



Presidents Briefing Note
ALSA Board Meeting – February 5, 2020

1. MOU with Restaurants Canada - Updated

ALSA is still working out details of how retailers can better work with restaurants. As a reminder, the Premier was ready to make an announcement to assist restaurants in this economic downturn that would have changed the Alberta model in a substantial matter.

In order to avoid the Government imposing changes, ALSA and Restaurants Canada have agreed to come up with potential options.

Potential solution:

- Restaurants can order 12 cases (minimum) and have the delivery added to a liquor store order.
- Restaurants would have to pay in full to AGLC before being added to store shipment
- Not a bottle pick from Connect
- Restaurants need to arrange with specific liquor stores the terms of transaction. Ei: charge for adding to order. Payment options for single bottles bought at the store, etc.
- Restaurant Canada is being very active on this file publicly

2. Direct Shipping to Consumers from Wineries - Updated

Canadian Vintners continue to pressure provincial governments to allow for wineries to ship directly to consumers in Alberta. Premier Kenney has expressed his support to open interprovincial barriers including direct shipping. ALSA send the Premier a letter stating our perspective and how direct shipment would bypass Alberta Liquor retailers, AGLC and therefore taxes. Letter is attached.

Premier Kenney has committed to advocate for the inclusion of private retailers in potential direct shipment of liquor to consumers regulation. In other words, treat Alberta liquor retailers as wineries in other provinces. Letter from the Premier is attached.

The Chair of the Alberta Caucus Federally has also reached out to ALSA to find out our position on this issue. Their counterparts in BC are pressuring all provinces to allow for Wineries to ship directly. I have provided ALSA's position and offered to present to Alberta Caucus is required.

3. ALSA requests for red tape reduction to AGLC - Updated

As discussed, ALSA submitted two official requests for changes to the AGLC

- a. Allow Liquor retailers to decide how much to charge for liquor tastings and let customers decide which ones they want to attend.
- b. Eliminate the three week waiting period for liquor licenses to be approved by AGLC.

Response from AGLC agreeing to both requests is attached.

Timing for implementation of this regulation will be announced shortly.



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4. Government Action on Liquor Store Thefts – Updated

- After meetings with the Hon. Doug Schweitzer, Minister of Justice and Solicitor General, has appointed Brad Rutherford, MLA for Leduc-Beaumont, to chair the working group, which will examine the recent spike in crimes targeting liquor stores and propose meaningful solutions. The working group will propose solutions working with law enforcement and in the industry to deter liquor store thefts through better prevention and ensuring appropriate consequences for the perpetrators.
- ALSA requested MLA Rutherford as the lead, as he served as a member of the Edmonton Police Service for 10 years. He will chair the working group, which has representatives from law enforcement, liquor retailers, Alberta Gaming, Liquor and Cannabis and the Alberta Crown Prosecution Service.
- The group will weigh a broad range of actions to deter liquor store thefts, including security features for stores, enforcement strategies, legal measures and deterrence measures, as well as steps taken in other jurisdictions.

Working group members:

- Brad Rutherford, chair, MLA for Leduc-Beaumont
- James Stiles, executive advisor to senior ADM, Justice and Solicitor General
- Ivonne Martinez, president, Alberta Liquor Store Association
- Sarah Langley, executive director, Alberta Crown Prosecution Service
- Acting Supt. Leah Barber, Calgary Police Service
- Supt. Terry Rocchio, Edmonton Police Service
- Supt. Peter Tewfik, RCMP, "K" Division
- Rob Pape, director, Compliance, Alberta Gaming, Liquor and Cannabis

ALSA has an opportunity to recommend to the Working Group potential measures that would help in reducing theft in liquor stores.

- Options may include: drive through service?
- Limit the number of stores in Alberta to the existing number
- AGLC requires that new liquor stores prove why a new store is needed in their area? I.e. Population increase, lack of service, type of store (boutique, scotch, etc) level of crime in the area proposed, how many other stores within 1 kilometer radius, etc.
- Others?

ALSA will be meeting with the producers of the ID scanning devices that are being piloted in Edmonton. We hope to explore the feasibility of options for small retail stores that may want to implement. i.e.: different packages, levels of service, etc.



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5. Skip the dishes – Update

- Skip the dishes received their delivery license under the Class D regulations.
- They are looking to launch Feb. 18th in Alberta
- The roll out would be around Skip the Dishes Liquor.
- Customers will be able to order liquor and food from the same app.
- Restaurant Canada is pushing AGLC to allow for Skip the Dishes to deliver food and liquor from their premises.
 - Restaurant Canada has not approached this issue with Skip
 - Skip feels that the mark ups from restaurants are so high, that customers will order from liquor stores.
 - The more liquor stores that sign up with Skip, the more difficult it will be for Restaurants Canada to make this a feasible endeavour.
 - Only three percent of Class A licences order directly through Connect Logistics
 - Alberta Liquor retailers account for over 85 percent of orders from Connect Logistics

6. Government and AGLC – 2020

ALSA was very successful in its Government Relations goals in 2019. With the exception of the last minute decision to open on Christmas day, both the Alberta Government and AGLC seem to be working in tandem with the Association.

2019 was also successful for media attention around industry issues. ALSA is now consistently seen as the voice for the liquor industry in Alberta.

What are the issues that ALSA should concentrate this year?