

# LIQUORRETAILER

Keeping the Industry Informed

FEATURING

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Liquor* P16

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Winter 2019

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ALBERTA  
LIQUOR STORE  
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from the Publishers of The Publican and Liquor Retailer



- Latest Industry News
- Trends
- Events
- Sales Tips
- People



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*Cornerstone Liquor*

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ALBERTA  
LIQUOR STORE  
ASSOCIATION



by Joyce Hayne

## EDITOR'S NOTES

2019 will be an interesting year for liquor retailers. Although the economy is slowly improving in Alberta and there is increased activity in the oil patch, new competitors are coming into the market as new cannabis stores open. These new stores give cannabis curious consumers another outlet for their discretionary spending and, according to trends in the US, these new sales come at the expense of alcohol sales. Read our article on page 18 to review how you can compete against this new competition.

As stores strive to increase profits, we've outlined some ideas for "Trimming the Bottom Line" while giving some precautions about weighing the costs vs. benefits of changing suppliers in "Is it Really Worth It?". Sometimes what looks like a quick way to reduce expenses ends up costing you money in the long run.

Wishing you a prosperous 2019!

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## UPCOMING EVENTS

**Feb 1-3 Jasper Beer & Barley Summit**, Fairmont Jasper Park Lodge  
[www.albertabeerfestivals.com/festivals/jasper-beer-barley-summit/](http://www.albertabeerfestivals.com/festivals/jasper-beer-barley-summit/)

**Feb 15-16 Winefest Edmonton**, Shaw Conference Centre, Hall D  
[www.celebratewinefest.com/edmonton.html](http://www.celebratewinefest.com/edmonton.html)

**Feb 22-23 WineFest Calgary**, Stampede Park BMO Centre, Hall E  
[www.celebratewinefest.com/calgary.html](http://www.celebratewinefest.com/calgary.html)

**Feb 23 Alberta Food & Beverage Expo**, Medicine Hat  
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## ALSA'S MESSAGE

by Ivonne Martinez



ALSA has an exciting program for our members this year! We know that travelling to attend our annual liquor industry conference can be difficult for those outside of Edmonton and Calgary, so we are now going to come to you. Look for updates in the coming months on our website and events calendar. We will be hosting seminars, tastings, and education sessions around the province. We hope to see you there.

Last year the liquor industry celebrated 25 years of liquor privatization in Alberta. Much has changed during this time, but 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.

ALSA celebrated this tremendous milestone with a commemorative book that shared the

success stories of our liquor industry, our association, and the invaluable partnership we have with the province and the AGLC. A copy was sent to every liquor store in Alberta and we hope you enjoyed reading about our heritage. But this is not the end. As this legacy continues, we look forward to the next 25 years of the Alberta liquor model of liquor retailing.

25 years and counting!

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 2019. Now it is easier than ever to join – visit our website at [www.alsaweb.ca](http://www.alsaweb.ca) for details.

## UPCOMING ISSUE *Spring 2019*

**Loss Prevention Strategies** – Why should you invest in products to reduce shoplifting and improve staff safety?

**Partners vs. Competitors** – Building a relationship with local producers can be challenging if they're also competing with you by selling at farmers' markets and in their production facilities.

**Reducing Staff Turnover** – How can you make staff feel valuable by investing in their personal and career growth and participating in special activities?

**Developing New Markets** – Work with a company to create a tour of local breweries, distilleries and meaderies and include your store as a stop.

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# TRIM YOUR BOTTOM LINE

## TIPS FOR A LEAN AND STRONG 2019

by Laura Starr

New Year's resolutions are underway, and although the diet fads always begin with a bang, we all know the inadequate endurance of a quick fix, or worse yet, the hazards associated with cutting out too much, too fast.

The rules of business (liquor store or not) are no different. Trimming the bottom line on business expenses is like implementing a new health regime, and there is no quick-fix to magically improve your standing, at least if you are looking to play the long game. There are always expenses that can be cut, but at what cost? Is it at the cost of the customer experience? Or your staff? Or the quality of your product? Just like a fad diet, some cost-cutting can jeopardize your long game, as an unhappy customer will not return, or perhaps not buy anything at all, and disgruntled staff will sell less, or work less productively; both of these scenarios play out poorly in the long run. That said, there are certain savvy business moves that cannot be missed if you are looking to stay lean on the expense side of things, right through to the end of 2019 and beyond.

### **Taking Stock**

Before we start looking at what can be cut, we need to take stock of what your store is currently doing to monitor costs. (Or in dieting terms, what are you currently eating?)

It's essential to have a budget and review it regularly. You need to know where costs are in the first place, in order to know where proper adjustments can be made. Liquor, beer, and wine stores can come in all shapes and sizes, but no matter how niche or large scale you are, how few or many staff you have, or whether you have a proper accountant,



there is no excuse for not having a monthly grasp on where your money is being spent. Here's a tip: During this budget review, have a spreadsheet of your monthly costs,

categorized from high to low. Review each expense, and always keep an eye open for expenses that jump, or costs that can be reduced.

### Cost Reductions

There are some expenses worth keeping an eye on regularly. Remember that costs should be trimmed slowly, as a bit here and there adds up, and will endure over time, whereas trying to slash costs in one area is akin to cutting off your leg to lose 30 pounds fast. Try to keep your cost reduction to a reasonable number (10%) and pull that from a variety of areas, so no single department bears the brunt of the cut.

### Inventory Turns

Bulk deals on products are enticing, but if you are paying to have bottles sit on the shelves and not sell, you are not benefitting from the deal. Know your inventory and know your turnovers. If something is a sitting duck, figure out how to get it sold (staff incentives or sales). A sound inventory is great for the bottom line, and selecting products to match the demographic of your customers will help turnover. Remember that when you are putting new products in your store, you had better be prepared with proper staff training and marketing to ensure the product moves.

An advertisement for Action Retail Outfitters. The background is a photograph of a liquor store aisle with shelves stocked with various bottles and cans. In the foreground, a shopping cart is partially visible, containing two bottles of liquor. The advertisement includes the company logo and name on the left, and a headline and promotional text on the right.

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## Suppliers and Product Costs

Some businesses like to work with fewer suppliers to ensure better deals and tighter relationships, and others like to have many suppliers to ensure variety and competition. There are pros and cons to both; what matters most is that your approach is working for you. If you are spending too much time juggling accounts with multiple suppliers, (time is money) you might need to cut back. Alternatively, if you are struggling to get the right product from your clique of suppliers, or you feel they are not being competitive with their pricing, you might need to expand your horizons. There are two areas to monitor here: how much time you are allotting, and how much your product is costing.

## Operational Costs

Internet, phone lines, even the use of paper (go digital) are all costs that fluctuate regularly, but often go unchecked for months, even years, at a time. Monitor these regularly. Anything with an automatic renewal should be flagged and reviewed before you are locked in for another turn. And do not underestimate the cost benefits to small actions such as turning computers off at night.

## Labour Costs

Staff smartly (again, another cost that needs regular review) and remember that your employees are your bloodline. This means if you cut them, it is you who will bleed. Be smart with your hiring, actively handle unproductive employees (do not avoid those awkward conversations and commit to developing staff who have areas to improve) and ensure you have the proper blend of staff experience and knowledge on the floor at one time. Remember that retention is best for long-term cost management, as losing an employee and hiring a new one is a painful cost to swallow, particularly if it happens frequently.

Here's another tip: Should you wish to have an extra face on the floor, have a liquor, beer, or wine rep host a promotion or a tasting during a shift. This adds to the guest experience as well, which is exactly what you need to focus on next.



ANYTHING WITH AN AUTOMATIC RENEWAL SHOULD BE FLAGGED AND REVIEWED BEFORE YOU ARE LOCKED IN FOR ANOTHER TURN.

## Customer Experience

In the midst of the juggle of managing costs and keeping your store alive and well, at the core of your considerations should be the customer experience. It is here that you find longevity in the health and wellness of your business. If you are running your business with the bottom line at the front of your vision, your customers and your employees will feel that, whether you intend it or not. When the experience for customers is great (not just good, but great) you will manifest repeat customers who are more

likely to come in often, spend more money, and tell their friends; all these effects, in turn, improve your numbers. So make your goals "customer experience-based." And one of the best ways to do this is by investing in staff training. Call on your liquor, beer, and wine reps, send your staff on education retreats to nearby wine regions or breweries, or pay for WSET training. This drives the consumer experience, and the consumer experience drives the bottom line, all the way to the end of 2019, and beyond. ■



# LIQUOR SALES TRENDS

WHOLESALE SALES IN HL WITH % CHANGE OVER 2017  
SEPTEMBER THROUGH NOVEMBER 2018

		<i>% change</i>
117,740.45	→ Beer*	-6.12
119,473.01	→ Wine	-0.92
41,117.55	→ Coolers	1.74
12,763.70	→ Cider	-4.65
2,248.59	→ Gin	3.11
13,518.29	→ Rum	1.84
23,405.17	→ Vodka	1.39
20,434.81	→ Whisky	6.70
9,666.23	→ Liqueur	5.66
1,239.69	→ Tequila	-8.80

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

## PRODUCT SHOWCASE



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# KEEPING WORKERS SAFE

## COMPLYING WITH ALBERTA'S HEALTH & SAFETY LEGISLATION

by Michelle Plaizier

If you think occupational health and safety legislation only applies to those employers in construction, oil and gas, or other high-risk industrial sectors, you need to think again.

Occupational health and safety legislation applies to all employers in all industries including retail. Employers in the retail sector need to be aware of what their roles and responsibilities are when it comes to addressing worker safety. This includes having a health and safety management program in place that has identified specific hazards related to the work environment and what controls to put in place to either eliminate or mitigate the risk should a workplace incident occur.

Alberta has seen a number of legislative changes with implementation dates throughout 2018, including the *Occupational Health and Safety Act*, which had been in place since 1976.

*Bill 30: An Act to Protect the Health and Well-being of Working Albertans* took effect on June 01, 2018. Bill 30 includes changes not only to the Occupational Health and Safety (OHS) Act but also includes enhancements to the WCB system. The enhanced legislation means employers need to be proactively aware and are obligated to know their role and responsibilities when it comes to worker safety.

Here are some highlights and what employers need to know about the changes to the *OHS Act*:

## 1. Workers' Rights

The OHS legislation was revised to include three basic rights of workers:

- The right to refuse dangerous work
- The right to know
- The right to participate

Since employers are responsible for worker safety, they are obligated to inform workers of their rights, duties, and any safety concerns.

## 2. Worksite Parties' Responsibilities

While the onus ultimately falls on the employer, legislation outlines that everyone at a workplace is responsible for health and safety and that liability can be multifaceted if one or more of the worksite parties are found negligent should an incident occur that compromised health and safety. This includes owners, employers, supervisors, workers, contractors, and even suppliers.

## 3. Health and Safety Representative/Committee

If you are a small employer with more than five and fewer than 19 employees, you are required to have a health and safety representative. All large employers with over 20 employees are required to have a joint health and safety committee comprised of both management and workers.

## 4. Harassment and Violence Prevention Plans

All employers, including retail stores, are required to develop detailed harassment and violence prevention policies and procedures, which is an important element of any health and safety management program given the high potential risk of theft and robbery in a retail environment.

In order to mitigate the risk, retail employers are required to do the following: have time lock safes that cannot be opened overnight; implement safe handling procedures and have minimal amounts of cash on hand; limit quantities of common theft items such as cash; use video monitoring; limit access to premises; display signs to inform the public of

time lock safes, limited quantities of certain items, and video monitoring; provide personal emergency transmitters for workers working alone; and train workers in all aspects of the harassment and violence prevention plans.

## 5. Health and Safety Management Programs

A health and safety management program is a coordinated system of procedures and processes used to improve occupational health and safety as well as prevent injury and illness in the workplace. Every employer in Alberta is required to have a health and safety management program in place that includes the 10 elements as written in legislation.

These include having a:

**ALL EMPLOYERS ARE REQUIRED TO DEVELOP DETAILED HARASSMENT AND VIOLENCE PREVENTION POLICIES AND PROCEDURES.**

1. Health and safety policy;
2. Hazard assessment and control;
3. Emergency response plan;
4. Statement of OHS responsibilities of the employer, supervisors, and workers at a work site;
5. Schedule and procedures for work site inspections;
6. Procedures for when another employer or self-employed person is working at the work site;
7. Health and safety orientation and training for workers and supervisors;
8. Procedures for investigating incidents, injuries, and refusals to work;
9. Procedures for worker participation in work site health and safety, including inspections and investigating incidents, injuries and refusals to work; and
10. Procedures for reviewing and revising the health and safety program.



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# WINE REPORT

by Margaux Burgess

## The Wine Region of Rioja

Snaking through the north west of Spain is the Ebro River and its tributaries. It is along here that the pilgrims traversed the Santiago de Compostela, and for over a thousand years vines have been nurtured and wines have been made. Rioja, perhaps Spain's most famous and well-respected wine region is here, along the River (Rio) Oja.

## Geography and Climate

Bisected by the Ebro and having mountains to protect from extremes, Rioja has a particularly unique climate. A Mediterranean location balanced with cooling influence from the Atlantic Ocean and drying effects from the proximity of central Spain ensure that fine balance and complexity can be found when grapes do not ripen too quickly. Wines from Rioja are elegant and well balanced, with great versatility at the table.

There are three sub-regions in Rioja that also contribute subtle differences to the wine. The Rioja Alta that comprises 42% of production, Rioja Baja at 37% of production, and the smallest, Rioja Alavesa with 21% of production. The Rioja Alta vineyards are planted mostly on the hillsides above the rivers of Rioja. The wines from Rioja Alta have a distinct Atlantic influence. Rioja Baja is flatter and warmer with Mediterranean influences. It is the warmest of the sub-regions with the highest concentration of Garnacha plantings. Lastly is the Rioja Alavesa with almost all Tempranillo plantings and wines that can often have mineral characteristics.

## Tempranillo and Friends

Tempranillo is the undisputed star of the region, and while the grape is widely planted and in very nearly every Spanish wine growing area, it is in Rioja that it really shines. Tempranillo is not the easiest grape to use to craft high quality wines. It requires cooling influences, so large temperature shifts



between night and day are a benefit, and dry farming without any irrigation contributes to the potential for high quality. Rioja, with its old vine vineyards and unique climate allows the grapes to develop in the best possible manner.

Tempranillo, while most often the predominant grape, also makes an excellent blending partner. When very small amounts of other grape varieties are added to Tempranillo, things start to get really exciting. This is indeed the case in Rioja with many of the best wines being predominantly Tempranillo and smaller amounts of Garnacha (more often called Grenache), Mazuelo (known as Carignan in France) and the local Graciano. Garnacha adds some strength and warmth to the blend, Mazuelo is used for brightness and tannic structure, and Graciano amplifies the aromatics.

There are tiny amounts of white wines in Rioja as well—approximately 8% of the total production, and they are made predominantly from Viura—the local name for the Macabeo grape. We don't see a lot of white Rioja here in Canada, and unfortunately even less aged white Rioja. In its youth, it is fresh, bright, citrusy and eminently drinkable. The more traditional barrel-aged versions often have some of the grape Malvasia added and are complex, savoury, honeyed, nutty revelations. If you do come across one, be sure to try it out.

## Graceful Aging

Rioja is unique in that traditionally many of the wines are aged in the Bodega (the Spanish word for winery) and released when they are ready to drink. It is not unusual to see current release red wines on the shelf that are eight to ten years of age. It is also important to note that we are also seeing more modern, brighter styles that don't fall into any of the aging categories and these offer a different interpretation of the region. The aging requirements are as follows:

### Crianza:

- Blanco/Rosado: min. 2 years, including at least 6 months in oak (remainder may be in bottle, oak or stainless steel)
- Tinto: min. 2 years, including at least 1 year in oak

### Reserva:

- Reserva Blanco/Rosado: min. 2 years, including at least 6 months in oak (remainder must be in bottle or oak)
- Reserva Tinto: min. 3 years, including at least 1 year in oak and 6 months in bottle

### Gran Reserva:

- Gran Reserva Blanco/Rosado: min. 4 years, including at least 6 months in oak (remainder must be in bottle or oak)
- Gran Reserva Tinto: min. 5 years of aging with at least 2 years in oak and at least 2 years in bottle

Look for the wines of Rioja across the province in February, as Rioja is the first theme region for Winefest in Calgary and Edmonton. There will be ten producers in market and a host of events in retailers and restaurants throughout the month. It will be a great opportunity to taste and learn all about Spain's most historic region.

# Beer Notes

## ALBERTA ROCKIES BEER TOUR (WITH A LITTLE CENTRAL ALBERTA BEER ADDED FOR GOOD MEASURE)

by Kirk Bodnar

Winter in Alberta is all about heading out to the mountains. There are very few things more beautiful than the majestic snow-capped peaks of Alberta's Rockies. There are an abundance of recreational opportunities throughout Alberta's Rockies, but after a long day outside, the absolute best thing to do is visit one of the many beautiful mountain towns or villages. For over a century, towns like Canmore, Banff, and Jasper have been attracting multitudes of visitors from around the world. Now, while continuing to maintain their reputation as world-class destinations for skiing and hiking, these quaint mountain locations can add "world-class beer destination" to their profiles. So why not combine two of my favourite pastimes—visiting the Rockies as well as visiting brewery tap rooms. I think this calls for another road trip!

We begin our road trip travelling west from Calgary on the good old #1—though we take a slight dip north on Highway 22 toward Cochrane and Half Hitch Brewery. Half Hitch's brewer/founder Chris Heier makes some tasty brews, such as his Farmer's Daughter Pale Ale. The Heier family has been busy lately with an expansion plan that has led to them opening a restaurant in Canmore—which is our next location to visit on our road trip into the mountains.

Canmore is a beautiful town at the foot of the majestic Three Sisters mountain peaks, where in addition to the new Half Hitch location, we will find Alberta brewery veteran, Grizzly Paw, and relative newcomer Canmore Brewing Company. Grizzly Paw's Main Street brewpub (622 Main Street) has been a long time favourite of Canmore's visitors. Recently, Grizzly Paw opened a new production facility (310 Old Canmore Road) that offers daily brewery tours as well. Canmore's other brewery, Canmore Brewing Company (1460 Railway Avenue) opened just a couple years ago and has come up with a great lineup of tasty brews. If our timing is just right, we might be able to catch a band in the brewery as a part of their Brewhouse Concert Series, which is a perfect accompaniment to some great Rocky Mountain beer.

Travelling further west into Banff National Park, we get to the town of Banff itself. There we will find Banff Avenue Brewing Company (110 Banff Avenue). This brewery has made a name for itself as the go-to location for local, mountain-made beer and tasty food. Banff Avenue Brewing Company was actually the second brewery to be opened by the fine folks at Bearhill Brewing Company, its parent company. Their first brewery is actually going to be our next destination, but we'll need to leave Banff and take a bit of a drive to get there.

We will continue west down the #1 Highway, and eventually veer north along the 93 toward Jasper National Park and the town of Jasper. The Bearhill folks opened up Jasper Brewing Company (624 Connaught Drive) back in 2005 as the first brewpub to be located within a Canadian National Park. It immediately became a popular spot for great local beer at a time when there weren't many options for locally made beer



in Alberta, and definitely not in Jasper. The Jasper Brewing folks have now begun brewing a delicious pilsner—their Crisp Pils—through a contract arrangement with Big Rock in Calgary. This has allowed them to produce and distribute a lot more of the beer, and it is great to see the cans showing up in many major retail locations across the province.

After spending some time in the mountains, it might be nice to head toward Edmonton through the foothills east of Jasper. We get onto Highway 16, and drive east to the town of Hinton and Folding Mountain Brewing to visit their modern-rustic restaurant and taproom. This provides us an opportunity to pair their tasty eats with both core beers, such as their Moraine West Coast IPA, and seasonals such as the Salted Caramel Pretzel Stout.

We then travel east on Highway 16 toward Edson and Apex Predator Brewing Company (53527 Range Road 181A, Yellowhead County). Apex Predator (formerly known as Bench Creek Brewing Company) has made a name for themselves for their IPAs (the White Raven is fantastic), but recently they have been producing a new series called the "Villainous Series"—featuring a triple IPA and a beachwood smoked rye porter amongst others.

We would then travel east to Edmonton where we would end our tour. Edmonton has also had a number of new breweries that have popped up over the past few years, with a few veteran brewers holding steady as well, but alas, this guide is sticking to the rural locations for this tour.

After a day or two visiting Edmonton's breweries it would be time to head back to Calgary—and if one was to visit the breweries along the way it would be possible to turn the three hour drive into a couple more days of brewery touring. A route back to Calgary could go as follows:

First, Norseman Brewing in Camrose (6505 48 Avenue), then Siding 14 Brewing Company in Ponoka (3520 67 Street). Then it's down to Blindman Brewing (Bay F - 3413 53 Ave, Lacombe), and then to Red Deer to visit Troubled Monk (5551 45 Street), Belly Hop Brewing (8105 Edgar Industrial Drive) and Sawback Brewing Co. (7023 Johnstone Drive). After that to Sylvan Lake to visit Snake Lake Brewing Company (26 Industrial Drive), and Undercurrent Brewing (5003 Lakeshore Dr #170). We then continue toward Olds to make a stop at Olds College Brewery (4601 46 Avenue) and finally to Airdrie to visit Fitzsimmons Brewing Company (4 - 220 East Lake Blvd).

At the rate that new breweries are opening in Alberta, I'm sure if you were to travel this suggested route a second time a few months later, that there would be a number of new locations to visit. That's fine though—always an excuse to head out on another road trip!

# WHAT'S *Coming?*

by Marina Lecian

## Wine

**Scheid Vineyards Odd Lot Red Blend 2016** is a blend of Petite Syrah and Petit Verdot with aromas of blackberries, ripe plums, juicy figs, sweet vanilla, and smoky oak. The palate is full bodied, with soft tannins and a lingering finish of black fruit. 750 ml \$18.00 whsl +809834

**Gerbera Garnacha Rosé 2017** has a delicate pink colour with aromas of ripe berry fruit and strawberry. It is dry and well-balanced with juicy strawberry fruit and a creamy mouthfeel. 750ml \$9.78 whsl +804279

**Gerbera Macabeo 2017** is delicately fruity and floral with ripe peach and lemon on the nose. Nutty stone fruit characters are matched by a textural palate and a clean, fruity finish. 750ml \$9.78 whsl +804278

**Gerbera Garnacha 2017** has aromas of fresh, ripe cherry and plum, which lead to a juicy, fruit palate with hints of spice, light tannins, and balanced acidity. 750ml \$9.80 whsl +804276

## Beer

**Red Racer Lucky Pig Ginger & Tangerine** To celebrate the Year of the Pig, Red Racer teamed up with Hong Kong Beer Co. for this collaboration brew. Made using ginger root and tangerine, this fruit forward beer is balanced with a hint of ginger spice for a unique and refreshing taste. 500ml \$3.59 whsl +813311

## Other

**The Beach Glass, Floating Wine or Beer/Cocktail Glass** is a patented ball and pointed stem design that lets you stake the glass in the sand or float it on water. This 12oz. acrylic outdoor drinkware is crystal clear and made of durable BPA-free acrylic. It is dishwasher safe and is a reusable alternative to disposable plastic cups. whsl \$8.99 www.SandrasSecrets.com

**The Wine Hook**, made out of ABS plastic, is a stemmed-glass holder that easily slides on the arm of most outdoor chairs (patio chairs, Adirondack chairs, camp/bag chairs and others) and securely holds your stemmed wine glass. whsl \$5.99 www.SandrasSecrets.com

**Wine & Champagne Cozi** Made of Neoprene, the Wine and Champagne Cozi keeps your bottle chilled and free from dirt and sand. Available in four color options. whsl \$11.00 www.SandrasSecrets.com

## Spirits

**Malecon Reserve 12-Year-Old Rum** has scents of caramel and wood on the nose. This round, full-bodied rum has notes of orange peel, cinnamon, buttercream, and ripe apricots on the palate, and the finish is long and rich. 700ml \$35.00 whsl +807974



## ALBERTA & RIOJA

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Winefest Calgary: February 22 and 23

More details on #RiojaAlbertaMonth at:

RiojaWines.ca OR alsaweb.ca/rioja-education-partner



ALBERTA  
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# Cornerstone Liquor

## TWO PROVINCES, ONE COMMUNITY

by Anna Grabowski



**Cornerstone Liquor has been a steadfast retailer of liquor in Lloydminster since 2000. The only Alberta city located in two provinces—Alberta and Saskatchewan—Lloydminster is a vibrant and growing city. Cornerstone’s customers flock from both provinces and beyond as the store is easily accessible, located on the TransCanada Yellowhead Highway and Highway 17.**

Lloydminster is one of the most entrepreneurial among mid-sized cities, which gives rise to many celebrations. In addition, the long-standing oil and gas energy sectors and agriculture continue to thrive in the area, making a glass of wine or beer easily appreciated after a

hard day’s work. Cornerstone Liquor has been providing outstanding and reliable customer service to this community with its small-town feel and many amenities.





## Building a Customer Base

Cornerstone's owner, Herb Flieger, has built trust through providing consistency and reliability to his customers that keep them coming back. The store offers friendly and knowledgeable staff along with a large selection of beer, wine, coolers and spirits at competitive prices. One of Cornerstone's most attractive features is its outstanding wine selection. "We sell a lot of wine and we have the biggest selection of wine in the city," says Herb. "We have the room and we order a lot from customers' requests. We will get it in and over 90% of those times those wines sell pretty well and if they don't, they age". Getting to know their customers as well as their preferences in addition to providing exceptional customer service are at the core of this store's business values, helping them to retain customers.

Cornerstone Liquor has signage on the highway as it is located in a strip mall just off the road. Beyond attracting locals, its excellent location brings in many travellers. "We have a lot of customers that come through on their highway travels, and they make this a stop because they know it's the best price before they go home," Herb shares. Its location in a busy strip mall adjacent to Canadian Tire and to Walmart also provides a convenient draw for keeping a steady flow of business. According to Herb, fair prices are a major motivator for repeat local customers as well as central Albertans and customers who often visit from Edmonton.

Focusing on the fundamentals of marketing that include honesty, word of mouth, and connecting with the community is essential to Herb's philosophy in running a successful liquor store. Herb is well-known in Lloydminster, opening his first store when privatization first occurred in 1993 and having run Cornerstone Liquor for many years. He has been an active voice on city council as well.

Being one of the bigger stores in the area is another draw. "Our store is 5,000 sq. ft. and we have nice wide aisles so there's no clinking around," Herb explains. "Most liquor stores are small and the walking space is narrow, and I am not sure you would get a shopping cart in there." The easily accessible parking lot also creates the opportunity for those travelling in large motorhomes and trucks to stop and shop.

## HERB IS WELL-KNOWN IN LLOYDMINSTER, OPENING HIS FIRST STORE WHEN PRIVATIZATION FIRST OCCURRED IN 1993



Herb emphasizes that one of the store's distinctive features beyond his pricing structure is honesty. He says, "We think our prices are pretty fair. One of the things that we do, which some others don't, is when you come in and see a price on the shelf, that's the price you pay. Some other stores show a base price and when you get to the till you are surprised with GST and a bottle deposit. We have always maintained this. We don't like fooling the customers and it seems to work."

Herb and his team rely on providing unparalleled customer service and create fun ways to engage with shoppers such as in-store contests. Customers enjoy the displays that incorporate new items and seasonal

products, such as their current peppermint-themed display saluting the holiday season. Herb welcomes liquor representatives that enjoy making in-store displays and these sometimes include contest draws such as winning a new beer fridge or suitcase. The draws enthruse local customers as well as attracting new shoppers.

## Connecting with the Community

A big focus at Cornerstone Liquor is community. In many smaller towns and cities it is common to entertain a slower pace of life where customer service includes lengthier conversations and time spent facilitates more genuine connections. Herb also supports local distilleries and breweries, staying true to fostering community as a core value. Creating a friendly environment that supports accessibility, ease, and consistent service has sustained Cornerstone Liquor as a long-time establishment in the Lloydminster community. Herb can be proud of his business—his success is unmistakable as happy customers continue to return and trust that they have found their preferred liquor retailer. 🍷



Courtesy of Fire & Flower

# A CHRONIC OUTLOOK FOR ALCOHOL SALES?

## MAINTAINING YOUR MARKET SHARE NOW THAT CANNABIS IS LEGAL

by Mark Glenning

On October 17, as Canada was being watched by the world, recreational cannabis was made legal. It's arguable that it was something of an anticlimax; society didn't crumble and Canadians went about their business as usual. In fact, the official channels for purchasing recreational cannabis didn't roar into life, but rather sputtered as licensed retail applications were bound in bureaucratic red tape and online portals could not meet the demand. Despite such an inauspicious start, liquor retailers across the country have been watching carefully, and are asking themselves, "Will cannabis hurt our sales?"

18 LIQUOR RETAILER

History has a habit of repeating itself, and so all eyes have turned to the US in an effort to predict what the future holds for Canada's liquor industry. A joint study of sales figures between 2006 and 2015, carried out by the University of Connecticut, Georgia State University, and Universidad del Pacifico in Lima, compared alcohol sales between states that have legalized medicinal marijuana, and those that have not. It found that wine sales had decreased by 16.2% and beer by 13.8%. Overall, there was a 15% reduction per month during the study period. The conclusion reached was that alcohol and cannabis are interchangeable and appeal to similar markets, which set alarm bells ringing for the liquor industry.

### Devil in the Details

It's somewhat surprising that alcohol and cannabis are *interchangeable*, especially when we look at their place in society historically.

Cannabis has long been associated with subculture—that is, something that exists outside of the mainstream. Its advocates have worked for years to rehabilitate the stereotypical image of the "stoner": the dropout, head shop,

anti-establishment slacker. The new wave of cannabis retail shops that are opening provide a modern, stylish retail experience that welcomes curious new customers and can provide sensible advice on its use. Cannabis use still attracts controversy, though. For example, if you are travelling to the US, admitting you have used it may mean you're turned away at the border.

In contrast, wine, beer and liquor are more ingrained in our culture. It's socially acceptable to enjoy a glass of wine with dinner—more so than to light up a joint between courses.

important than ever in exposing customers to new alcoholic products and encouraging them to come back and try other products in the future.

### Is Cannabis Too Expensive?

The price of cannabis was something widely speculated upon prior to legalization, with some estimates going as high as \$20 per gram. It hasn't reached those heights as yet, but it can be expensive if your preference is for high quality strains. Here are some current figures:

**New Brunswick:** The province's official retailer lists prices up to \$14.99 per gram, with the lowest being \$8.50.

**Ontario:** The most expensive cannabis listed on the government-run website is \$13.25, with the cheapest available being \$7.95.

**Saskatchewan:** Private licensed retailers can set their own price, with some charging \$18.99 per gram. The lowest cost is \$12.

These numbers take on a different complexion when we look at Statistics Canada's figures for the price of black market cannabis. Following a crowdsourcing application in February of this year, it was determined that Canadians pay \$2 to \$20 per gram, with the average price hitting \$6.83. This is troubling to the cannabis industry; why would potential customers pay much more per gram when they could obtain their product from an established black market channel? Even so, the legal market is expected to capture the majority of cannabis users in record time.

This can contribute to your marketing strategy in respect to pricing. Your customers know that they can legally purchase a product that is of consistent quality, and your marketing should

ALCOHOL AND CANNABIS ARE INTERCHANGEABLE AND APPEAL TO SIMILAR MARKETS.

Alcohol is still a mainstay for social and business gatherings. We know more about its effects on the body and have a clearer model of safe consumption. This means that it's easier to get people to try your products. Offering classes, tastings, and samples will be more

**BC:** Dried cannabis is available for up to \$16.28 per gram from the government's website, with the cheapest being \$6.99 per gram.

**Alberta:** Private retailers will charge up to \$15.42 per gram, with the lowest price being \$9.24.

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re-emphasize your current deals and price reductions to really drive through the message that they are getting a great deal. This can be even more effective when paired with selling more popular products, such as craft beers, and offering a selection of drinks that are hard to find elsewhere.

**A Crossover Between Alcohol and Cannabis**

Edible cannabis products are illegal in Canada, but some of the big names in the alcohol industry are gambling that this will change in the near future, which means that instead of competing with licensed cannabis producers, retailers could enter into a partnership.

Molson Coors is one of the big names exploring this new territory. The company, which is

**ALCOHOL IS STILL A MAINSTAY FOR SOCIAL AND BUSINESS GATHERINGS.**

based in Denver, Colorado, said earlier in 2018 that its Canadian arm is teaming up with the Hydrothechary Corporation (HEXO) to “pursue opportunities to develop non-alcoholic, cannabis infused beverages for the Canadian market.”

Molson Coors reported that their net sales fell from \$3.091 billion to \$3.085 billion during the second quarter of 2018, despite expectations of \$3.1 billion. It’s no surprise that the company is investigating the possibilities that may present themselves as Canada’s legislation evolves and cannabis-infused beverages become legal by October 2019.

Smoking or vaporizing cannabis is not the preferred method of intake for many people, so the potential for beverage sales is high. However, there’s no guarantee that liquor stores will be allowed to sell cannabis-infused beverages.

There’s no doubt that cannabis legalization is a game-changer for the alcohol industry, and that the coming months will be a challenging time for everybody involved with it. It’s time to re-evaluate your marketing plan, as you’ve never faced a competitor quite like this before. ■

# CANNABIS LICENCE UPDATE

by Joyce Hayne

Although there were over 809 applications for cannabis retail store licences in September 2018, according to Alain Maisonneuve, President & CEO of AGLC, as of January 2, 2019, AGLC had approved only 65 licences.

Alberta decided to temporarily suspend applications for cannabis stores in November due to the national shortage of cannabis in Canada, and will not be issuing any new licences until the current demand in the market can be satisfied.

Maisonneuve explains, "AGLC ordered enough product to support up to 250 retail stores in the first six months of legalization; however, as of November 17 we have only received approximately 20% of what we had ordered. While some licensed producers have fulfilled their commitments, not all have. We continue to work with them to fill stock. Unfortunately, regardless of our efforts, we are seeing the supply of most products run out."

Although AGLC took steps to secure additional product, they were unable to get more cannabis due to the national shortage. Hopefully, Health Canada can increase their



licensing of new producers so that national demand can be filled.

Maisonneuve states, "Our priority is to ensure private Alberta retailers are supported. We will continue to allocate the majority of their

scarce inventory to private retailers. We will still maintain some online product to allow consumers in communities where there are not any retail stores to purchase online." ■

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## New ALSA Members

ALSA welcomes the following new members:

**Cold One's Liquor Store**, Red Deer  
**Hydway Liquor**, Fort Vermilion  
**No Fills Liquor**, Chestermere  
**Real Canadian Liquor Store**, Airdrie  
**Real Canadian Liquor Store**, Calgary (11 locations)  
**Real Canadian Liquor Store**, Camrose  
**Real Canadian Liquor Store**, Edmonton (7 locations)  
**Real Canadian Liquor Store**, Fort McMurray (2 locations)  
**Real Canadian Liquor Store**, Fort Saskatchewan  
**Real Canadian Liquor Store**, Grande Prairie (2 locations)  
**Real Canadian Liquor Store**, Leduc  
**Real Canadian Liquor Store**, Lethbridge  
**Real Canadian Liquor Store**, Lloydminster  
**Real Canadian Liquor Store**, Medicine Hat  
**Real Canadian Liquor Store**, Olds  
**Real Canadian Liquor Store**, Red Deer  
**Real Canadian Liquor Store**, Rocky Mountain House  
**Real Canadian Liquor Store**, Sherwood Park  
**Real Canadian Liquor Store**, Spruce Grove  
**Real Canadian Liquor Store**, St. Albert  
**Real Canadian Liquor Store**, Strathmore  
**Real Canadian Liquor Store Express**, Edmonton  
**Your Independent Liquor Store**, Edson  
**Your Independent Liquor Store**, Red Deer

## Awards

### 2018 ALSA award recipients

Congratulations to the following 2018 ALSA award recipients, who were honoured at a special reception in September:  
Chairman's Award – **Sukh Boparai**, Calgary

Don Eby Memorial Service Award, Outstanding Agent – **Tesouro Wine Calgary**

Irv Kipnes Award for Excellence in Liquor Retailing – **Michael MacDougall**, Calgary

25 Year Winners:

**Anderson's**, Edmonton  
**Central Liquor**, Consort  
**Chateau Louis Liquor Store**, Edmonton  
**Crowfoot Liquor Store - Crowfoot Centre**, Calgary  
**DJ's Liquor Store**, Valleyview  
**Falher Liquor Store Ltd.**, Falher  
**Harley's Liquor Store**, Camrose  
**Kensington Wine Market**, Calgary  
**Landing Liquor Store**, Athabasca  
**Liquor Depot**, Edmonton  
**Rocky Liquor Store Ltd.**, Rocky Mountain House  
**Tait's Cold Beer & Liquor**, Lloydminster  
**Tofield Spirits, Beer & Liquor Store Ltd.**, Tofield  
**Town & Country Liquor Store**, Pincher Creek  
**Two Hills Liquor Store**, Two Hills  
**Vegreville Liquor Store Inc.**, Vegreville  
**Wabamun Lakeside Liquor**, Wabamun  
**Wainwright Liquor and Cold Beer**, Wainwright  
**Westlock Inn (The Inn Liquor Store)**, Westlock  
**Westlock Liquor Store**, Westlock

## Anniversaries

Dry9 is part of AGLC's DrinkSense program, an ongoing commitment to educate and raise awareness on responsible liquor consumption for adult Albertans. December 5 marked the first anniversary of Dry9 in which over 1,150 women committed to not consuming alcohol during pregnancy.



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# ALBERTA'S LIQUOR INDUSTRY GROWING by Joyce Hayne

The liquor industry in Alberta has been growing over the years, both in terms of the number of facilities and the number of manufacturers. Following is an overview of that growth over the past three years:

## Liquor Licenses

	2017-18	2016-17	2015-16
Class A (open to the public)	5,374	5,303	5,240
Class B (people pay entrance fee or buy a ticket)	678	664	622
Class C (private clubs)	781	787	785
Class D (retail outlets sell liquor for off-premises consumption)	2,197	2,136	2,065
Class E (liquor manufacturers and packaging)	119	85	52
<b>TOTAL</b>	<b>9,149</b>	<b>8,975</b>	<b>8,764</b>

## Liquor Manufacturing Licences in Alberta

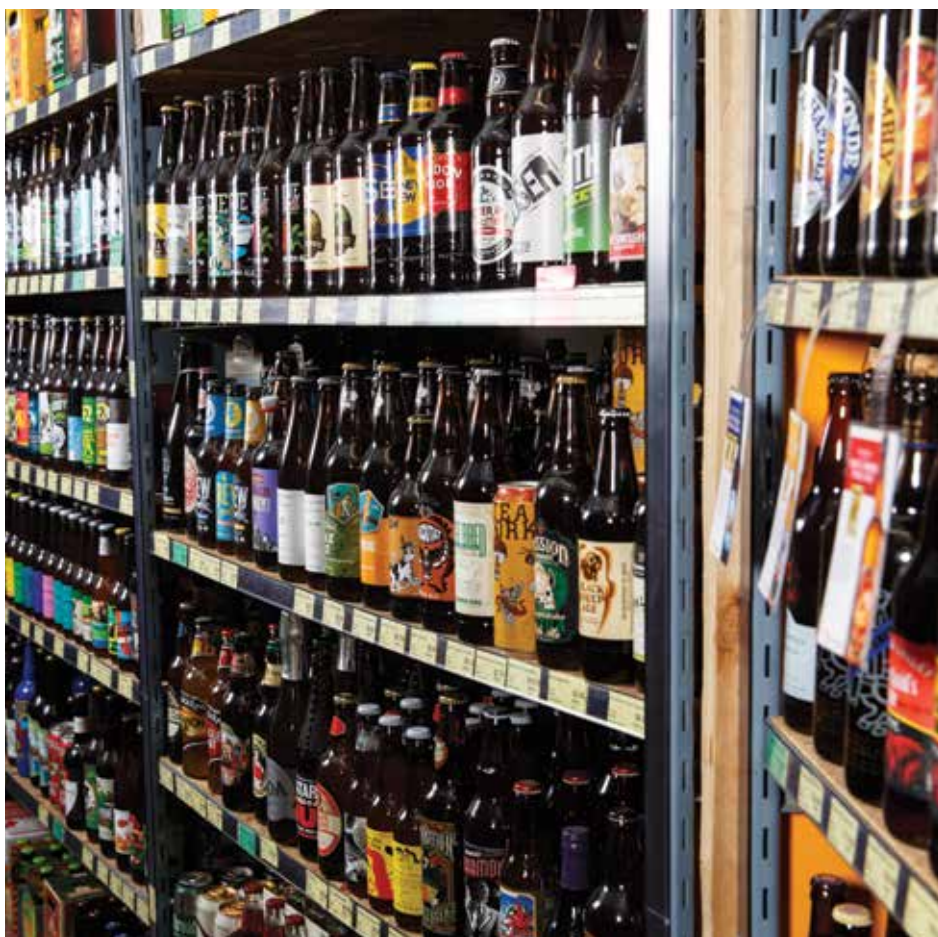
	2017-18	2016-17	2015-16
Breweries	81	54	33
Distilleries	21	16	7
Estate Manufacturers	14	13	11
Packaging	3	2	1
<b>TOTAL</b>	<b>119</b>	<b>85</b>	<b>52</b>

## Liquor Products Available (as of March 31)

	2017-18	2016-17	2015-16
Spirits	4,862	4,778	4,273
Wine	13,866	13,260	13,458
Coolers/Cider	660	608	553
Beer	4,946	4,169	3,509
<b>TOTAL</b>	<b>24,334</b>	<b>22,815</b>	<b>21,793</b>

## Liquor Sales by Volume (in hL)

	2017-18	2016-17	2015-16
Spirits	267,893	270,935	278,574
Wine	450,577	442,458	453,192
Coolers/Cider	302,014	282,278	291,593
Beer	2,560,870	2,590,336	2,756,429
<b>TOTAL</b>	<b>3,581,354</b>	<b>3,586,007</b>	<b>3,779,788</b>



# IS IT REALLY WORTH IT?

## USE A COST/BENEFIT ANALYSIS WHEN CONSIDERING CHANGES

by Rebecca Hardin

Most liquor retailers are committed to running their businesses in the most efficient way possible to ensure the best outcomes for both the customer and the business. One area that gets reviewed on a continual basis is in-store equipment and product.

Often decisions are made simply based upon price saving strategies that directly impact the owner's bottom line. While this method can lower expenses directly within the controllable expense category, quite often soft costs are forgotten when contemplating a change. If left unaccounted for, soft costs can increase overall store costs to a point that licensees are paying more after a change has been made. So, how does one decide if a change is worthwhile? Or will it just cost you time, effort, and in some cases more money?

Let's start by ensuring we all know what a "soft cost" is. *Wikipedia* defines a soft cost as an "expense item that is not considered a direct cost to the item." Soft costs may include such things as training, labour costs to implement the new items, legal fees, increase or decrease in employee efficiencies, consumer impact and other pre- and post-implementation expenses. A great example of how a soft cost can impact the bottom line is when changes to in-house supplies, such as plastic bags, occur without considering all the variables.

Plastic bags seem to be an item that gets scrutinized a lot. Often retailers will opt to go with a less expensive option only to discover the trade-off has been to compromise on quality. In most instances, only the current bag price vs. the new bag price was reviewed when licensees made a change. In addition to the price, the licensee should have factored in a decrease in customer satisfaction because new purchases were breaking before they got home. They should also have considered the increase in bag use because staff began to triple bag product to ensure there was no breakage, and the increase in cost of goods because of product breakage due to the bag's inability to carry product. After considering all these soft costs, there was no extra benefit for making the switch. In this case, it cost the retailer more money to make the change



because the costs outweighed the benefits. The retailer should have considered getting rid of plastic bags altogether and implementing a “bring your own bag policy” including selling cloth bags at a reduced rate. That policy would result in an increase in customer satisfaction, a decrease in bag costs, and an improvement in social responsibility. Conduct your own bag analysis and see where you end up!

Retailers need to be diligent in their thought processes when considering a change. A great solution is a cost benefit analysis to help guide the decision process. There’s no need to call your accountant or have an MBA to sort through this calculation. It can be as simple as making a list of every single cost—both hard and soft—to make the change. Then, create a list of every single benefit and ensure each item has a value attributed to it.



**RETAILERS WILL OPT TO GO WITH A LESS EXPENSIVE OPTION ONLY TO DISCOVER THE TRADE-OFF HAS BEEN TO COMPROMISE ON QUALITY.**

**Benefits - Costs = Cost Benefit**

Ensure costs are not under-estimated; that is why its important to include soft costs. When considering the benefits, be conservative. Don’t over-estimate revenues. Once the list is complete, take the difference between the two. If the number is positive, it’s probably a good decision to go forward and make the change.

Below are some key questions along with some ideas to get you started on your own cost

benefit analysis. Grow your list of questions as needed. Be sure to quantify each item so you can calculate costs and make the best decision for your business, staff, and ultimately your customer.

**What is the difference in cost of the product if a change is made?** Beware of the hidden costs. It is extremely difficult to associate a value to this because it’s hidden; however,

owners should be diligent in factoring for glitches and downtime when, for example, changing POS or debit terminals. Be sure to consider any possible cancellation fees if a current vendor contract might be changed.

**Is the product the same quality?** Remember the bags example from above? If the quality is not the same, what are the additional costs?

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**Is the item readily available?** If the item is known for out-of-stocks or delayed ship times, this could cost you extra money trying to source last minute replacement items. Additionally, it could upset customers and impact their experience.

**Does the new vendor provide the same or better level and quality of service?** If you have a vendor who sets up product displays in your store for free and ensures the display is well managed and stocked, then switching to a less expensive product where your team manages the display might increase labour costs and affect customer experience.

**Is this service included in the price or is it an additional cost?** POS companies are a great example. They may have an amazing POS, but if you fail to factor the monthly maintenance fee when calculating a change, the costs could outweigh the benefits.

**If you make the change, can you eliminate more than one other supplier?** Does a supplier have products/equipment you currently purchase from more than one supplier? This could increase efficiencies in labour costs and possibly save on shipping fees.

**Can you approach your current supplier and request a discount to retain your loyalty?** Negotiating with your existing supplier can be more cost effective than starting a new relationship.

**CONSIDER ANY POSSIBLE CANCELLATION FEES IF A CURRENT VENDOR CONTRACT MIGHT BE CHANGED.**

**Is the supplier easily accessible?** Are orders easy to place? Is technical support readily available on evenings and weekends during your peak times? Is shipping quick?

A cost benefit analysis can be a quick and simple tool you use to help guide your decision-making process. When decisions are well thought-out and various benefits and possible pitfalls are considered, the implementation of the change becomes less stressful. Add the benefits and subtract the costs. The outcome of this formula will guide you to your final decision and provide the best possible outcome for your business. ■

# SPIRIT *Spotlight*

by David Wolowidnyk

## Rum

When Christopher Columbus brought sugarcane cuttings from the Canary Islands to the Caribbean, the tropical climate was ideal for the plant to thrive, resulting in a host of sugar-based industries. Thankfully, both Rhum Agricole and Rum Industriel were part of this economic boom. Rum has seen a rise and fall in popularity throughout the last century and fortunately, thanks to spirit aficionados, cocktail enthusiasts, and great value, it is on the rise once again.

Historically, it is believed that sugarcane originated in New Guinea, and from there it was taken to China, India and South Asia. Continuing its journey west, sugarcane made its way to the eastern shores of the Mediterranean and was then introduced to the warm climates of Spain, Portugal and North Africa before travelling across the Atlantic and finally landing in the West Indies.

Some of you are probably wondering what the difference is between Rhum Agricole and Rum Industriel. Rhum Agricole, or Agricultural Rum, is made from fresh pressed sugarcane juice, which is fermented and distilled in Alembic pot stills. Rum Industriel, or Industrial Rum, is made from the byproduct of refining sugar—molasses—and is typically distilled in a combination of both pot stills and column stills. Although it now only makes up approximately 10% of the rum industry, Rhum Agricole was around for more than 250 years before Don Facundo Bacardi decided in the mid-1800s to use molasses rather than the sugarcane juice and inspired other distillers to do the same. If you haven't yet tasted the two spirits side by side, you really should the next time you sit at a bar that carries both. One is not better than the other; their differences are worth celebrating. Rhum Agricole retains much of the flavour of the original sugarcane and tends to be smooth and light, with floral and herbal aromas. Rum Industriel is much more difficult to categorize because of its wide range of flavours due to very few category-wide legal requirements beyond a sugarcane base and alcohol strength. Rum Industriel can be generally broken down into three colours that



*Courtesy of Blake Wisz*

are somewhat aligned with style; white, amber/gold, and dark. It is the amber/gold and dark rums that have grown the most in recent years at roughly 14% and 13% respectively, while white rum has seen a slight decline of approximately 0.5%. The premium rums have primarily driven the category rise, now accounting for almost 24% of the sector's volume share, which is up nearly 18% in the last few years.

When the classic cocktail culture reemerged a couple of decades ago, the bartending community pored over old recipes, trying to replicate history through flavours in a glass. Whisk(e)y, gin, tequila, brandy, and rum all started to peek out from the shadows and move to the forefront of people's palates. Rum initially had a bit of a slower resurgence while people moved through other spirit categories, but the slow and steady rise of rum has really brought forth some impressive growth.

The beauty of rum lies in the diversity, since there are very few legal restrictions in the production and maturation processes. This yields so many differing styles that the options seem endless. There was a time when many thought only of using rum in tropical drinks

and hi-balls, rarely sipping or savouring the complexity of the spirit. Not only are people using rum to replicate delicious classics now, they are also replacing other spirits, making Rum Old Fashioneds, Rum Manhattans, and Rum Boulevardiers, or to sip and savour like any other fine spirits. Substituting the base spirit in traditionally non-rum cocktails is the best way to create converts, giving people a whole new impression of rum's versatility and depth of character.

Perhaps part of rum's rise in popularity is due to its value compared to other spirits. It's a little hard to imagine how 25-year-old rum can be sold for a similar price as a 12-year-old whisky, especially when you consider the annual evaporation rate while maturing in the barrel is between 1-3% for whisky and between 8-10% for rum. We should be thankful that we can currently pick up these rum gems at such great prices because as popularity continues to rise so will the prices.

If you haven't yet explored the diversity of rum, now is the time to do so—either to sip on, or in one of your favourite cocktails. There is a whole world of flavour complexity that awaits you.



# CREATING A COCKTAIL MARKET IN YOUR STORE

by Shawn Soole

For the last few years, liquor stores have been evolving to more than just a place to pick up a six pack of beer; they have been slowly growing into a mecca for beer geeks, wine connoisseurs, and cocktail fanatics.

Selection and service has always been the trumping factor in liquor store visits, from larger selection of hard-to-get products to trained sommeliers, cicerones, and mixologists working the floor; the winner is the consumer.

The standard additions to most liquor stores have been the waiter's friend or corkscrew at the counter or maybe a dusty bottle of Angostura bitters in the corner beside a bottle of obscure syrup used in a long-forgotten cocktail from the eighties. However, as liquor stores shift to give the customer more knowledge and more options for their entertaining, they've discovered the need to stock more products to make better cocktails at home.

Filling this need isn't as simple as throwing more bottles of Angostura on that dusty shelf. Consumers are becoming more knowledgeable with more resources on cocktails widely available than ever before. What used to be weird and hard to get is now seen as mainstream by your guests; craft tonic water, ginger beer, and bitters were inaccessible five years ago. How can you as an operator cater to this newest market of customers? Vessel Liquor Store in Victoria created the Cocktail Market inside their store to cater to these needs, and here's a few ways that they achieved it.

## Non-alcoholic Mixers

Craft non-alcoholic mixers are abundant. Fevertree & Fentiman's are big players in the tonic and ginger beer market. Both are exceptional products and offer a wide range of tonics to stock. We have also seen the rise of the craft soda from Phillip's Soda Works, beginning with a line of tonic waters with a few classic sodas released soon after. The tonic line has tightened up to the classics of Sparkmouth Tonic (previously Artisan) and the much-loved Cucumber Mint; while the Intergalactic Rootbeer, Speedking Cola, Sparkmouth Ginger Ale, and Daredevil Orange Cream round out the selection. These are all craft, and well-made sodas to stock as a point of difference.

## Bitters

Bitters or "the salt and pepper" of the cocktail world have become a cult favourite amongst enthusiasts, all trying to find the latest and greatest flavours released from far and wide. The mainstay of Angostura has now grown to include its orange counterpart and the



#### SIDECAR

1 1/2 oz. Pierre Ferrand 1840  
 3/4 oz. Pierre Ferrand Dry Curacao  
 1/2 oz. Giffard Syrups Acid Lemon  
 1/2 oz. fresh lemon juice

Glass - Large Cocktail Glass  
 Method - Hard shake and double strain  
 Garnish - Orange twist

Giffard Pineapple Syrup\*

1 L \$19.99

03180293500054



Giffard Pina Colada Syrup\*

1 L \$19.99



classically needed Peychaud's, but this isn't all that is to be had. The bitters movement has come on strong locally with many companies now producing balanced, creative, and comparative styles. The biggest and one of the oldest bitters' producers in Western Canada is probably Bittered Sling, headed by chef Jonathon Chovancek and world class bartender Lauren Mote. The husband and wife team have been behind the bitters rise to fame for almost a decade, with flavours like Clingstone Peach, Suisse Cherry, and regional inspired styles like the Kensington Aromatic. These are winners on any liquor store shelf. Their work has led to the other favourites of Ms. Better Bitters, whose off-the-wall flavour combinations are eccentrically fantastic, and Apothecary Bitters that take the flavours of the Pacific Northwest and condense them into little pipettes.

### Bar Equipment

Equipment is the last piece of the puzzle to make your liquor store special. Quality bar equipment is easily accessible through Cocktail Kingdom and Amazon, but it gives you the edge to build appreciative clientele. Start with the basics, such as a high class barspoon, a nice shaker and tin, a muddler, a few strainers, and a jigger or two. Peruse the Cocktail Kingdom website and check out the style of tools they peddle, then create a strategic plan to showcase those wares to your customers.

Customers are always on the lookout for what they've seen at their local cocktail bar or on the latest blog. The decision to develop a niche market is always a difficult one, but it will build long-term customers that make your liquor store the destination for all their cocktail needs. ♥

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# AGLC REPORT

## Under 25 Program Keeps Liquor Out of the Hands of Minors

We've all had the experience of meeting people for the first time and horribly missing the mark about their age. Faced with that scenario in your licensed establishment, the key is to request identification. A key focus for Alberta Gaming, Liquor & Cannabis (AGLC) is providing choices Albertans can trust, and one way we live up to that commitment is keeping products out of the hands of minors. One major focus of these efforts is the Under 25 program for all licensees in Alberta.

AGLC has a long-established policy requiring licensees to request proof of age from anyone who appears under 25 years of age when entering a minors-prohibited premises or attempting to purchase or

receive liquor. The policy came into effect in 1994 for retail liquor stores and was expanded to include all licensees in 1996. As licensees are aware, the policy is detailed in both the *Retail Liquor Store Handbook* and the *Liquor Licensee Handbook*.

In addition to the long-standing policy, the Under 25 program itself was created in 2002 after AGLC conducted an audit of a cross-section of liquor licensees to determine the level of compliance with this crucial policy. The program is intended to strengthen the existing policy and ensure compliance for the safety of all Albertans—especially youth—by encouraging retailers to take an active interest in ensuring liquor stays out of the hands of minors.

As licensees and their employees can no

doubt attest, it is often very difficult to tell if a person is of legal age just by looking at them—some 16-year-olds look 30, while sometimes the reverse is true as well! That's why licensees must ask for proof of age—it eliminates the risk that a purchaser of liquor may possibly be a minor. Licensee staff are required to obtain valid identification and verify proof of age whenever a person who appears to be under 25 years of age attempts to buy liquor or to enter a licensed premises where minors are prohibited.

Those requirements are put to the test through the Under 25 program, where AGLC conducts inspections utilizing AGLC employees who appear under the age of 25. The Under 25 program is conducted throughout the year and can include a number of inspections dependent on the level of compliance.

First audit compliance is noted internally with AGLC and licensees are not notified of passing the first audit. While licensees used to receive notification if their establishment had passed an audit, that is no longer the case to ensure that licensees continue to follow the under 25 requirements. When it comes to your first audit compliance, it is truly a case of "no news is good news".

If a premise fails a first audit, the licensee will be notified of the failed audit, an 'Inspector's Caution' is issued and the licensee is notified that a follow-up audit will be conducted. This is a chance for a licensee to remind staff of the importance of the Under 25 program, and to ensure that the policy is being adhered to. If a premise fails a second audit, the licensee is advised and an administrative sanction will be imposed.

The purpose of the program is to create a safer environment for all Albertans and to ensure that alcohol is not sold to those under 18. At the end of the day, high compliance rates are good for business, and good for the well-being of all Albertans. AGLC is pleased that based on 2017 and 2018 compliance statistics, rates of compliance saw an increase of 2%. We hope to see these numbers continue to increase in 2019.

So remember—when you see a customer who appears to be under 25 years of age—it might be hard to tell, but you have to ask!

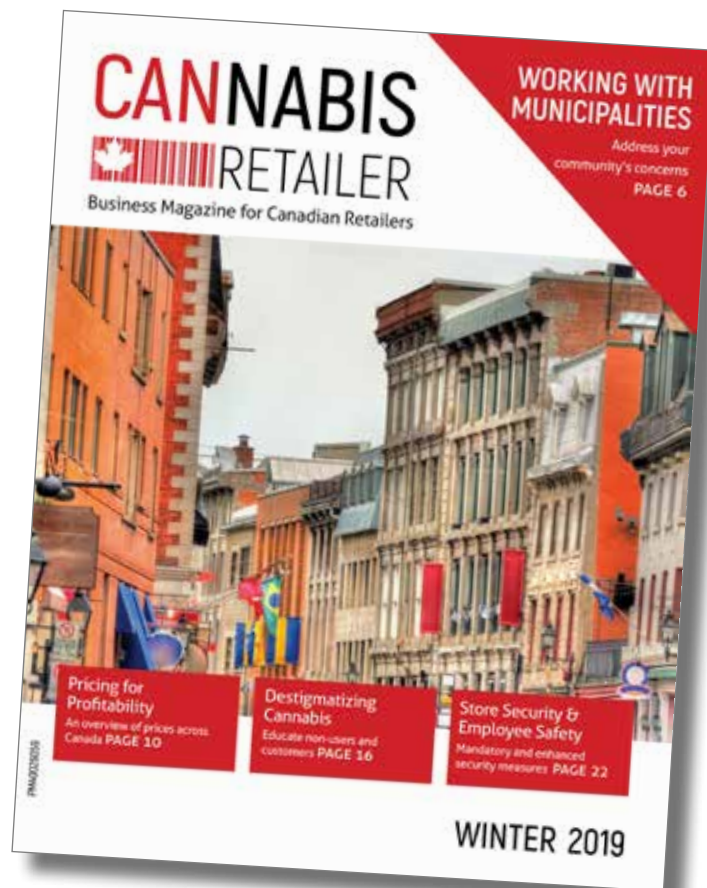
2017 Compliance Statistics		2018 Compliance Statistics		Variance (+/-)
<b>Class A</b> (minors allowed)	72%	<b>Class A</b> (minors allowed)	76%	+4%
<b>Class A</b> (minors prohibited)	80%	<b>Class A</b> (minors prohibited)	82%	+2%
<b>Class A</b> (manufacturer's lounge, manufacturer's taproom)	-	<b>Class A</b> (manufacturer's lounge, manufacturer's taproom)	100%	-
<b>Class B</b>	75%	<b>Class B</b>	75%	0%
<b>Class C</b>	75%	<b>Class C</b>	80%	+5%
<b>Class D</b> (retail liquor store, hotel off-sales, general merchandise)	75%	<b>Class D</b> (retail liquor store, hotel off-sales, general merchandise)	78%	+2%
<b>Class D</b> (manufacturing off- sales)	75%	<b>Class D</b> (manufacturing off- sales)	40%	-35%
<b>Average</b>	<b>77%</b>	<b>Average</b>	<b>79%</b>	<b>+2%</b>

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