's Fallingwater**—"The Best All-Time Work of American Architecture". Our bus leaves the hotel at **10:00 AM** and will return at 4:00 PM. Cost of \$75.00 per person includes transportation, tour and lunch. Please return your registration form & check to MBDA by April 6th.
- Our one-hour **Cocktail Party** begins at **7:00 PM** and offers great beer and scrumptious hors d'oeuvres.
- The Association's **Banquet** starting at **8:00 PM** is the highlight of our social events. It features fine brews and superb food stations that include carved beef, ham, turkey; seafood (shrimp, crab cakes, scallops); pasta; salads; vegetables; desserts and live entertainment. More detailed information will be forthcoming in MBDA's April newsletter sent to Association members.

To attend the Cocktail Party and Banquet, please return your registration form to MBDA by April 6th. Cost for both is included for those who are registering for All Events. If you're attending the Cocktail Party and Banquet only, cost is \$100.00 per person.

Sunday, April 29th

- Distributors, brewers, importers and allied trade suppliers are urged to attend our **General Business Session** from **10:00 AM to 11:30 AM**. Prominent industry and legislative speakers will offer addresses. The states of Delaware and Indiana are experiencing problems similar to what we're encountering here in PA. Their beverage retailer representatives will talk on efforts to enhance their outlets and contend with the issue of non-traditional retailers selling alcoholic beverages. Complete details on our speakers' agenda will be noted in our April newsletter sent to MBDA members.
- Our **Business Session** from **11:30 AM to 12:30 PM** is a must for all distributors. MBDA staff will address legal and licensing issues and will answer questions. They will give a thorough review and update on current legislative, regulatory, legal and administrative matters. Our Annual Membership Meeting will follow. This session is restricted to MBDA members.
- At **12:30 PM**, MBDA's **policy board** representatives will hold its annual meeting to elect district vice presidents and directors for the membership year beginning July 1st. All representatives are urged to attend the policy board meeting. You will be sent detailed information in March.
- **Brewer and Importer Hospitality Booths will open at 1 PM**. It is expected that over twenty major suppliers (national, regional and local) will make arrangements for hospitality headquarters. Our registrants are welcome to enjoy beer, soft drinks, food, snacks and entertainment. Admission to all hospitality booths is by badge only.
- Our **Allied Trade Suppliers will open their booths at 1 PM**. The trade exhibits are an important feature of the Convention designed to help our distributors make money, cut down on expenses and increase the efficiency of their businesses. It is anticipated that at least twenty allied trade suppliers will provide demonstrations of cost-saving aids and profit-making items at their booths. Admission to all trade supplier booths is by badge only.

Products and services include: Beverage Dispensing Equipment. Beverage Drinkware & Insulators. Candy Products. Credit Card Processing. Insurance. Material Handling Equipment. POS Systems. Refrigeration. Shelving. Snack Products. Soft Drinks. Tobacco Products, etc.

Sunday, April 29th *(continued)*:

A list of participating brewers, importers and allied trade suppliers will be noted in our April newsletter sent to MBDA members. Distributors who attend Sunday's Trade Show qualify for manufacturers' promotions, prizes, and valuable give-a-ways.

To attend the business sessions and trade show, please send MBDA your registration form by April 6th. Cost is included for those who are registering for All Events. If you're attending the Business Session and Trade show only, cost is \$45.00 for MBDA members and \$60.00 for non-members.

- A superb **dinner at 7:00 PM** will officially conclude MBDA's 82nd Annual Convention. Join us at Seven Spring's Helen's Restaurant and experience upscale dining in a unique atmosphere @ only \$75.00 per person. Helen's will exceed the expectations of even the most well-traveled guest!

Convention Sponsorships Are Available

Wholesalers, brewers and allied trade suppliers who are interested in purchasing a convention sponsorship should contact Convention Chairman Ryan Federbusch at 724-859-0938 or Convention Coordinator Stephanie Eckert at 215-732-6258 or email mbdassn@aol.com. Details are outlined below:

\$1,000 Sponsorship includes:

- ★ 10 complimentary passes for admission to Sunday's trade show featuring over 45 hospitality and exhibit booths (\$450 value).
- ★ Complimentary half-page ad in the MBDA 2018 trade directory (\$250 value),
- ★ 3 complimentary passes for Saturday's Sporting Clays Shoot (\$330 value).



Why Manufacturers Should Participate

Brewers, importers and allied trade suppliers are encouraged to participate with a hospitality or exhibit booth.

- ✓ MBDA's Annual Convention is the largest state distributors convention in the country.
- ✓ Pennsylvania is one of the nation's largest volume and per capita consuming states for malt beverages.
- ✓ We attract strictly Industry personnel – your serious shoppers.
- ✓ The Convention is an excellent way to promote your products and services. You are welcome to sell, take orders and schedule appointments – all right from your booth.
- ✓ You gain prestige and exposure for your Company.
- ✓ Your customers will be in attendance. The Convention gives you the opportunity to strengthen your business contacts.
- ✓ You will make new business contacts. Our Convention is the least expensive way of reaching new buyers.
- ✓ You will have a full day to showcase your products and services. The Association's business sessions do not compete with the hospitality and exhibit hours.
- ✓ The Association has kept its Convention very affordable.
- ✓ The Convention gives you the opportunity to network with your Industry peers.

To Reserve Your Hospitality or Exhibit Booth

Everything you require for a successful convention is here! Seven Springs has superb meeting space. All booths are located in the Exhibit Hall—ideal for brewer hospitality and allied trade supplier exhibits. We guarantee exposure for all brewers, importers and allied trade suppliers.

To reserve your space, brewers, importers & allied trade suppliers need only to return their Booth Reservation Request Form to MBDA. Form was recently sent to you under separate cover. Please respond as soon as possible. Booths are on a “first-come, first-served” basis.

Purchase Advertising Space It Gives You Visibility

An Order Form for Trade Directory Advertisement with prices and ad placement details is enclosed. **Please return the order form together with your ad material to our Executive Office by March 23rd.**

We encourage you to be part of MBDA's 82nd Annual Trade Directory. Your support of our industry's publication is very much appreciated.

2018 Trade Directory The Industry's Official Handbook

The MBDA Trade Directory is recognized as the official handbook for the Industry. It contains numerous product advertisements and important trade information. The Trade Directory is a year-round reference book used by distributors, brewers, importers and allied trade suppliers doing business in Pennsylvania. It will be distributed at the Convention free of charge to all MBDA members, convention attendees and ad subscribers.

Vital information contained in the Trade Directory includes:

- Names, addresses and classifications of all Pennsylvania beer distributors.
- Contact information for MBDA officers, board members and staff.
- Digest of industry state laws and regulations.
- Annual release of the PA Revenue Department indicating malt beverages sold by container size.
- Annual release of the PA Liquor Control Board showing the number of various licenses by county.
- Listing with addresses and telephone numbers for officials of the PA Liquor Control Board, State Police Bureau of Liquor Control Enforcement, PA Revenue Department, and Alcohol & Tobacco Tax & Trade Bureau.
- Names, addresses and telephone numbers of our State Senators and Representatives for their Harrisburg and district offices.
- Names, addresses and products of our associate members and participating brewers, importers and allied trade suppliers.

Who Should Subscribe

- Every ID Distributor is encouraged to subscribe to a full-page ad. This is an excellent opportunity for the wholesale distributor to promote his own special interest and image as well as the brewer's brand product.
- Distributors, D & ID, who do not have a particular brand can show their support for this much-needed trade publication with their own ad.
- It is also important for distributors to suggest to their sources of supply and county associations to place ads.
- Brewers, importers and allied trade suppliers are especially urged to subscribe to ads. The Directory is the best possible way to remind the Pennsylvania distributors of your products and services.

Please give serious consideration to inserting a color ad. With your support we expect the 82nd annual edition of the Trade Directory to be the largest issued by the Association.

**FOR UPDATES AND MORE INFORMATION
PLEASE ATTEND OUR
SUNDAY, APRIL 29TH,
BUSINESS SESSIONS AND
ANNUAL MEMBERSHIP MEETING**

Inter-Municipal License Transfers

With the increase in grocery and convenience stores moving licenses across municipal borders, we are receiving more and more inquiries from members on how to challenge these applications.

While we have educated members in past updates on how to fight these applications, it is extremely important that you fight them in a timely manner. Some members have told us they missed public hearings on inter-municipal transfers because they were waiting for the PLCB orange placard to go up. However, if you wait for the orange placard to be posted, it will be too late.

The public hearing takes place before the PLCB placard is posted at the premises. You will have to watch for the notice of public hearing and attend the public hearing in opposition to the request. Each receiving municipality must provide public notice before holding a public hearing on an inter-municipal transfer request.

“Public notice” means notice published once each week for two successive weeks in a newspaper of general circulation in the municipality. Such notice shall state the time and the place of the hearing and the particular matter to be considered at the hearing. The first publication shall not be more than 30 days, and the second publication shall not be less than seven days, from the date of the hearing. If you are not sure whether a public hearing has been scheduled, you should contact the manager of the receiving municipality for more information.

Legislation Opposed by MBDA

We thank our MBDA members for contacting their House Members to voice their strong opposition to HB 1897. The legislation would have allowed unlimited off-premises 12-pack sales of beer by supermarkets and other R licensees. Your contacts were the key to our success in Rep. Craig Staats (R-Bucks) withdrawing his bill from consideration. Special thanks to our president Frank Pistella for leading our team in Harrisburg. We’re keeping a close watch in the event that this legislation should resurface.

PA House and Senate Control

Republicans control the Pennsylvania House of Representatives, 121 to 82. Republicans control the Pennsylvania Senate, 34 to 16. House contact information can be obtained on line at www.house.state.pa.us. For Senate contact information go to www.pasen.gov.

**Law & Justice Chair
Chuck McIlhinney Will Not Seek
Re-Election**

Chuck McIlhinney (R-Bucks), who serves as the Senate Chairman of Law & Justice, announced that he is not going to run for another term. Next year, the Senate will see a new member as chair of this committee which deals with liquor issues in the Senate. MBDA appreciates the Senator’s outstanding service and his understanding that beer distributors brought their own investment to the table. Because of him, we are able to sell all packages—a change that was much sought and welcomed by our customers.

**House Committee Chair
Adam Harris Will Not Seek
Re-Election**

Adam Harris (R-Juniata), Chairman of the House Liquor Control Committee, announced that he will not seek re-election for his central PA seat. His decision means the House will see a new member chair this important committee. MBDA thanks Rep. Harris for his outstanding service.

PA Senate & House Dates

The Pennsylvania House of Representatives and Senate are expected to be in session on:

Senate	March	9, 20, 21, 26, 27, 28
	April	16, 17, 18, 23, 24, 25, 30
	May	1, 2, 21, 22, 23
	June	4, 5, 6, 11, 12, 13, 18, 19, 20, 21, 25, 26, 27, 28, 29, 30
House	March	12, 13, 14
	April	9, 10, 11, 16, 17, 18, 30
	May	1, 2, 22, 23
	June	4, 5, 6, 11, 12, 13, 18, 19, 20, 21, 25, 26, 27, 28, 29, 30

When not in session, Senators and House Members can be reached at their district offices. It is very important for distributors to personally reach out to their legislators. If you’re not certain as to your House Member, please visit www.house.state.pa.us/, click on “Find My Representative” and then type in your address, city and zip code. For Senators, go to www.pasen.gov/, click on “Find My Senator” and then type in your address, city and zip code.





Senate and House Leadership & Committees

MBDA regularly meets with Leadership and Committee Members. But, it is equally important for distributors who reside in the Senatorial or House Districts of Leadership and Committee Members to contact their lawmakers.

Share with them your personal story—How many years you've been in business. How many full and part-time people you employ. The good wages you pay. Health and pension benefits that you provide. Vacation time that you offer. How much inventory you carry. Your involvement in community events. Your excellent record in not selling to minors.

1,300 locally-owned beer distributors in 67 counties going out of business translates into a loss of over 15,000 good-paying jobs—jobs that would not be recouped by grocery, convenience and big-box stores.

Leadership and committee members are listed as follows:

PA SENATE LEADERS

The Senate Republican and Democrat leadership teams for the 2018 legislative session are as follows:

Republicans—Majority Leader Jake Corman (Centre). Whip John Gordner (Columbia). Caucus Chairman Bob Mensch (Montgomery). Caucus Secretary Richard Alloway (Franklin). Policy Committee Chairman David Argall (Schuylkill). Caucus Administrator Chuck McIlhinney (Bucks). Appropriations Committee Chairman Patrick Browne (Lehigh). President Pro Tempore Joseph Scarnati (Jefferson).

Democrats—Minority Leader Jay Costa (Allegheny). Whip Anthony Williams (Philadelphia). Caucus Chairman Wayne Fontana (Allegheny). Caucus Secretary Larry Farnese (Philadelphia). Policy Committee Chairman Lisa Boscola (Northampton). Caucus Administrator John Blake (Lackawanna). Appropriations Committee Chairman Vincent Hughes (Philadelphia).

PA HOUSE LEADERS

The House Republican and Democrat leadership teams for the 2018 legislative session are as follows:

Republicans—Speaker Mike Turzai (Allegheny). Majority Leader Dave Reed (Indiana). Whip Bryan Cutler (Lancaster).

Caucus Chairman Marcy Toepel (Montgomery). Caucus Secretary Donna Oberlander (Clarion). Policy Chairman Kerry Benninghoff (Centre). Caucus Administrator Kurt Masser (Northumberland). Appropriations Committee Chairman Stan Saylor (York).

Democrats—Minority Leader Frank Dermody (Allegheny). Whip Mike Hanna (Clinton). Caucus Chairman Dan Frankel (Allegheny). Caucus Secretary Rosita Youngblood (Philadelphia). Policy Chairman Mike Sturla (Lancaster). Caucus Administrator Neal Goodman (Schuylkill). Appropriations Committee Chairman Joseph Markosek (Allegheny).

PA SENATE COMMITTEE LAW & JUSTICE

The Law & Justice Committee works on alcohol legislation in the Senate. The following is the Republican Committee: Charles McIlhinney (Bucks) is Majority Chairman. Richard Alloway (Franklin) is Vice Chairman. Members are: John Rafferty (Montgomery). Mike Regan (York). Guy Reschenthaler (Allegheny). Don White (Indiana), Gene Yaw (Lycoming).

The following is the Democratic Committee: Jim Brewster (Allegheny) is Minority Chairman. Members are: Wayne Fontana (Allegheny). Christine Tartaglione (Philadelphia). Anthony Williams (Philadelphia).

PA HOUSE COMMITTEE LIQUOR CONTROL

The Liquor Control Committee works on alcohol legislation in the House. The following is the Republican Committee: Adam Harris (Juniata) is Majority Chairman. Members are Warren Kampf (Chester). John Lawrence (Chester). Jim Marshall (Beaver). Nick Miccarelli (Delaware). Mark Mustio (Allegheny). Mike Reese (Westmoreland). Greg Rothman (Cumberland). Justin Simmons (Lehigh). Curt Sonney (Erie). Craig Staats (Bucks). John Taylor (Philadelphia). Mike Tobash (Schuylkill). Jesse Topper (Fulton). Jeff Wheeland (Lycoming).

The following is the Democratic Committee: Paul Costa (Allegheny) is Minority Chairman. Members are: Kevin Boyle (Philadelphia). Frank Burns (Cambria). Morgan Cephas (Philadelphia). Maria Donatucci (Philadelphia). Martin Flynn (Lackawanna). Bill Kortz (Allegheny). Anita Astorino Kulik (Allegheny). Joanne McGlinton (Philadelphia). Adam Ravenstahl (Allegheny). Peter Schweyer (Lehigh).

Aerial Fireworks

We have a number of members who have expressed interest in selling fireworks from their distributor premises. We have reviewed the new Fireworks Law and contacted the Pennsylvania Department of Agriculture for clarification. We have been informed that distributors cannot sell fireworks from within their distributor premises because the new law requires an applicant to have a permanent facility which is exclusively dedicated to the storage and sale of fireworks. We believe the only feasible option for some distributors under the new Fireworks law would be to apply for a temporary permit which would allow limited sales of fireworks from a tent or similar structure separate and apart from the distributor premises (e.g., in a parking lot). Please note, however, that there are restrictions on the days you can utilize a temporary permit (June 15-July 8 and December 21 - January 2) along with other conditions and restrictions that would apply.

Virtual Lottery Games

With respect to the new virtual lottery games, Advisory Notice #9 allows distributors to sell “Pennsylvania lottery tickets”. It may be reasonable to assume as long as the customer must purchase a lottery ticket to play these games (and the games are conducted through the PA Lottery) they would be legal; however, in 2005 a distributor asked the PLCB if he could install a “Pennsylvania Lottery online gaming machine along with Pennsylvania Lottery Instant Tickets”. In response to this request, the PLCB stated as follows:

“As to your third question, as noted above, a licensee may not conduct another business on the licensed premises without Board approval...Traditionally, the Board has permitted licensees to sell Pennsylvania lottery tickets. However, it is unclear what is meant by a “Pennsylvania Lottery online gaming machine.” Should you wish to seek Board approval for the installation and operation of such a machine on your licensed premises, please submit a complete description thereof to this office with a request for Board approval.”

Given the Board’s cautionary statement in its 2005 advisory opinion when asked about “Pennsylvania Lottery online gaming machines”, we believe it is appropriate to request permission from the PLCB prior to engaging in the sale or business of these new PA Lottery games.

Compliance Checks

Act 75, which went into effect on December 22, 2017, contains a provision which authorizes the Pennsylvania State Police, Bureau of Liquor Control Enforcement (“BLCE”) to use minors to purchase or attempt to purchase malt or brewed beverages at distributors and other licensed establishments, under certain conditions. Those conditions are that the minor (i) is at least eighteen years of age; (ii) is an officer, employee or intern of the BLCE; (iii) has completed specified training by the BLCE; (iv) is acting within the scope of his/her duties; and (v) is under the direct supervision or control of a BLCE agent who is at least 21 years old. This is not a new concept as the BLCE has been conducting minor compliance checks since 2002 when such checks were first authorized by the Pennsylvania Crimes Code. However, there was little guidance or literature in the past explaining how such compliance checks would be conducted. Act 75 now requires the Pennsylvania State Police to promulgate regulations defining how the compliance checks will be conducted. This should add some clarity for licensees and lead to a more structured use of the compliance check program.

Avoid Sales To Minors

Distributors are reminded to always ask someone who appears to be under the age of 30 for current photo identification, make a photocopy or take a photograph of the ID or have him/her sign a declaration of age affidavit. MBDA recommends that you do both (copy the ID and use the declaration of age card) and that you keep these items on your licensed premises as part of your business records. A photo ID must be a driver’s license, identification card issued by the Department of Transportation or by any other state, a valid United States Armed Forces identification card, or a valid passport or travel visa issued by the U.S. or a foreign country that contains the holder’s photograph.

We also encourage the use of an electronic scan device. When a valid form of identification, verified as such by use of an electronic scan device or as explained above (i.e., copying the ID and use the declaration of age card), is relied upon in good faith by a distributor, section 495 of the Liquor Code provides that the distributor will be saved from both civil and criminal prosecution for the offense of sale to a minor. MBDA offers electronic scanning equipment to its members at discounted pricing through our endorsed vendor. Contact Stephanie Eckert at our Executive Office for details.



MBDA Streamlines Business Operations For Our Members



We're pleased to announce that RITE (Retail Information Technology Enterprises) has partnered with PNC Merchant Services (PNCMS) to integrate their POS and processing platforms. This combination provides an outstanding single-source solution for MBDA members.

RITE is a leading provider of Point of Sale systems for small and medium sized retailers in the Beverage Industry and PNCMS (a First Data Joint Venture) is the Association's endorsed provider of discounted pricing for credit and debit card processing services. Both firms are MBDA associate members and participate in our annual convention and trade show.

RITE's mission is to give independent merchants the tools to compete and even win against big box retailers in the 21st century. For additional information, please call RITE's Gary Noble at 320-230-2282, ext. 4007 or email him at garyn@rite.us.

MBDA is pleased that RITE and PNCMS have embarked on this partnership to enable us to offer the best possible complete solution for Association members. If you have any questions, please call our executive office at 215-732-6258 and ask for Stephanie Eckert or email her at mbdassn@aol.com.

PA Revenue 1014 Report

Members have called, asking if they still need to file the monthly 1014 report with the PA Department of Revenue. The answer is "yes".

We believe this question arose from some distributors confusing the long-standing PA Revenue 1014 report with the new PLCB reporting requirements as a result of Act 166. Please read below.

Reporting Requirements Under Act 166

As most of our members are aware by now, Act 166 of 2016 implemented a new reporting requirement for beer distributors. Section 455 of the Liquor Code now requires any person selling malt or brewed beverages at wholesale, and any person selling at retail malt or brewed beverages that were not sold at wholesale, to report to the PLCB the volume of the malt or brewed beverages sold. The monthly report, in the form and manner determined by the PLCB, must be made no later than 60 days after the end of each calendar month and must show product volumes broken down by brewer. All volumes must be reported in 31-gallon barrel equivalents (which may be rounded), regardless of the package size. Within fourteen days of receiving the reports, the PLCB must post them on the internet for public view for a period of two years. The reports are posted

on the PLCB website under PLCB/About/News and Reports. The PLCB has interpreted sales of malt or brewed beverages made at "wholesale" under this new code section to mean sales to any other licensees or permittees. Therefore, any sales by distributors to licensees or permittees of the PLCB would be considered sales made at wholesale and must be reported. Please be advised that distributor licensees are not required to report retail sales (i.e., direct sales to non-licensed consumers) of malt and brewed beverages because such products were previously sold at wholesale in Pennsylvania. Any distributor who is required to submit malt or brewed beverage sales reports to the PLCB under this new section must do so using the online regulatory system, PLCB+. If you have trouble navigating the PLCB+ system, you can call 1-844-717-5475 for assistance.

Outside Advertisements

If your distributor is located near a church, school or public playground, there are special restrictions that may apply to your advertising of malt or brewed beverages.

Print advertisements of alcoholic beverages are only permissible if they are over three hundred (300) feet from a church, school or public playground. Any written advertisements of alcoholic beverages within three hundred (300) feet of a church, school, or public playground are prohibited by section 498(e)(3) of the Liquor Code. For example, a billboard or banner advertising alcoholic beverages located two hundred (200) feet away from a church would be prohibited.

This prohibition does not preclude any point-of-sale advertisement or other print advertisement regarding alcoholic beverages if such advertisements are inside the distributor. This prohibition also does not apply to advertisements on mobile (transient) vehicles. If you believe your business may be located within three hundred (300) feet of one of these institutions, you should consult with private counsel to determine what advertisements are permissible.

Mail-In Rebates Prohibited at Grocery Stores

In May, the PLCB, Office of Chief Counsel opined that mail-in rebates for beer that have been approved for use at distributor licensees are not eligible for use at grocery stores which hold restaurant liquor licenses. The PLCB relied on Section 493(24)(i) of the Liquor Code, which prohibits (with limited exceptions) a licensee from offering or giving to consumers any prize, premium, gift or other inducement to purchase liquor or malt or brewed beverages.

An exception to this general prohibition allows for the use of manufacturers coupons for the purchase of beer, but only if the beer is purchased from a distributor or importing distributor. Thus, the PLCB opined mail-in rebates may not be used at retail licensee locations such as grocery stores.

PLCB Advisory Opinions

PLCB Advisory Opinions and Regulations can be accessed on line at the Board's web site, www.lcb.state.pa.us. Requests for an Advisory Opinion which will govern a licensee's particular factual situation can be submitted by letter to Rod Diaz, Office of the Chief Counsel, PLCB, Northwest Office Building, Harrisburg, PA 17120.

Recent PLCB Advisory Opinions

Two (2) recent advisory opinions have clarified certain points as to how distributors can sell malt or brewed beverages in their stores. On November 20, 2017, the PLCB, Office of Chief Counsel issued Advisory Opinion #17-449 which confirmed that distributors may sell alcohol slushies (made from malt or brewed beverages) as long as they are in sealed containers to go.

These sealed containers must fit within the definition of "growler", which means a "refillable container for malt or brewed beverages that can be resealed." The PLCB did clarify, however, that distributors may not mix any substance, including ice, with the malt or brewed beverage slushies being sold for off premises consumption. On November 28, 2017, the PLCB, Office of Chief Counsel issued Advisory Opinion #17-463 which confirmed that distributors may sell beer for off-premises consumption in plastic cups with lids, as long as the cups meet the definition of a refillable growler. Specifically, a distributor may tap a keg inside the store, pour the beer into a cup, place a lid on the cup and a piece of tape covering the straw hold and sell it for off-premises consumption.

Please Make Your 2018 DISPAC Contribution

Distributors—please make your 2018 DISPAC contribution at your earliest opportunity. Mail a personal or partnership (no corporate) check payable to DISPAC, 230 S. Broad St., Suite 903, Philadelphia, PA 19102.

We pledge to use all contributions to promote and protect your interests to our state lawmakers. Our legislative battles continue. Supermarkets and convenience stores want case sales in their aisles. A healthy DISPAC fund is a critical part of our effort to successfully defeat that proposition.

We thank the following MBDA members for making their 2018 contributions at this time: Wayne Crouse, John Gerbron, Tim Zettlemoyer.

Distributors Political Action Committee (DISPAC)

DISPAC is MBDA's Political Action Committee. Its purpose is to show support and make contributions to the campaigns of State Senators and House Members who are favorable to our issues. By law, DISPAC is permitted to collect and disburse funds to achieve our legislative goals. Contributions helped pave the way for our most recent accomplishment—Sales of singles to cases including growlers!

DISPAC Chairman, Skip Link, thanks all MBDA members who contributed to our Distributors Political Action Committee in 2017.

Contributors' names are noted below. Please don't hesitate to call on us if you have a recommended event in your district that warrants a fund disbursement.

Roger & Jane Ackerman, Margaret Alston, Ronald Baumbach, Douglas & Susan Berthold, Joseph Bound, Mark Boyce, Jung Joo & Kyun Chung, Martin & Kathleen Cirelli, Anthony & Patricia Colangelo, James & Kathleen Crane, Shawn David, Michael & Lindale DeBone, Robert DeBone, Thomas & Dolores Derr, Diane Dillon, David & Tracey Dripps, Ryan & Gretchen Federbusch, Patrick Flannery, Craig Gilham, John & Cheryl Grunden, Maureen & Donald Hicks, Karen & Geoffrey Hurley, Bradley & Tammy Keuscher, Steve Kotic, Francis & Mary Jo Krafty, Frank LaRosa, John & Myrna Lender, Skip & Dorothy Link, Curtis Mason, Chris Miller, John Millin, Jaydip & Anita Patel, Peter & Christina Petousis, Alex & David Piermani, Frank & Lisa Pistella, Keith Rutt, Douglas Sampson, Lori Ann & David Scott, Dave & Sharon Shipula, Jere Shultz, Peter Sirianni, Rebecca Stubler, Mark Tanczos, Joseph & Mary Ellen Tssario, Tim Zettlemoyer, Xiu Yin Zheng.



Associates Members

MBDA's associate membership year runs from January 1 to December 31, 2018. The cost of becoming an Associate Member starts at only \$300.00 and is open to brewers, importers, allied trade suppliers, and professionals who supply products or provide services to beer distributors.

Our Association recognizes associate members as supporters of our industry and their names, addresses, phone numbers and products or services are noted in MBDA newsletters, in our on-line Buyer's Guide, and in our annual trade directory.

As we go to press, we thank the following firms who have joined our Association in 2018:

Burns Industrial Equipment, 210 Thorn Hill Road, Warrendale, PA 15086. Product: Material Handling Equipment. Contact Christopher Burns @ 412-856-9253.

Flightware Solutions, 27910 E. Colbern Road, Lake Lotawana, MO 64086. Product: POS System. Contact George Kahwaji @ 816-774-3500.

Gerbron Wholesale, 789 Wollaston Road, Kennett Square, PA 19348, Product: Cigarettes, Cigars, Candy, Paper Products. Contact John Gerbron @ 610-347-0440.

Micro-Matic USA, 4601 Saucon Creek Road, Center Valley, PA 18034. Product: Draft Beer Dispensing Equipment. Contact Jack Thompson @ 610-625-4464.

North American Breweries, 50 Fountain Plaza, Suite 900, Buffalo, NY 14202. Product: Labatt, Magic Hat, Genesee, Seagrams, Imperial. Contact John Nicotra @ 412-780-5367.

Penn Brewery, 800 Vinial Street, Pittsburgh, PA 15212. Product: Penn Pilsner. Contact John Walick 412-237-9400.

PNC Merchants Services, 249 Fifth Avenue, Pittsburgh, PA 15222. Product: MBDA Endorsed Credit Card Processor. Contact Jammie Jones @ 717-597-4786.

Pomodo, 414 Ferndale Avenue, Johnstown, PA 15905. Product: POS System. Contact Stephen Thompson @ 814-288-5034.

RITE, 1001 Second Avenue, Sartell, MN 56377. Product: POS System. Contact Gary Noble @ 320-230-2282.

Schubert Equipment Sales, 582 Steiner Bridge Road, Valencia, PA 16059. Product: Commercial Food Service Equipment. Contact Doug Nickel 724-903-0880.

D.G. Yuengling & Son, 310 Mill Creek Avenue, Pottsville, PA 17901. Product: Yuengling Products & Lord Chesterfield. Contact Rob Schimony 717-622-0153.

Manufacturers who are interested in applying for associate membership should return the application sent to you in January or you can call our Executive Office.

MBDA Offers Employee On-Line Ramp Training

MBDA provides an on-line Responsible Alcohol Management Program (RAMP) for beer distributor employees at the discounted rate of \$10/per employee. Members should call our Executive Office at 215-732-6258 to obtain their member code. Then go on-line to www.mbdapa.org and click on the "RAMP" tab at the top.

Owners and managers can schedule RAMP training by contacting the PLCB at www.lcb.state.pa.us.

PNC Merchant Services Account Manager

MBDA members receive the lowest possible fee schedule of interchange plus 5 basis points (.005) plus \$0.05 per transaction to process VISA, MasterCard, Discover and American Express. We're pleased that our discounted processing program allows members to affordably accept all major card types. Jammie Jones is our Association Relationship Manager at PNC Merchant Services. MBDA members should contact her with questions or concerns. She can be reached by phone 717-597-4786 or e-mail jammie.jones@pnc.com.

Director Vacancies

Vacancies exist in District #1 (Philadelphia County); District #3 (Adams, Cumberland, Dauphin, Franklin, Juniata, Lancaster, Lebanon, Perry & York Counties); District #5 (Bedford, Blair, Cambria, Centre, Fulton, Huntingdon, Mifflin & Somerset Counties); District #7 (Armstrong, Butler, Cameron, Clarion, Clearfield, Elk, Forest, Indiana & Jefferson Counties); District #10 (Delaware & Montgomery Counties); District #11 (Bucks & Chester Counties); District #12 (Bradford, Clinton, Lycoming, Potter, Sullivan & Tioga Counties).

MBDA members who are interested in serving are asked to please call the Association's Executive Office. You are urged to please get involved and be active. Directors are asked to attend quarterly board meetings.



Group Buying Power For MBDA Members

✓ **High insurance costs? Reduce them through MBDA's Business Insurance Program.** Penn National can save you money on the cost of your automobile, business owners, general liability, liquor liability, property, umbrella, and worker's compensation insurance. You'll be eligible to receive a dividend regardless of account size. In 2017, this program paid a 13 percent dividend back to its members. Any Penn National agent can place an MBDA member, so please contact your agent at your earliest opportunity.

✓ **Lower your credit card fees by enrolling in MBDA's processing program through PNC Merchants Services.** You'll receive the lowest possible fee schedule to process credit cards at only \$0.05 and 5 basis points (.005) per transaction. You'll incur no monthly statement fees and supplies are free of charge. Purchase the latest equipment at minimal cost or have your existing terminal re-programmed free of charge. Take advantage of our gift card program which can be a very effective promotional tool for your business.

✓ **Tired of paying high electricity bills? MBDA offers its members a program through Kinetic Energy.** Because of deregulation, everyone can "shop" the generation of portion of their bills. Associations get a better energy generation rate for members by combining member's generation needs together and shopping their total generation. Each member will continue to receive their own bill and be responsible for their own payment of the bills. Each member will still have their local utility company maintain and service the wires that carry the electricity to their business. Members will only be entered into an agreement with an energy generation supplier if the price secured is lower than the price currently offered by the utility company.

✓ **Get discounted pricing on your promotional giveaways through Networker.** This is an excellent and inexpensive way to advertise your business, even on minimum quantity orders. Invoicing takes place only after delivery. Request your free catalog with 1,000's of items to choose from.

✓ **Detect false ID's and protect yourself from receiving citations.** Receive discounted rates on electronic scanning devices through MBDA. Ray Swerdlow offers a selection of equipment with the latest technology.

Members who are interested in signing up for MBDA's discounted programs should call Stephanie Eckert at the Association's Executive Office, 215-732-6258 or email her at mbdassn@aol.com.



Please Provide Your Email Address

MBDA members who have not provided us with their email address are missing out on the latest industry news as it's happening. E-newsletters are sent to members on a weekly basis and alerts are sent as needed. If we don't have your e-mail address, please send it to us at mbdassn@aol.com.

MBDA Membership

We thank our MBDA members for their continued support and vote of confidence. You have enabled us to maintain a powerful voice in Harrisburg in representing the entire beer distributing industry. You have our guarantee that we will continue to work together in 2018 to promote the interests of all Pennsylvania beer distributors. Members should not hesitate to contact our Executive Office for industry advice or assistance. Call or write us if you have any ideas or suggestions that you believe will enhance the beer business.

Members have given MBDA increased group buying power. You make it possible for us to offer discounted programs to make and save money for our members. If you don't agree that the savings you experience through our programs more than pays for your membership dues we will gladly refund your money.

We ask non-member distributors to please give serious thought to joining MBDA, and an invoice is enclosed for your use. All distributors have similar goals and share a common agenda—keep case beer sales out of supermarkets and convenience stores. By becoming an MBDA member you give us even more power and influence in taking our message to our state lawmakers. Greater membership will help us continue to lobby for industry legislation beneficial to beer distributors and defeat those bills which are harmful to you.

Distributor Recaps

Every distributor reading this should:

- Contact your State Senator and Representative and thank them for permitting you to give your customers even better service by way of single, 6-pack and 12-pack sales. At the same time, tell them why you oppose unlimited beer sales by supermarkets, convenience stores and gas stations. You're a voting constituent and our lawmakers want to hear your concerns.
- If you're not already a member, join MBDA. We make sure your concerns and your voices are heard and understood in Harrisburg.
- Write a personal check to DISPAC, MBDA's Distributors Political Action Committee. This enables us to show support for our state lawmakers who have our interests and goals in mind.
- Come to MBDA's April 27, 28, 29 Convention at Seven Springs Mountain Resort. Contact the resort to make your room reservations by April 4th and send MBDA your registration form before April 6th.