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Keeping the Industry Informed

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BOOST SALES & CUSTOMER SERVICE **P22**

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Winter 2018

OFFICIAL PUBLICATION OF



ALBERTA
LIQUOR STORE
ASSOCIATION

straightshots!

Your Bi-Weekly E-newsletter for the Liquor Industry
from the Publishers of The Publican and Liquor Retailer



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EDITOR'S NOTES

by Joyce Hayne



Alberta's economy is strengthening with the Alberta government forecasting that the economy will have grown by 4% in 2017. Retail liquor sales are also recovering with the most recent statistics from Connect Logistics showing sales increases in beer, wine, cooler, cider and gin sales.

Alberta's craft industry is continuing to grow and we now have over 100 craft liquor producers including 21 distilleries, 68 breweries, and 13 estate wineries/meaderies. A new \$60,000 grant to the Alberta Small Brewers Association will help further develop and promote the province's local beer brand.

Everyone is keeping their eye on the cannabis file and by the time this issue is in your hands, we may have a decision on what defines a private retail store that is allowed to sell cannabis. In April, EMC Publications is launching a new national magazine and website entitled Cannabis Retailer to be a resource for store owners entering this new market.

There are definitely interesting times ahead of us in 2018!

Wishing you a happy and prosperous year!

Joyce

UPCOMING EVENTS

February 13 Around the World With Pinot Noir West Edmonton Mall
www.aligrawineandspirits.com/events

February 16-17 Winefest Edmonton Shaw Conference Centre, Hall D
www.celebratewinefest.com/edmonton.html

February 23-24 WineFest Calgary Stampede Park BMO Centre
www.celebratewinefest.com/calgary.html

March 9 Hops & Whisky 2018 Royal Glenora Club, Edmonton
www.eventbrite.ca/e/hops-whisky-2018-tickets-41217646089?aff=es2

March 22 Barolo vs. Barbaresco: King & Queen of Italian Wine Midtown Tasting Centre, Calgary
www.eventbrite.ca/e/barolo-vs-barbaresco-king-queen-of-italian-wine-midtown-tasting-centre-tickets-41148151228?aff=es2

April 7-May 5 French Wine Scholar Study and Certification Program Sherbrook, Edmonton
www.rockymountainwine.com/edmonton

April 13-14 Edmonton International BeerFest Shaw Conference Centre
www.internationalbeerfest.com

ALSA'S MESSAGE

by Ivonne Martinez



25 Years and Counting

The Alberta Liquor Store Association (ALSA) remains committed to working with our members and stakeholders as we celebrate 25 years since the privatization of liquor retailing in Alberta. Since 1993, our industry has continued to grow and prosper under a regulatory regime that allows for innovation and collaboration.

The AGLC has grown with our industry and has proven to be a tremendous partner to the liquor industry. Working with ALSA and the many stakeholders that make the Alberta model of liquor retailing a success, AGLC has set the benchmark for a liquor regulator in Canada. To this day our province has the most successful liquor distribution and retailing model in Canada. ALSA is confident that under the leadership of newly appointed President and CEO of AGLC, Alain Maisonneuve, Alberta is poised to continue to lead the country.

Much has changed since 1993's privatization of liquor retailing. Today we have over 1,400 liquor stores in more than 350 communities across Alberta. Over 24,000 liquor products

are now available and thanks to regulatory changes opening opportunities for small manufacturers, as of the end of last year Alberta had issued 100 new Class E licenses for craft breweries, distilleries, wineries, and meaderies. Today Albertans have a wide range of local products to choose from and ALSA will be working to support and promote these manufacturers under a new Alberta Made brand. Look for more information in the months to come.

After 25 years, what hasn't changed is our Association's steadfast support for our members and our commitment to represent the voice of every independent retailer in Alberta. Here's to another 25 years!

Come join us.

Help us shape the next 25 years of our industry.

Become a member.

We need your voice at the table as we face new challenges in 2018. Now it is easier than ever to join—visit our website at www.alsaweb.ca for details.

UPCOMING ISSUE *Spring 2018*

POS Systems – Review new tools and features available on POS systems.

Trending Cocktails – Stock up on products to make trendy craft cocktails.

Storing Liquor – What's the best way to store excess inventory to reduce breakage and facilitate access to products?

Retaining Staff – Develop strategies that will engage and motivate your employees.

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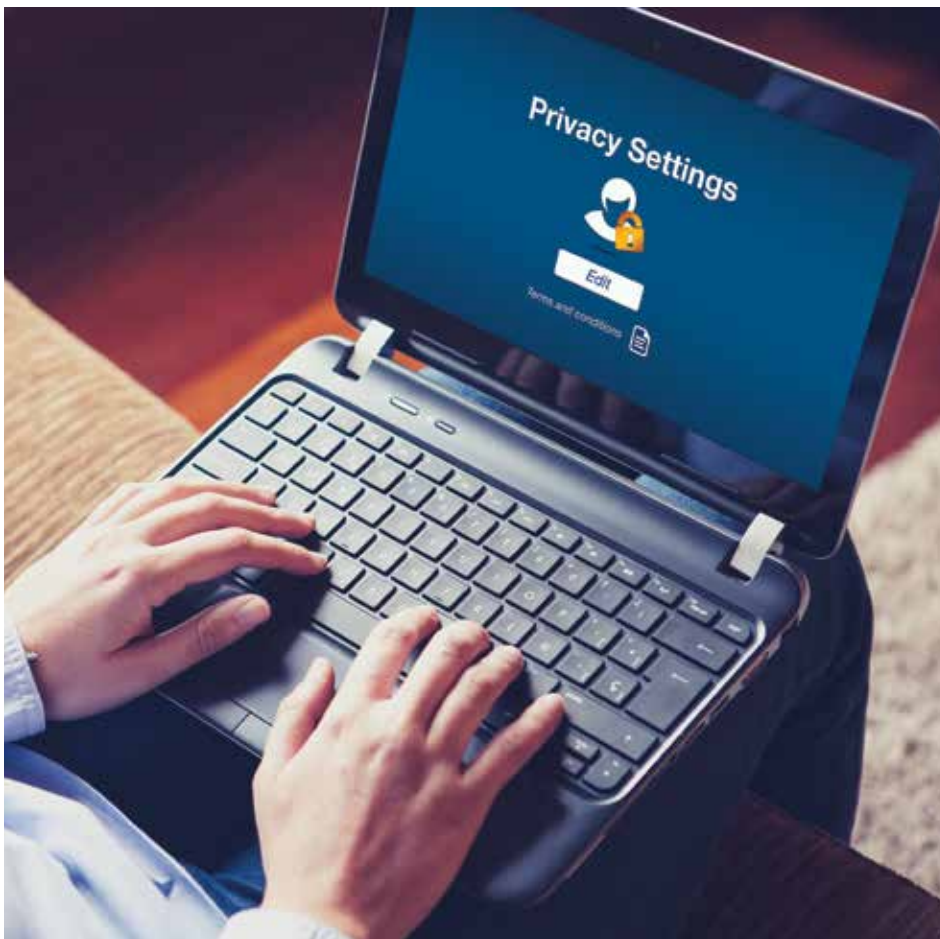
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RECOGNIZE AND PREVENT CYBERCRIME

SECURING YOUR DATA FROM THEFT

by Mark Glenning

From digital bank heists and sensitive information leaks to alleged meddling in democratic processes, the threat of cybercrime is at an all-time high. What can you do to protect your data from the hackers lurking in the shadows of the Internet?

What is a Cyber Attack?

Cyber attacks can be broadly divided into two types. Usually criminals will either aim to disable a network or computer, or they will try to access the target's data. Some ways they do this are:

Malware - Malicious software is installed, allowing criminals to steal data or encrypt it and demand money for its return.

Denial of Service - A torrent of bogus web traffic is sent to a server, with the intention of overwhelming it and causing it to fail.

Phishing - Emails are crafted to fool victims into disclosing personal information or performing some other harmful action.

CyberSecurity Ventures, a researcher of the global online economy, estimates that the cost of damage inflicted by ransomware alone in 2017 will be \$5 billion, up from \$325 million just two years ago. By 2021, the annual global cost of all cybercrime will be a staggering \$6 trillion.

Signs You've Been Attacked

Some attacks are obvious, but hackers are devious, and often fly under the radar of all but the most vigilant of businesses. Here are some things to watch for:

Ransom Notes - If security is compromised, you may get a message demanding online currency to regain control. It's possible that it may be "scareware", or malware that demands money, but doesn't actually lock your data. Either way, it shows that your system has been breached.



Bogus Antivirus Messages - A fake virus scan is a threat to unpatched software. Often, it will report back a phony list of viruses it has found, and will direct you to a site where you can pay to fix the problem. However, this too is a scam—it's a lure to get your banking information.

Redirected Internet Searches - Hackers can profit by sending your Internet browser to wherever they wish. This can be hard to spot as the malware redirects your search through anonymous servers. An indicator of this can be a newly installed browser tool.

Online Passwords Don't Work - Entering an online password correctly but being unable to log in is a bad sign. Sometimes, a site may be experiencing a technical difficulty, but if the situation persists then a criminal may have changed the password to freeze you out.

POS: Point of Swindle?

Criminals love to target point-of-sale (POS) systems. High profile retailers have fallen victim to this, including Kimpton Hotels and Wendy's. Hackers breach the remote access

services that control payment processing. Sometimes, they're able to do this thanks to easy-to-guess passwords, but the malware they use is usually hard to detect. It can slip by antivirus protection and firewalls to extract payment data. Months can go by, with a huge number of credit cards being compromised.

Should you Outsource Data Security?

According to a high-profile security expert, businesses have to take a more proactive approach instead of reacting to threats. In his presentation at the International Cyber Security and Intelligence Conference in November, Nik Alleyne, Senior Cyber Security Manager at Forsythe Solutions Group, confirmed, "The reactive strategy has failed."

He suggested that businesses should hunt for threats, using predictive analysis to narrow down the wide array of attacks. Assessing your online defences should also be carried out regularly, along with penetration tests to see just how vulnerable you are.

This is highly specialized work, and businesses that don't have the resources to do a thorough job may need to outsource. Not only would this allow them to actively hunt for threats and conduct a full analysis of a hack, but also track its timeline. For example, should you restore your data from yesterday's backup, or is that compromised?



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Home Remedies

Outsourcing can prove to be expensive, so what can you do yourself to foil a hacker?

Ransomware - If you have a recent data backup that you're sure is sound, restore it. Otherwise, consider contacting a security expert before you consider paying a ransom, as you still may not recover your data. It's important to have multiple up-to-date back ups of data, kept in separate places such as a cloud storage service, to fix this problem.

Fake Antivirus Scans - Power down your computer immediately after saving anything you need to, and reboot it in "safe mode". This will allow you to remove any recently installed programs, which may carry malware. Then, test your system in regular mode to make sure the fake warnings no longer appear. Follow this up with an antivirus scan.

Password Hacks - Contact the online service to tell them that your account may have been compromised. Notify your contacts that you may have been hacked, and if your login information is used on other sites, be sure to change those passwords too.

Preventing Data Theft

Thankfully, there are some steps you can take yourself that can minimize the need to call in outside help:

Redirected Searches - Check your browser tools, and remove any that are new or unwanted. Safer still, reset your browser to its default settings.

Update your Software - Running outdated software means having gaping security holes in your system. Hackers constantly scan for such vulnerabilities, and they greatly increase your chances of being targeted.

THE COST OF DAMAGE INFLICTED BY RANSOMWARE ALONE
IN 2017 WILL BE \$5 BILLION.

Create a Security Policy - Having a formal plan in place can limit the chances of an attack. For example, use a password creation program to generate random passwords. These are tougher to crack and you should change them every 60 days or so.

Educating your Employees - Your staff should be aware of the signs that you've been hacked. Teach them to recognize the signs of a security breach, such as random browser pop-ups from a website that doesn't usually generate them or unexpected software installs, and educate them on staying safe when using your computer network.

Hackers are determined, so taking the time to run a drill of your response to an attack can really pay off. Not only will your staff learn to recognize one quicker, but it also gives you the chance to refine your procedures for containing it efficiently. ■

LIQUOR STORE ATTRIBUTES

WHAT APPEALS TO CUSTOMERS?

by AGLC

A recent survey conducted by the AGLC asked what main qualities impact Albertans' decision to shop at a particular store and found that respondents rated four categories as most important:

67% *Price /
Sale Prices*

53% *Location /
Convenience*

27% *Customer Service /
Friendly Staff*

63% *Product Selection /
Variety*

Other qualities were indicated as having lesser importance including: cleanliness; product availability; organization/ease of finding products/appealing displays; quality of products/quality control/refrigeration of products; hours of operation/knowledgeable staff; points/reward system/promotions; parking availability; and lighting/safety. ♥

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INTERPROVINCIAL TRADE

THE IMPLICATIONS OF R. V. COMEAU FOR THE LIQUOR BUSINESS IN CANADA

by Shea Coulson

The Supreme Court of Canada heard the ground-breaking interprovincial free-trade case *R. v. Comeau* in December. *Comeau* is the most important case for the liquor industry in modern Canadian history. It will determine the extent to which Canada is a common market for liquor and the limits on provincial regulation of interprovincial sale and distribution of liquor. The Court's decision, which could be a year away, has the potential of enabling a broader interprovincial market for liquor that savvy and well-positioned manufacturers and retailers could capitalize upon.

Background

Mr. Comeau is a retired steel worker living in New Brunswick. Like many residents of New Brunswick, Comeau crossed the provincial border into Quebec to purchase beer and spirits from the SAQ. Upon his return to New Brunswick he was arrested by the RCMP under the provincial *Liquor Control Act* for possessing liquor not purchased from the New Brunswick Liquor Corporation—the in-province monopoly. He was fined \$292.50.

Comeau defended himself by relying on s. 121 of the *Constitution Act, 1867*, which states:

"All Articles of the Growth, Produce, or Manufacture of any one of the Provinces shall, from and after the Union, be admitted free into each of the other Provinces."

Comeau argued that the New Brunswick *Liquor Control Act* provision under which he was charged (s. 134) was unconstitutional as it violated the constitutional requirement to 'admit free' the goods of another province. Section 134 prohibits anyone in New Brunswick from possessing or purchasing liquor from anywhere other than the New Brunswick liquor monopoly.

The trial judge agreed with *Comeau* and declared s. 134 of the New Brunswick *Liquor Control Act* to be unconstitutional and of no force and effect.

S. 121 was originally interpreted by the Supreme Court of Canada in the 1920s case called *Gold Seal*. In that case, the Supreme Court limited the application of s. 121 to tariff barriers only. Since then that decision has never been explicitly overruled by a majority of the Supreme Court of Canada. However, in subsequent cases, the Supreme Court has indicated a different interpretation of s. 121 that includes non-tariff barriers to trade.



The trial judge concluded that *Gold Seal* was wrongly decided on the basis of historical evidence and a new reading of the language of s. 121. His decision is now under appeal at the Supreme Court of Canada.

What the Supreme Court of Canada Will Be Considering

The Supreme Court of Canada will consider two major questions. The first is whether s. 121 includes protection against non-tariff trade barriers and, if so, to what extent. The second is whether s. 134 of New Brunswick's *Liquor Control Act* is unconstitutional. Section 134 is similar to legislative provisions across Canada that enable provincial monopolies, so much is

MANY PROVINCES ALREADY HAVE DISCRIMINATORY LAWS FAVOURING IN-PROVINCE LIQUOR MANUFACTURERS.

at stake.

The answer to the first question will influence the answer to the second. At this stage, it seems likely that the Court will provide a more liberal interpretation of s. 121 than what was given in *Gold Seal*. What is less clear is how the Court will balance government interests against the principle of free trade. This means that it is unclear whether the Court will find s. 134 of the New Brunswick Act to be unconstitutional.

Implications of the Supreme Court of Canada Decision

The court's decision in *R. v. Comeau* will have resounding impact in Canada if the Court chooses to liberalize the interpretation of s. 121. If it chooses to do so, the Court will have to draft a legal test for s. 121 that will apply to legislation across Canada. Such a test is likely to incorporate a principle of non-discrimination such that provinces would not be permitted to discriminate against the goods of another province in favour of goods produced within the discriminating province.

If the Court adopted a test of this nature, the various preferential treatment of wine, beer,

and spirits across Canada would be vulnerable to court challenge and many discriminatory practices would likely either be removed or be declared unconstitutional by a future court. This will have the effect of increasing the harmonization of laws across the country in relation to Canadian-made liquor. It will also almost certainly have the effect of permitting direct-to-consumer shipping for manufacturers of Canadian-made liquor across several provinces as many provinces already have discriminatory laws favouring

in-province liquor manufacturers by permitting them to ship directly to consumers and to licensees (see BC, Ontario, and Quebec, for example).

The Court in *Comeau* will not decide whether retailers are constitutionally permitted to ship Canadian-made liquor to consumers in other provinces. That question will have to be the subject of a future case that will apply the legal test created in *Comeau* to retailers.

A similar situation has taken place in the United States. Their Supreme Court decided in 2005 in a case called *Granholm v. Heald* that states could not discriminate between in-state producers of liquor and out-of-state producers of liquor. Since then, direct-to-consumer shipping from manufacturers has proliferated across almost every state. However, the Court left undecided the question of whether retailers were also permitted to ship directly to consumers in other states. A series of federal circuit court decisions has generally, but not exclusively, favoured states' rights to prohibit out-of-state retailers from shipping into the state. However, this question is ultimately still undecided and will likely end up at the Supreme Court of the United States in the next few years.

In Canada, it is likely that, after *Comeau*, provinces will attempt to restrict sales by retailers and will attempt to enforce these restrictions through the interprovincial carriers such as Canada Post and FedEx. What is not clear at this time is whether such restrictions will be constitutional and which restrictions will be permitted and which will not be permitted.

In addition, international trade challenges under GATT are likely to intensify if direct to consumer shipping is permitted for Canadian liquor manufacturers. Out-of-country manufacturers are not permitted to ship directly to consumers and so future trade challenges could raise this issue and potentially require further reform of Canada's liquor monopolies.

In summary, there is a sea of change coming to the regulation of liquor in Canada and, though it will require future litigation and negotiation with governments, it looks to be a positive one for the industry. ■

Shea Coulson is the founder and principal of Coulson Litigation, a law firm in Vancouver. Shea acts regularly for the hospitality industry in commercial, regulatory, and constitutional matters. He is council for a group of small BC wineries at the Supreme Court of Canada in R. v. Comeau.

WINE REPORT

by Tim Ellison

Vegan Wines - There's What in My Wine?

Vegan wine? What's next? It seems that the trend towards a plant-based, more environmentally responsible and sustainable diet is really taking hold. When people are differentiating their alcohol based on animal husbandry issues then it must be a real thing, right? And if it is a real thing, then perhaps we should prepare ourselves and our staff for the inevitable questions, availability, and the subsequent interrogation about provenance and certifications.

So, first let's clear up the details with some definitions:

Vegan: Veganism is both the practice of abstaining from the use of animal products, particularly in diet, and an associated philosophy that rejects the commodity status of animals. A follower of either the diet or the philosophy is known as a vegan.

Wine: An alcoholic beverage made from fermented grapes.

So, just because a wine is organic doesn't mean it's vegan. Organic wines are made from organically-grown grapes, free of pesticides, herbicides, and synthetic fertilizers. It also means that preservatives are not used during any part of the process. Animal parts can be organic.

Just because a wine is bio-dynamic doesn't mean it's vegan. Biodynamics does come under scrutiny from vegetarian/vegan communities because of the use of animal parts including horns, organs, heads, eggshells, etc. Any grapes grown bio-dynamically would fall into this category because that is, by definition, part of what biodynamics is—they couldn't be certified biodynamic if they didn't do it.

Now that we have that out of the way, the question to ask is, if wines are simply the product derived from fermented grape juice, where do the animal parts come in? It turns out that the fact that wine predates a lot of agricultural and scientific innovation lies at the heart of this conundrum.

A recent discovery of the remains of white wine attest to our millennia-old tradition of fermenting any available sugars we come across into beverage alcohol. The white wine residue discovered in an earthen amphora was determined to be 10,000 years old.

Over the centuries, we have worked hard to perfect the art of wine making. One of the most obvious attributes of well-made wine is its clarity and brilliance in the glass. Haze and other foreign particles are looked upon as defects in a wine and are a sign of poor wine making or hint at potential for other faults.

Winemakers over the years have identified products at hand that they can add to wine to help clarify it. The process is called filtering and fining. Filtering is the process of removing the larger or gross particles by passing it through a filter-like contraption that typically uses paper like a giant coffee filter. Fining is the subsequent process of refining filtering and ultimately leaving a clear and bright liquid that has any particles or other large colloids removed.



This increases the wine's appeal to the market by making it more attractive in the glass. Some winemakers eschew the practice, saying that it "filters the flavours out". Wines that are hazy in the glass usually include some sort of notice on the back label that the wine has not been "fined or filtered". The practice and benefits of filtering and fining is open for debate with amateurs and experts alike having wide ranging opinions.

So, what kind of animal products are employed in winemaking? There are a few and you may find them quite surprising. Popular animal-derived fining agents used in the production of wine include blood and bone marrow, casein (milk protein), chitin (fibre from crustacean shells), egg albumen (derived from egg whites), fish oil, gelatin (protein from boiling animal parts), and isinglass (gelatin from fish bladder membranes).

With the advent of more economic, predictable products that are crafted in such a way as to maintain broad market appeal, you see less and less of these animal products employed. However, in both older, more rustic regions and in large successful wineries tradition may prevail.

So, if it makes a difference to you and your customers, you may want to do a bit of research into how winemakers go about their business.

Tim Ellison is a Certified Chef de Cuisine and Sommelier with almost a half century of experience in the hospitality industry. He is currently the Director of Food and Beverage Service at the Vancouver Club.

Beer Notes

ALBERTA BREWERIES EMBRACE THE COLLABORATIVE SPIRIT

by Kirk Bodnar

As craft beer slowly picks away at the overall market share of beer sales, it has become commonly accepted among craft brewers that the success of one brewery is good for all other craft breweries. The rising tide floats all boats, so to speak—and indeed the rise of craft beer's popularity in recent years has led to not only the increase of market share, but also the exponential increase in the number of craft breweries in general.

Although there is competition among craft brewers—to suggest otherwise would be naïve—craft beer lacks the ultra-competitive or even cut-throat nature that is often associated with big beer. Even still, it may be difficult to envision an environment that supports collaboration and the open sharing of recipes and industry information, but the collaborative spirit does indeed exist within the craft beer world, and in no small way either. Today, it would be hard to find a craft brewery that hasn't released a "collaboration brew". This concept has gone beyond simply being a fun idea where brewers get together to see what craziness they can come up with, and is clearly established as an entirely new market segment—with craft beer fans eagerly anticipating new and innovative beers that are commonly brewed in small batches as limited releases.

Calgary's Village Brewery has clearly embraced the collaborative spirit. From day one, Village has been committed to working with others and for others. This is clearly evidenced by the company's policy of donating 10% of the proceeds of beer sales to various community initiatives. Village's commitment to community and collaboration is further evidenced by their willingness to help new breweries in the local craft beer community. A great example of this is the Village Friend. Every year, Village Brewery invites a newly-opened brewery to collaborate on an idea. Brewers from both breweries get together and plan out a recipe and ultimately brew a beer. It is then packaged and sold, and a portion of the proceeds go to the new brewery with the intention of helping out the brewery in some way—often specifically helping fund a particular item for the new brewery—such as lab equipment to help with quality assurance.



This year's Village Friend is a collaboration with Calgary's Zero Issue Brewing, which opened its doors this past summer. Zero Issue's Kirk MacDonald is no stranger to the Village crew, having spent time at Village as a brewer, so in this case collaboration may come even more naturally.

The beer is an Imperial Golden Stout. Wait a minute—how exactly can a stout be golden, when the characteristic roasty, chocolate, and coffee flavours of a stout come from the dark roasted malt, which would naturally make the beer quite dark? Jeremy McLaughlin, Village's quality control manager and brewer, says that for this beer, all of the coffee and chocolate notes come from coffee and chocolate—and the only malt used is pale in colour. They use coffee from local roaster Calgary Heritage Roasting Co. along with cocoa nibs, and Tahitian vanilla, sourced from a local Calgary spice shop, Silk Road Spice Merchant. The beer is due to be out late January.

Another collaboration that was brewed in December and set for a January draft-only release (hello growler bars...) is the combined

efforts of Wild Rose Brewing and Last Best Brewing and Distilling. The Beer with Two First Names will be a dry-hopped sour with ample amounts of Citra and Galaxy hops. Wild Rose's Jonas Hurtig describes it as "kind of like a New England Kettle Sour", to which Last Best's Phil Brian adds (with his tongue firmly planted in his cheek), "because we love new-school, drinkable, refreshing sours, but don't like to make money very much..." Despite being an expensive beer to brew, this one will surely be a hit with sour beer fanatics and new-school IPA drinkers alike.

Despite being an industry that is becoming more and more competitive every month, with new breweries opening nearly on a weekly basis in Alberta, craft brewers continue to maintain a collaborative culture—one which favours supporting other breweries and celebrates successes collaboratively. Let's hope this culture sticks around as more and more breweries enter the market. In any case, we are sure to see many more innovative collaborations in the months and years to come.

2017 ALSA AWARDS

Winner Profiles

by Mel Priestley

The Alberta Liquor Store Association presented awards to top retailers from various-sized communities across Alberta, along with the Chairman's award for providing outstanding service to the retail liquor industry and the Irv Kipnes Award for Excellence in Liquor Retailing. Help us congratulate the 2017 winners!



CROWFOOT WINE & SPIRITS SIGNATURE, CALGARY 2017 TOP RETAILER AWARD FOR COMMUNITIES OVER 80,000

Anyone can pack a store full of wine, but a good store needs an experienced team to assist customers with that selection. Bob Richardson, vice-president of Crowfoot Wine & Spirits in Calgary, says their intense staff training program sets their store apart from the rest. Not only does this mean their customers get

great service, he explains, but it also means that staff gets more out of their careers.

"Our employee retention has dramatically increased with this training program, and that saves us a lot of time and energy because we always have trained people on the floor," says Richardson. "Once you've got this training, you feel more comfortable in your position as an employee and now you want to stick around."

Crowfoot Wine & Spirits also features a big events centre and a rotating set of different festivals and events throughout the year. "These events improve our customers' awareness of the products that are out there and gives them an opportunity to try before they buy, right there in our store," describes Richardson.



WINE AND BEYOND EMERALD HILLS, SHERWOOD PARK

2017 TOP RETAILER AWARD FOR COMMUNITIES FROM 20,000 TO 80,000

Wine and Beyond believes that Albertans are looking for a better shopping experience when they purchase alcohol, and they've set themselves up for the formidable task of providing this. Some of the keys to the success of the Wine and Beyond brand include convenient and accessible locations, deep product selection, knowledgeable staff, competitive pricing, and modern stores.

SOBEYS LIQUOR, CANMORE

2017 TOP RETAILER AWARD FOR COMMUNITIES FROM 5,000 TO 20,000



There's something for everyone at Sobeys Liquor in Canmore, whether you're a first-time tourist or a local who's lived in the community for years. "People want to experience local and discover something new and have some of that whether they live in town or they're just visiting," says Brent Newman, lead for Sobeys Liquor. "We're unique to the community of Canmore. We bring in an assortment that people are looking for, especially some of the great craft beer and spirits from around that area."

Customer service is also a pillar of their store's success, Newman says. He credits their manager, Jodi Hoiback, for leading the team that ensures everyone walks away happy. "Whether it's someone who's a regular or someone who's coming in to visit, Jodi and her team really do an incredible job to help the customers either find what they're looking for or find something that they'll really like and enjoy. They do everything they can to make sure it's a great experience for the customer."



EDWARD SARAMAGA 2017 CHAIRMAN'S AWARD

Once you hear about all the work he's done with his local community, it's not surprising that Edward Saramaga received the 2017 Chairman's Award—although he says he certainly wasn't expecting it. He owns a couple of stores in Alberta: Liquor on McLeod in Spruce Grove, which just celebrated its 24th anniversary, and Liquor Cottage in Alberta Beach. Through his stores, Saramaga has become an important part of the local community and continues to give back through partnerships with community

members including the Spruce Grove Saints junior hockey team, the local food bank, Ducks Unlimited, the local legion, curling clubs, and golf courses. They also host several local area residents on annual wine tours to the Okanagan Valley.

"There isn't hardly anything that we don't get involved with, or help out," Saramaga says. "We do home deliveries; we do just about everything. It's all family oriented."

BACK DOOR LIQUOR STORE, BARRHEAD 2017 TOP RETAILER AWARD FOR COMMUNITIES UNDER 5,000

You won't find a better price anywhere else in Alberta than at Back Door Liquor in Barrhead, according to owner Philip Bachmier, who has built his store on this promise and sticks to it. "I do a yearly check around and in the city, and we have the best prices around," he states. "We guarantee our prices. We meet or beat any prices around. If anyone can find a lower price, we'll give them whatever

they are buying, a buck off extra a bottle." He describes that some people even drive from Edmonton just to shop at his store, and the store regularly ships out orders to people outside the town. But it's not just great prices that bring people in. Bachmier and his team take pride in their service and selection as well. "Our product selection is probably 20 to 30% more than anyone around," he says.



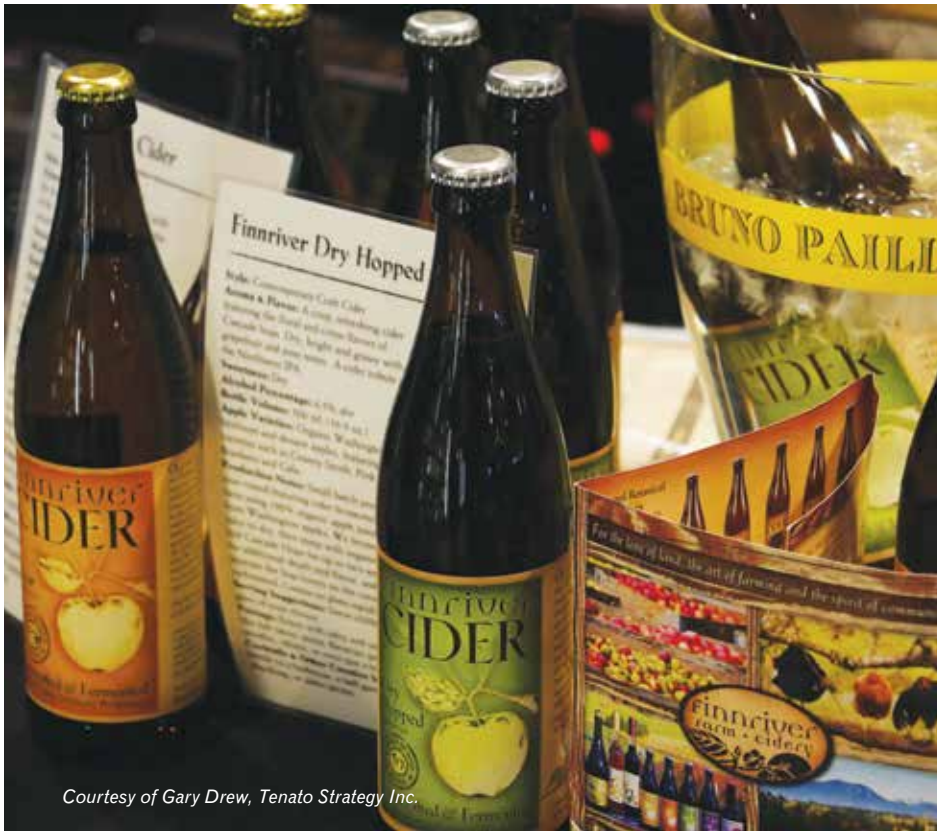
CALGARY CO-OP WINE, SPIRITS AND BEER

2017 IRV KIPNES AWARD FOR EXCELLENCE IN LIQUOR RETAILING

It isn't just one thing that sets Co-op Wine, Spirits and Beer apart from the crowd, but rather a number of facets that lets them provide an exceptional shopping experience. "Many liquor stores have the same offerings; but our teams work hard at staying up with trends and looking for innovative ways to be different," explains Dan Ellis, category director for Co-op Wine, Spirits and Beer. "Our tasting centres are great places to learn about new products or history of the brands you have already fell in love with. Many times, with our locations, we are able to corner the market

on something new and hot, making our stores the only destination that you can get it at."

Co-op also invests many hours in training all their team members, ensures they are stocking stores with the right selection for the particular communities they serve, and have on-site tasting centres to give customers the opportunity to sample and learn about new products. ■



Courtesy of Gary Drew, Tenato Strategy Inc.

EFFECTIVELY MARKETING YOUR LIQUOR STORE

DO YOUR RESEARCH FIRST

by Jacqueline Drew

In the liquor industry, marketing has changed dramatically in the past five or so years. Small businesses used to simply place an ad in the yellow pages, put up signs, and then wait for customers to flow through the door.

However, today's marketing is a quagmire of Google rankings, social media, blogging, e-newsletters and big data analytics. How on earth can a retailer make any sense of it?

Effective marketing in our new, digital world involves three stages: research, strategy and execution. Here's how it works.

Research

You need market research to make good decisions about marketing, and there are lots of ways to get it:

Demographic Research - Would you like to know things like the gender, age, income level, and education level of the communities surrounding your store? It's free and easily accessible through several municipal websites. For example, the calgary.ca website has community profiles online for every neighbourhood in that city.

Consumer Spending Habits - Are you looking for new locations to add stores, and therefore want to know where the heaviest concentrations of alcoholic beverage consumers are? This data costs (approximately \$2,000 - 5,000 depending on the number of communities you want examined), but is available to purchase through Environics Canada. Environics uses Statistics Canada data to correlate community demographics to spending habits of those demographics, revealing alcohol purchases by community.

Customer Tracking - If you're trying to improve an existing store, why not ask everyone who comes to your till what other products they would like to see, and then keep a running list? Also, ask your regular customers why they prefer your store, so you can understand your key strength as a business (which is critical for determining your vision).

Trend Research - Want to know what liquor trends are hot? Google Trends is an excellent, free resource. Just visit trends.google.com and punch in various keywords—they can be brand names, or general terms like "microbrewery"—and Google will give you a trend graph showing upward, cyclical or downward trends for that term. You can then narrow it down to Canadian or Albertan data. You can also Google for the tutorial on how to use it!

Competitor Research - If you're trying to beat a specific competitor, there is a lot of data available. A tool called SEM Rush (www.semrush.com) allows you to enter a domain name, and see how much traffic a given site is getting. This tool costs about \$100/month for a subscription, but it will also give you a lot as a free user. It will tell you why any site is getting traffic by providing data such as a list of keywords on which a given site is ranking highly (e.g. #1 on "craft beer"). You can also compare your site size, traffic, and online spending to your top competitors. It's extremely valuable information! This tool also has an online tutorial.



Courtesy of Gary Drew, Tenato Strategy Inc.

Strategy

Strategy refers to making decisions to drive growth, and building these into a marketing plan. Here is a list of key marketing strategy decisions to be made:

Brand Vision - After looking at your competitive standing, it's crucial to uncover what it is that makes your business different from competitors, and distill (pun intended) one key message that says what makes you different. Is it that you're the expert in local craft beer? Is it that you have the broadest selection of European wines? Based on

what your clients say about you, and looking at competitors, you need to find that one key message, and make that your flagship

IT'S CRUCIAL TO UNCOVER WHAT IT IS THAT MAKES YOUR BUSINESS DIFFERENT FROM YOUR COMPETITORS.

differentiator. You'll later use this to create a unified brand and imagery (such as photos and videos).

Targets - Based on the data gathered, you can choose the right target communities—whether this is by geography, demographics, or spending habits. If you have something really special about your store (e.g. the largest selection of craft beer, changing weekly) don't be afraid to market beyond your adjacent communities, especially if the data you gathered shows a good match for your offering elsewhere.

Products and Services - Once you've decided what makes you different, you should look at your offerings and see if they are consistent with it. For example, if you're the expert in craft beer, are all your staff living up to this expectation, or do they need training?

Pricing - Make sure your pricing policy lines up with your message. If you're a premium reseller, or expert, your price will usually be higher. But you can offer little "extras" like tasting seminars, and added service to create higher perceived value.

Promotional Mix - Promotions will help you

reach your sales targets. Most businesses will need a modern website (\$5,000 – 20,000, depending on e-commerce capability), and

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Courtesy of Gary Drew, Tenato Strategy Inc.

social media (typically \$1,000 - 4,000/month if handled professionally) most likely on Facebook and Instagram. Be sure to ask your website designer to add Google Analytics capability to your website so you can examine your traffic growth. The key to success with websites and social platforms is frequent updates to show your expertise and enthusiasm for what you do. Also, don't ignore traditional media. Community newsletters offer a great media opportunity (ads run from \$100 - 500). Ads on bus benches average \$300 - 600/month, and can really create visibility in a given neighbourhood. And always get the biggest sign you can afford, or the landlord will allow; and if it's old or damaged, replace it!

Execution

Once you have your plan ready, it's time to execute. You can hire a marketing team, find individual contractors, or build your skills in-house, but be sure that you have someone coordinating efforts for consistency. The key is tenacity—ensuring you make a committed, concerted effort to roll out your entire plan and track its effectiveness, continually making adjustments. Remember, execution should involve no killing, unless you're "killing it" on the marketing front. 🍷

Jacqueline Drew is the President of Tenato Strategy Inc., a Calgary-based marketing research and strategy firm, founded in 1996. Visit www.tenato.com

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WHAT'S *New?*

by Marina Lecian

Wine

Fazzoletto Rosso Passito Barbera 2016 This Italian red has fresh black cherries on the nose with rich, ripe plum flavours on a notably fresh palate. Every bottle comes with a kerchief, the symbol of WWII resistance fighters in Italy. 750ml \$12.54 whsl +795258

The Medhyk Shiraz 2014 Bound by French oak, the Medhyk Shiraz has aromas of dark black berry fruit, bitter chocolate and liquorice with a touch of garrigue. It is rich and full on the front of the palate with black cherry and berry fruit on the middle palate. The finish is long and well-structured. 750ml \$47.04 whsl +796501

AMV X Whole Bunch Shiraz 2016 is a crimson-purple, medium bodied McLaren Vale Shiraz with a distinctive light berry aroma. It is full of elegant cherry, ripe and delicious bright berry flavours integrated with spice and smooth silky tannins. 750ml \$23.00 whsl +796505


Alternatus Grenache 2016 Rosé has an aroma of strawberries and cream, raspberries and a hint of spice and briar leaf. Pale pink with purple hues, this rosé is refreshing with its zesty palate showing lovely bright fruits, complexity and good length. The finish is long, crisp and dry. 750ml \$23.00 whsl +796502

Spirits

Shiratama Brandy Umeshu is carefully hand-brewed using Japanese plums and Eigashima's century-old Charmant brandy aged 7 years. It is rich with complex aromas of brandy and sour-sweet plum wine. This is a truly unique product which is bound to intrigue even the most avid of drinkers. 500ml \$19.25 whsl +798970

White Oak Akashi Whisky is the only whisky in the world that is made by a Toji (grand-master in the art of sake making) by implementing sake-making methodologies into the whisky making process. It has a malty, citrusy aroma with scents of black cherry, toffee and oak. Notes of vanilla and pine nuts dominate the palate, and lead to a long, malty finish. 500ml \$43.57 whsl +798882


Shin White Oak Aged Whisky Umeshu is a sophisticated plum liqueur made with 100% Japanese plums, and finished with Akashi whisky before being matured over time in white oak casks. Savour the rich, well-balanced flavour of citrus and vanilla with moderate sweetness, and enjoy the distinctive notes of whisky at the end of tasting. 720ml \$42.09 whsl +798971



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Period Summary

Total Daily TRUcount visitors	Week of Mon, 07 Aug 2017 to Sun 13 Aug 2017: 6,672 (▲ 1%)	Week of Mon, 31 July 2017 to Sun 06 Aug 2017: 6,529 (▲ 4%)
% First Time Visitors	Week of Mon, 07 Aug 2017 to Sun 13 Aug 2017: 39% (▲ 3%)	Week of Mon, 31 July 2017 to Sun 06 Aug 2017: 34% (▼ 25%)
Average Length of Stay	Week of Mon, 07 Aug 2017 to Sun 13 Aug 2017: 16m (▼ 10%)	Week of Mon, 31 July 2017 to Sun 06 Aug 2017: 15m (▼ 6%)
Busiest Day: Sat, 17 June	Week of Mon, 07 Aug 2017 to Sun 13 Aug 2017: 1,474 (▲ 1%)	Week of Mon, 31 July 2017 to Sun 06 Aug 2017: 1,322 (▲ 11%)
Average Visit Frequency	Week of Mon, 07 Aug 2017 to Sun 13 Aug 2017: 4.0 (▼ 3%)	Week of Mon, 31 July 2017 to Sun 06 Aug 2017: 2.0 (▼ 50%)

Customer Journey Map - See where customers go in your store



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INVEST IN YOUR EMPLOYEES

BOOST SALES AND IMPROVE CUSTOMER SERVICE

by Rebecca Hardin

Customers are the core focus of any business. Without customers, a business cannot exist; however, without employees to work in your business, you won't be able to sustain and grow your company for the long term. I often hear of store owners working in their business day in and day out because they can't afford to hire staff. I was even one of those owners once! Once this cycle starts, business owners get stuck and it is a very hard pattern to break. They get caught up in the day-to-day routines of running a retail store and can't actually work on their business to grow sales from a top-level view.

Employees are the backbone that supports owners. Happy, educated, and empowered employees can take your businesses to an entirely new level because they are retaining your customers and building relationships in your store. Owners can then market and grow their business, trusting that when a customer walks through the door, the team they have invested in will be there to do an exceptional job of selling to and servicing their customers.

Here are some tips you can apply within your store to help grow and challenge your employees.

Engaged Employees

I know I wake up every day excited to go to work. Do your staff? Do they love what they do? Have you asked? Ask! You will learn what makes each person want to work for you and why they are there. More often than not, it's not just about getting a pay cheque. People need to work, so why did they pick your store? Perhaps they have a passion for craft beer and are working on their cicerone certification.

If your employees aren't happy to be working in your store, send them on their way to discover what they are passionate about. Then find someone who does care. Determine how you can support each person on your team and that knowledge will end up being applied to

your customers. Your costs for turnover will go down, and you will end up with top performing staff that provide excellent customer service and are excited to be a part of a team.

Great Expectations

Often store owners look past setting standards for store procedures and organization. Ensure your standards for cleanliness, organization (i.e. purchaser orders, invoices, and receiving product) as well as customer service are communicated clearly. Once communicated, ongoing follow up and retraining may be required.

A great strategy is to create a policy and procedures manual that outlines all expectations and provides the procedures you want your staff to follow. That way, when you are not present, they have a resource to check when they have a question.

When your team takes pride in your store, they will make it their priority to maintain the standards. This translates to customers feeling safe and welcome in a store where care and attention to detail has been considered. Product sales increase because customers are offered comfortable shopping experiences with access to friendly staff.

If you have new staff or people who haven't worked in retail before, you need to educate



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them! Be sure to teach them your expectations in terms of operations and procedures and not just educate them on the products you carry. Of course the products carried are important to know, so continual education and trade events should be offered.

Ongoing Education

Continual education for your team comes in many forms and should always be ongoing. Bring in reps to provide product knowledge sessions for your team. Just be aware of your licensing regulations and that anyone working, may not taste, or go back to work after a tasting. Give your staff the knowledge about what they are selling and let them showcase their favourite items.

If you want your team to understand your store policies, don't just throw a boring manual at them and expect them to read it. Review it often, make it fun for your staff, and use it as a tool that can grow alongside your business. Have five-minute pre-shift meetings to review the expectations of the day. For example, you may want them to all focus on double checking IDs that day. Or perhaps you have a promotion going on for a wine that's on display and want them to focus on selling that promoted item.

Role Playing

Equip your staff with the knowledge on how to check ID and what to do when they suspect a fake ID. Role playing is a great tool that gives your team knowledge on how to handle a potentially uncomfortable situation when it occurs in real life. You can even use role playing to create real-life examples of how you want your customers greeted when they enter the store. For example, I would expect customers to be greeted within thirty seconds of entering the store, by saying hello and acknowledging them with a smile and pleasantries and not yelling "Hi!" from 50 feet away while I unpack my latest order. The order can wait, customers cannot.

At first, it's definitely uncomfortable doing role playing with a partner in front of the team, but everyone takes something away, plus it's fun! Policy

manuals and role playing within your team allows your staff to become educated and empowered. It builds confidence in them and they feel valued. This sense of value gets transferred to your customers who feel valued when they shop at your location.

IF YOU WANT YOUR TEAM TO UNDERSTAND YOUR STORE POLICIES, DON'T JUST THROW A BORING MANUAL AT THEM.

Empower Staff

Once your team understands they are valued, continue to empower them. Let them make choices and decisions on behalf of their store. Give them access to a small petty cash allotment to implement changes that directly enhance the store or guest experiences. For example, you could set a policy that any team member has access to up to \$30 to implement something in the store.

One ownership group had a store that everyone and their dog (literally) shopped in. A team member decided it would be a great idea to add dog treats at the till for their customers' furry friends. Doggy treats were offered for free, providing customers with a unique and different experience, and it increased their shopping frequency. That empowered and trusted team member implemented a great idea, and it built sales.

When the ownership creates an environment that empowers their team, it goes a very long way to elevate the customer experience within the store. The store environment has a happy, positive energy that both staff and customers enjoy. ■

Rebecca Hardin is Vice President of Rising Tide Consultants. Connect with her for help with creating your own set of policy manuals or for store operations assistance. www.risingtideconsultants.ca

LIQUOR SALES TRENDS

2017- SEPTEMBER THROUGH NOVEMBER IN HL

% change from 2016

125,414	→	Beer*	2.79
120,635	→	Wine	1.09
40,362	→	Coolers	12.54
13,385	→	Cider	3.15
2,180	→	Gin	12.98
13,274	→	Rum	-6.47
23,083	→	Vodka	-1.30
19,163	→	Whisky	-6.68
9,142	→	Liqueur	-5.85

*Beer sales stats are through Connect Logistics only
Source: Connect Logistics

New Year, New Leadership



The Alberta Gaming and Liquor Commission (AGLC) forges into a new year under new but experienced leadership. Effective December 5, 2017, Alain Maisonneuve is the AGLC's President & CEO for a five-year term. After serving in the acting role for nine months, he was named the successful candidate in an open, public selection process.

Alain comes to the role with over 30 years of experience through his work in various positions within the Alberta Liquor Control Board (ALCB), the provincial Department of Gaming, and the AGLC. Through his work with the gaming and liquor industries, he has developed strong relationships with stakeholders and built a broad base of industry knowledge.

As a long-standing employee of the AGLC, Alain has had the privilege of seeing how the organization has grown and developed over the years as well as the significant changes that have occurred in how liquor and gaming is provided in Alberta—from the privatization of the liquor model, to the introduction of VLTs, to the establishment of the AGLC, to the undertaking of the regulation and distribution of cannabis. Alain's career has given him the vision to understand change and opportunity—while respecting the past.

The AGLC's ability to provide choices Albertans can trust is driven by the commitment of our employees, their experience and knowledge, and the relationships we have developed with stakeholders within the gaming and liquor industries—and Alain is a perfect example of this.

Private Special Event Licences: Now online!

As Alberta's retailers are likely aware, the AGLC's first online licence application launched on November 29, 2017. Albertans may now easily apply and pay for a Special Event Licence (SEL) online for liquor service at private events. They can do this by visiting aglc.ca/eventlicence and following six easy steps:

1. Assess their eligibility to hold a SEL;
2. Provide their contact information;
3. Provide their event details;
4. Acknowledge their understanding of the licensing policies;
5. Submit their payment; and
6. Save and print their licence.

Previously, SELs for private events could only be purchased at Alberta liquor retail locations. The user-friendly online application enables consumers to quickly and efficiently apply and pay for their licence from wherever they are, meaning liquor retail locations will no longer be relied upon to offer paper-issued licences.

As we all need time to adjust to any change, there will be a time of transition for both consumers looking for licences and liquor stores currently offering licences. Liquor stores may continue to issue paper SELs until the end of January; however, we ask that retailers encourage their customers to begin using the online system. Further to this,

retailers may return previously purchased paper licences to the AGLC for a full refund until the end of February by sending unused licences with the liquor store name, licence number, and mailing address to AGLC Special Event Licensing (50 Corriveau Avenue, St. Albert, AB T8N 3T5).

To continue to offer SELs in their stores, retailers may consider exploring ways to offer the online service—whether through an on-site computer or other means. Private event licence holders will continue to purchase liquor for their events from Alberta retail locations; therefore, this change in the licensing process is not anticipated to impact liquor sales.

This exciting new application is another way the AGLC is improving the delivery of our services and products for our stakeholders and Albertans. For more information regarding special event licensing, please visit aglc.ca/eventlicence or contact specialeventlicensing@aglc.ca.

Celebrating the 100th Liquor Manufacturer in Alberta

This fall, the AGLC issued a licence to Alberta's 100th liquor manufacturer—Dunvegan Brewing Company in Rycroft, Alberta. The AGLC is proud to see that the modernization of Alberta's liquor policies has supported substantial growth in the number of local brewers, distillers, meaderies, and estate wineries. The number of Alberta's liquor manufacturers has more than tripled—from 31 to over 100—in the last four years!

As you know, Alberta is home to a diverse array of liquor manufacturers, including, as of December 6, 2017, 69 breweries, 21 distilleries and 13 wineries/meaderies. Our province has a proud history of producing world-class spirits, beer, estate wine and mead, often using locally-sourced agricultural ingredients. Our growing liquor industry means more skilled jobs, more quality products for consumers, more tourism, and greater recognition of what we grow and produce locally.

As part of our commitment to industry needs, the AGLC is ensuring Alberta's liquor model remains the most innovative in Canada, and a strong liquor industry benefits our stakeholders and continues to allow us to provide choices Albertans can trust. We aim to support Alberta's liquor industry by cutting red tape and modernizing policy. For manufacturers, this included removing minimum production requirements in 2013 so craft producers can enter the market more easily. Since then, the AGLC followed up with a series of modernization efforts that continues to today—benefiting manufacturers, retailers and consumers.

By providing policies that enable and strengthen the local liquor manufacturing industry, we also serve to strengthen the liquor retail industry. As demand increases for Alberta-made products, consumers will increasingly look to their local liquor stores to stock them on their shelves. Albertans continually tell us they are satisfied with the selection of liquor products available in liquor stores. And who can blame them? With over 24,000 products to choose from in more than 1,400 retail locations, our selection of liquor products is incomparable to and unparalleled by any other province in Canada. Of this, retailers, manufacturers, and the AGLC can all be proud.



CANNABIS RETAIL TRAINING PROGRAM AVAILABLE IN SPRING

A retail training certification program for selling cannabis will be available for front-line staff in Canada's new cannabis stores.

Lift Co Ltd. is developing the "Lift Retail Training Certification", which will include up to 240 hours of modular online and in-class content customizable to each province's cannabis retail distribution models. Several modules are being created in partnership with MADD Canada.

"Provinces want to ensure that retail staff is trained in product-specific knowledge while

providing standardized messaging about cannabis and its effects on consumers. The standardization of such novel knowledge, expanding at this rate and at this scale, is impossible without a proven technology solution," says Lift Chief Executive Officer Matei Olaru.

With ten medical clinics across the country and Lift.co—the only database of legal cannabis products and their consumer-reported effects and usages—Lift is a leader in cannabis education. Unlike similar services that collect

anonymous information on generic cannabis genetics, data is verified by working directly with Canadian licensed producers, allowing Lift to place authoritative content and product insights at the fingertips of retail staff.

With MADD Canada's support, the Lift Retail Training Certification is a turnkey solution for retailers looking to operate in July 2018. "Our experience with alcohol sales has shown that having comprehensive training and responsible service guidelines for front-line staff is crucial to reducing alcohol-related harms, including impaired driving," says MADD Canada Chief Executive Officer Andrew Murie. "The same will be true of cannabis retail sales. MADD Canada is pleased to partner with a leader like Lift and support this program, which will ensure that all those involved in the retail sales of cannabis are well-trained about the products, about safe usage guidelines, and about social responsibility principles."

Training is ready to begin this spring. The program takes between one to three months to customize and is priced on a case-by-case basis. ▀

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CLS REPORT

by Stephen Dougans

Assembling Orders

Connect Logistics Services (Connect) prepares thousands of orders for Alberta's liquor retailers each week. The physical process of assembling the cases on a pallet for shipment is commonly referred to as "picking".

Before Picking Begins

Orders are received from retailers, mainly through LiquorConnect.com, and sent to the operation in a structured format once per day. Connect's Warehouse Management System (WMS) analyzes the orders in totality to make algorithmic decisions as to the most efficient way to arrange the operation. This includes how products are picked onto individual pallets by warehouse employees in order to reduce the travel time between each product location. The WMS completes this analysis while considering the exact cubic volume and weight of each different case. A constraint of maximum pallet size in both height and weight is respected.

The individual pallet analysis is done in concert with determining which orders are to be combined on a truck, called a "load", for the best routing. The truck type, location of stores, pallet weights, and required delivery equipment (i.e. lift gate, etc.) are considered during this load building process.

It's not hard to see that with nearly 23,000 different products in stock, significant daily volumes (up to 130,000+ cases), and wide-ranging shipping timelines, this analysis becomes complicated quickly. The aforementioned steps build the overall operational game plan at Connect for the next 24 hours. The fact that all operational functions, truck loads, and transportation routes are extensively planned is also the reason that late order submissions or add-ons cannot normally be accommodated.

Picking

Connect utilizes an engineered standard in picking that considers all variables, including travel time, number of stops and physical moves as well as employee fatigue throughout the day. This method can accurately estimate the amount of time it will take to safely pick each pallet throughout the day. For example, one pallet might require 46 minutes and 10 seconds and another 13 minutes to pick, yet they both must finish at roughly the same time. The task of picking a pallet is systematically assigned to a Picker based on the shipping and loading schedule. Over 90% of pallets are direct loaded into trailers, versus being staged before loading, so it's very important that the finished pallets are completed in an organized, sequential manner based on when they will be unloaded at the stores.

A Picker wears a wireless headset and is provided instructions by a voice interface on where to go and what to pick for that particular pallet. In advance of his or her arrival at each stop, or pick location, other tasks



to move adequate stock from storage to the location have already taken place. It's a ballet! The Picker will drive from pick location to pick location throughout the warehouse to build the pallet.

Each time the Picker stops at a new location, the system confirms the correct product is being assembled. The Picker reads out the last three digits of the barcode on the case to the computer to ensure he or she is in the correct place. This is the first of two audit steps to confirm accuracy.

Pre-shipping Audit

Pallets are designed and built like a chimney, so each case barcode is facing outward. Just before wrapping the pallet for shipment, an Auditor will scan each barcode to ensure accuracy of the final product. This audit combined with the picking method of verbally confirming the product through the WMS produces highly accurate order preparation for retailers.

Picking may seem straightforward, but it's important to note that accurate, efficient picking requires robust practices throughout the operation, including receiving and storing product. Connect is very proud of the efficiency and accuracy in all the supply chain processes that allow superior service, which exceeds traditional retail industry standards.

NAMES IN THE NEWS

by Marina Lecian

New ALSA Members

ALSA welcomes the following new members:

Deeps Liquor, Calgary

Downtown Liquor, Edmonton

Superlow Liquor, Red Deer

The Liquor Pig, Castor

Unwined Fine Wines Spirits & Ales, Edmonton



Appointments

Alain Maisonneuve is the new CEO for Alberta Gaming & Liquor Commission. Alain has more than 30 years of related experience and is highly respected within the liquor and gaming industries.

Awards

2017 ALSA award recipients

Congratulations to the following 2017 ALSA award recipients, who were honoured at a special reception in October:

Top Retailer Award for communities over 80,000 –

Crowfoot Wine & Spirits Signature, Calgary

Top Retailer Award for communities from 20,000 to 80,000 –

Wine & Beyond Emerald Hills, Sherwood Park

Top Retailer Award for communities from 5,000 to 20,000 –

Sobey's Liquor, Canmore

Top Retailer Award for communities under 5,000 –

Back Door Liquor Store, Barrhead

Chairman's Award –

Edward Saramaga, Spruce Grove

Irv Kipnes Award for Excellence in Liquor Retailing –

Calgary COOP Wines Spirits and Beer

Anniversaries

The **Edmonton Rocky Mountain Wine & Food Festival** celebrates its 20th anniversary this year.



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SPIRIT *Spotlight*

by David Wolowidnyk

“Brown Vodka”

It wasn't that long ago that Canadian whisky was sometimes referred to as “brown vodka,” the negative moniker pointing the finger at the typically smooth and light character. Today, the Canadian whisky landscape is transforming because distillers are listening to what consumers are looking for, experimenting with different grains, finishing barrel enhancements, and even providing some single barrel offerings. The results have been impressive, with a more diverse range of Canadian whisky styles than we've ever seen before.

We have reason to be thankful that Canadian whisky regulations are rather broad, making it relatively easy to initiate changes while still maintaining category inclusion. To be classified as Canadian whisky, it must be mashed and distilled in Canada, made from fermented cereal grains, aged for no less than three years in a small wood barrel, possess aroma, taste, and character typically associated with Canadian whisky, and bottled no less than 40% abv. Other than these simple regulations, the rules of Canadian whisky are rather loose.

Several hundred years ago, because rye was widely grown in Canada, distillers started adding small amounts of rye grain to their corn or wheat-based whiskies and the spicy result was a smashing success. People started to request these “rye-flavoured” whiskies by simply referring to them as “rye”. Interestingly, Canadian law allows the use of “Canadian Whisky,” “Canadian Rye Whisky,” or “Rye” on the label, even though the amount of rye grain typically used is usually minuscule or may even contain no rye grain whatsoever. In the US, regulations are a little more detailed and if it states “Rye” on the label it must contain 51% or more rye grain.

Somehow, many Canadians still refer to all Canadian whisky as “rye”, which is quite possibly the root of common confusion in what grains make up the majority of the mix in most Canadian whisky.

Between 2009 and 2015, American rye whiskey sales in the US rose over 530%, prompting some Canadian whisky producers to increase their inclusion of rye grain substantially, bringing these whiskies closer to the flavour and spicy character of American rye whiskey. After all, approximately 70% of Canadian whisky is sold in the US market, and with the resurgence of cocktail culture, robust, spicy whiskies tend to play to the modern palate.

Adapting to changing tastes and trends can occur slightly faster in Canada, because unlike the US producers, Canadian whisky distillers do not use mash bills. Each grain type is milled, mashed, fermented, distilled, and matured separately, and blended together as already matured whiskies. In the US, distillers combine all the grains before the whiskey is made, so the final result takes much longer to assess because of the combined maturation time. As Canadian whiskies are matured separately, the individual maturation times are irrelevant because the matured whisky only needs to be blended. Of course, there are exceptions to the common Canadian practice, and a couple of producers prefer to blend their individual distillates before maturation, making them a little slower to adapt to the changes in the market.



Chartreuse & the Chocolate Factory - Photo courtesy of David Wolowidnyk

Chartreuse & the Chocolate Factory

45 ml Rye Whisky infused with Coco Nibs*
15 ml Green Chartreuse
15 ml Cynar
1 dash Walnut Bitters
2 mists Ardbeg 10-year (or a rinse will do)

Method - Stir/Strain/Rocks

Glass - Chilled Old Fashioned glass

Preparation - Combine Chocolate Bourbon, Chartreuse, Cynar & Bitters. Stir with ice until well chilled. Mist chilled glass with Ardbeg. Add cubed ice or a large lump of ice to glass. Strain over ice. No Garnish.

*Coco Nib Bourbon Infusion: For one 750ml bottle of Bourbon, add a ½ cup of cocoa nibs into a large jar. Infuse for 3 days and filter through a coffee filter to remove any particulates.

Courtesy of David Wolowidnyk CSS - @drinkfixer

Canadian regulations state that Canadian whiskies must “possess aroma, taste, and character typically associated with Canadian whisky”. This could hardly be vaguer, but it pleases the producers because it allows them broad creative freedom in the art of blending, even allowing for up to 9.09% of other non-whisky ingredients to achieve a desired profile. It's doubtful that we will see producers marketing the addition of perhaps, port, sherry, or colouring agents because of the misconceptions this would lead to. Many years ago it was common place to use ex-port and ex-sherry barrels for maturation, and the slight influence of flavour was and is popular today, so the addition of small amounts of these ingredients is used more often than not.

To top it all off, we have award-winning bottles between the \$30-40 range and 20+ year bottles for approximately \$100. The affordable price point of Canadian whiskies makes it easy for us to taste all that our distilling community has to offer, so go out there and try something that you haven't had before.



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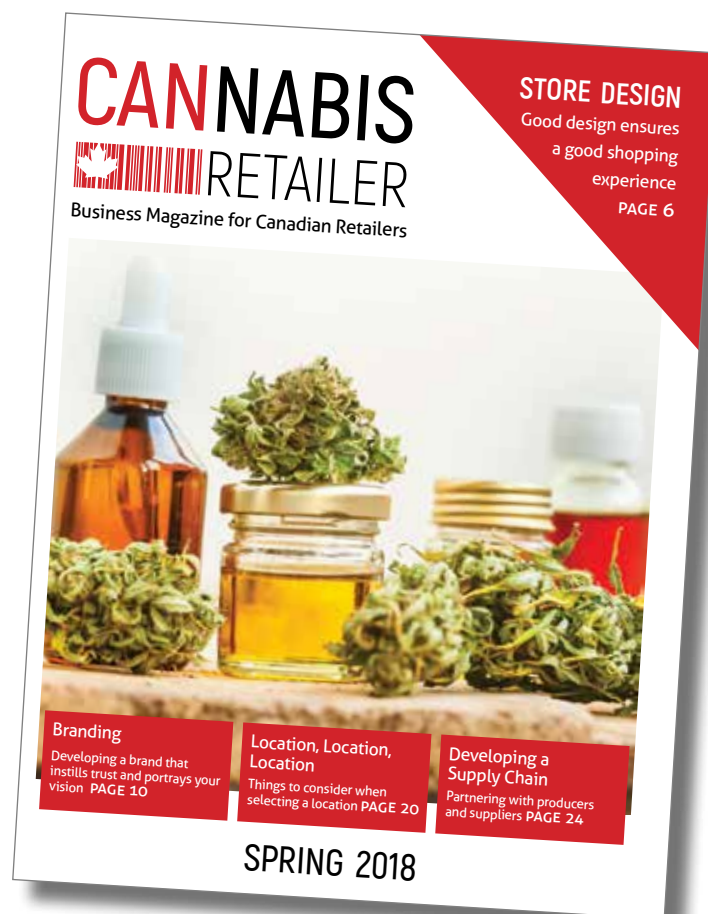
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