

BC'S CHANGING POLITICAL LANDSCAPE

What this means for the private liquor industry

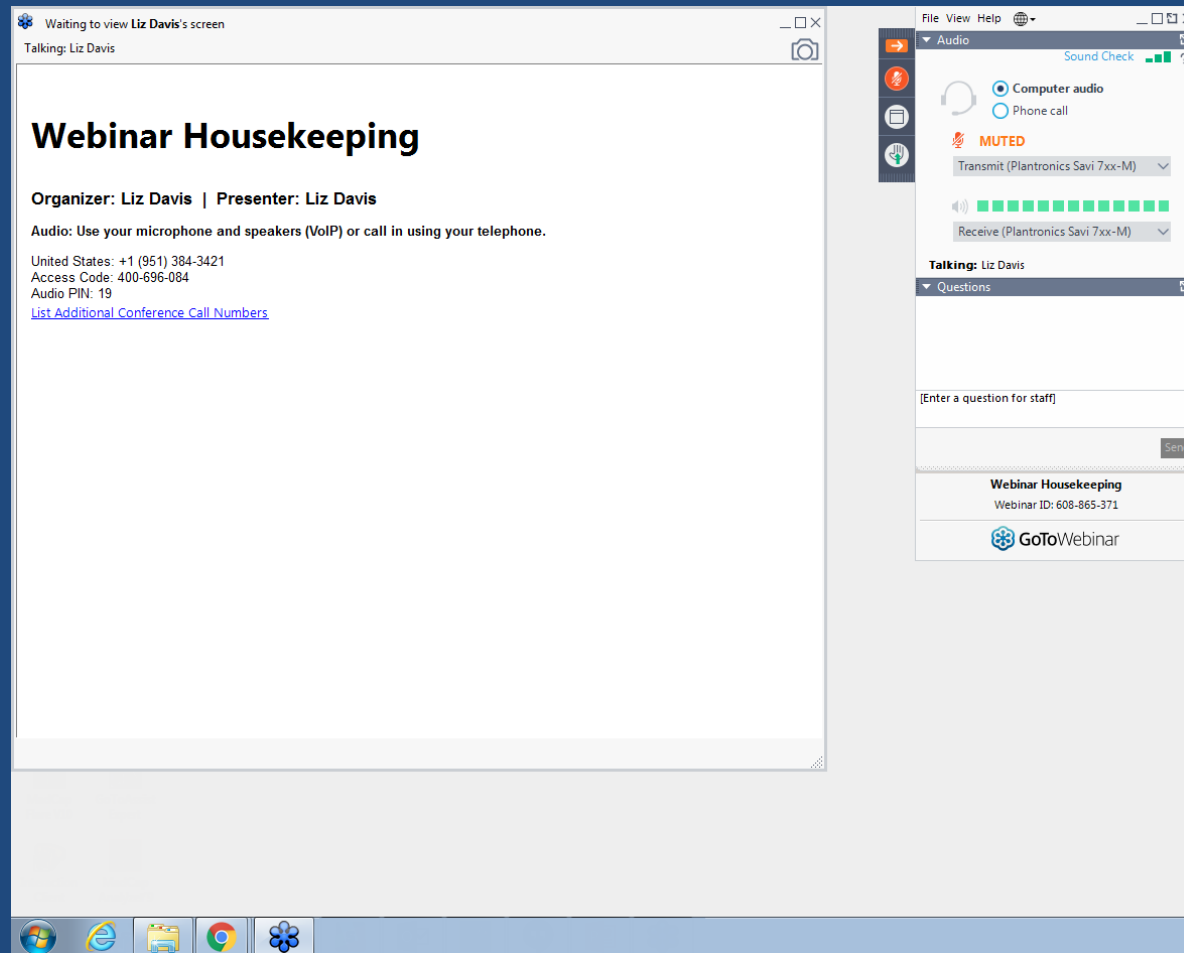


ALLIANCE OF BEVERAGE LICENSEES
FOR A RESPONSIBLE LIQUOR INDUSTRY

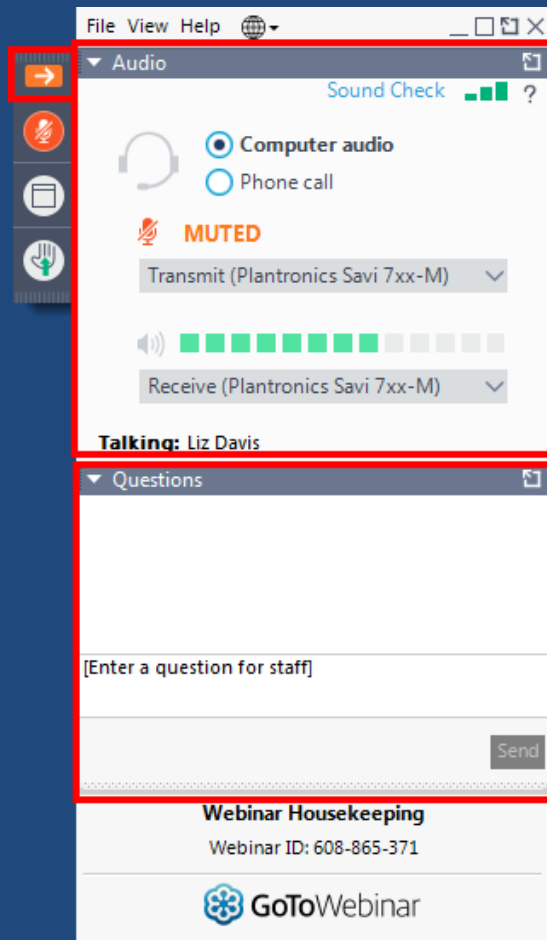
2017 Webinar Series

Housekeeping Notes

What you should see on your screen:

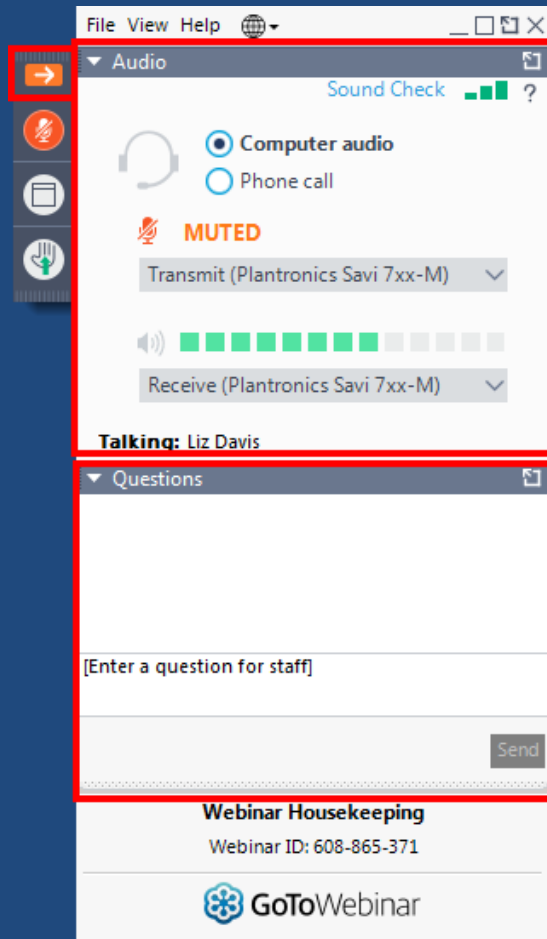


Participating in the webinar



- Open and close your control panel
- Join audio:
 - Choose Computer Audio (mic and speakers) to use VoIP.
 - Choose phone call to use telephone.

Asking questions during the webinar



- Please submit your questions and comments in the questions panel. They will be answered at the end of the webinar.
- If you run into technical problems, leave a comment in the questions panel.

Housekeeping Notes

- Recording will be available within 48 hours after webinar
- Download the PDF documents:
 - 2017 Policy Priorities
 - 2017 Policy Changes Factsheet
 - Summary of Member Benefits
 - buyABLE FAQ

Agenda

- Introduction: who we are and what we do
- Update on political climate in BC
- What this means for your small business
- Retailing recreational cannabis
- Member benefits
- Questions

About BC's Alliance of Beverage Licensees

- Advocacy organization representing British Columbia's private liquor industry
- 1000 members: private liquor stores, bars, pubs, nightclubs, lounges, hotels, agents, manufacturers, suppliers, service providers



About BC's Alliance of Beverage Licensees

- Governed by an elected Board of 12 regionally-based Directors
- Full-time staff in Vancouver office:
 - Jeff Guignard, *Executive Director*
 - Danielle Leroux, *Manager of Membership and Communications*



What does ABLE BC do?

1. Help build a thriving and sustainable private liquor industry in BC
2. Provide expert advice and recommendations to government partners
3. Serve as a positive, proactive advocate to protect and expand business opportunities for private liquor industry
4. Negotiate industry-leading benefit programs that save our members time and money
5. Act as a primary resource for information about liquor industry regulations, policies, and current issues

United voice for BC's private liquor industry

- In April 2017, ABLE BC signed a Memorandum of Understanding with BC Private Liquor Store Association
 - BCPLSA ceased operations and encouraged members to join ABLE BC
 - Ensure BC's private liquor retailers are represented by single organization
- In May 2017, two new Directors joined ABLE BC's Board:
 - Randy Wilson (*President of BCPLSA and Co-Founder, Partner of Liquor Plus*)
 - Damian Kettlewell (*BCPLSA Marijuana Spokesperson and Partner, Director of Branding & External Affairs at JAK's*)
- As part of MOU, new board committee formed to address Liquor Retail issues.



BC'S CHANGING POLITICAL LANDSCAPE

New provincial government

- May 9, 2017 provincial election: Liberals win 43 seats, minority parliament
 - First non-majority legislature since 1952
 - End of 16 years Liberal majority government
- May 29: NDP and Green Party announce partnership
- June 22: legislature convened
- June 29: Liberals defeated in confidence vote
 - NDP form minority government
- July 18: John Horgan sworn in as Premier

Premier John Horgan

- MLA for Juan de Fuca since 2005
- Leader of BC NDP since 2014
- Worked in BC NDP government from 1991 to 2001



BC NDP Platform

- Affordability: housing, healthcare, childcare, education and training, transportation, hydro
- Increase minimum wage to \$15 per hour by 2021 with phased-in increases
- Support BC small business with a half-point cut to small business tax rate
- Changes to Temporary Foreign Workers program and address labour shortages
- Expand markets for vintners, brewers, and craft distillers and establish advisory panel

David Eby

- Attorney General of BC and Minister Responsible for ICBC
- MLA for Vancouver-Point Grey since 2013
- Human rights lawyer
- Previously Executive Director of BC Civil Liberties Association
- NDP Opposition spokesperson for liquor policy, BC Lottery Corporation, LDB



Mike Farnworth

- Minister of Public Safety and Solicitor General
- MLA for Port Coquitlam since 2005
- 1997-2001, was Minister of: Municipal Affairs and Housing, Employment and Investment, Health and Responsible for Seniors, Social Development and Economic Security
- NDP Opposition spokesperson for Justice and Opposition Caucus House Leader
- NDP lead on cannabis issues



Harry Bains

- Minister of Labour
- MLA for Surrey-Newton since 2005
- Long-time advocate for workers rights and equality
- Was elected officer of Steelworkers Union for 15 years
- Led negotiations as vice-president of local union chapter





WHAT THIS MEANS FOR YOUR BUSINESS

Political landscape

- Instability and uncertainty
 - NDP/Green agreement re: confidence = four years
 - Average minority government lasts 18 months
 - Business investment?
- Politics of transition
 - New Ministers and senior advisors
 - New senior staff, Deputy Ministers, etc
 - New chairs at ICBC, BC Hydro, etc.
 - Urgent issues: BC wild fires
 - Blame game/differentiate from Liberals
- Progress on platform commitments
 - Affordability, housing, education, and healthcare

First 100 days

- Federal issues: wildfires, the opioid overdose crisis, child care funding and money to replace the aging Pattullo Bridge.
- US issues: NAFTA, softwood, wine on grocery shelves
- Site C dam
- Kinder Morgan pipeline
- Bridge tolls
- Plan for \$15/hr min. wage (Fair Wage Commission)
- Ban corporate and union donations
- Public consultation on prop. representation voting system
- Tax increases: for high income earners and carbon tax

How this will impact liquor industry

- NDP “Commitments” prior to/during campaign
- Form advisory panel for BC beer, wine, and spirits
- Expand market access for BC products
- Minimum wage increase
- Employment standards

ABLE BC's policy priorities

- Ensure govt understands our economic impact
- Maintain 1 km distance rule and LRS license moratorium
- Licensee sales
- Retail recreational cannabis
- How can we help government succeed?

Other liquor issues

- Trade challenge re: wine on grocery shelves
- Product shortages at LDB
- Video Lottery Terminals
- LCLB processing timelines
- LCLB policy re: liquor registries
- Municipal liquor policies (i.e. Vancouver)



RETAILING RECREATIONAL CANNABIS

Retailing recreational cannabis

- Federal legislation and timeline
- BC NDP so far
- Other provinces
- BC inter-Ministry taskforce (ADM level)
- Role of Solicitor General Mike Farnworth
- Size of market
- Responsible Marijuana Retail Alliance
- DACUM with Kwantlen Polytechnic University
- Role of dispensaries?
- Regulatory framework: what we do know

POT LAWS: WHO DOES WHAT

All three levels of government are involved as Canada moves to legalize recreational marijuana. Here's a breakdown.

Activity	Federal	Provincial	Municipal
Possession limits*	✓		
Trafficking	✓		
Advertisement & packaging*	✓		
Impaired driving	✓	✓	
Medical cannabis	✓		
Seed-to-sale tracking system	✓		
Production (cultivation and processing)	✓		
Age limit (federal minimum)*	✓		
Public health	✓	✓	
Education	✓	✓	✓
Taxation	✓	✓	✓
Home cultivation (growing plants at home)*	✓		
Workplace safety		✓	
Distribution and wholesaling		✓	
Retail model		✓	
Retail location and rules		✓	✓
Regulatory compliance	✓	✓	
Public consumption		✓	✓
Land use/zoning			✓

* Provinces will have the ability to strengthen legislation for those areas under federal jurisdiction

SOURCE: GOVERNMENT OF ALBERTA

DENNIS LEUNG



ABLE BC MEMBER BENEFITS

Helping you run a better business

- Fight for your interests
- Enhance private sector opportunities
- Address business irritants and cut red tape
- Work with all levels of government and across industry so we can find common solutions to shared challenges

Get the most from your membership

- Exclusive member benefits and discounts with preferred industry suppliers
- More than cover the cost of your annual membership



Member Benefits

- *Western Financial Group Hospitality Insurance Program*: save 10% on insurance costs
- *Johnstone's Employee Benefits*: customizable group insurance plan at the best price
- *Desjardins Payment Solutions*: preferential rates, no additional fees
- *BDL Beer Bottle Return Program*: make \$2700 in annual handling commissions
- *VI Banking ATM*: earn an extra \$1000 monthly with our no-risk agreement
- *Foodbuy*: receive monthly rebate cheques for manufacturer products you're already using

Member Benefits

- *Sting Investigations Compliance Program:* discounted monthly compliance checks
- *Webinars and online training tools:* adopt industry best practices and adapt to today's changing business environment
- *Due diligence signage and materials:* available in our online store
- *Monthly Liquor Price Guide:* compare BCLS prices, review LDB price changes, track wholesale markup and retail margins
- *Mills Office Supplies:* discounted products and supplies relevant to our industry
- Discounts with over 25 industry suppliers and more!

buyABLE: online purchasing portal

- Collective buying power
- Exclusive product offers
- Preferred pricing
- Shortened buying cycle
- Increase profit margins
- Zero cost
- Compete and thrive in today's retail climate



Member Communications

- Biweekly *Industry Update* e-newsletter
- Regular email updates
- Regular surveys
- Social media: Twitter and Facebook
- *Publican*: quarterly trade publication
- Industry events: BC Liquor Conference, BC Hospitality Conference
- Regional member meetings and industry networking receptions

How to join ABLE BC

- Licensee Membership:
 - \$675 per year (each additional license is \$375 per year)
- Associate Membership:
 - \$420 per year
- Sign-up for your membership online:
ABLEBC.ca or contact Danielle Leroux (604-688-5560 or danielle@ablebc.ca)

2017 BC Liquor Conference

- Monday, October 23rd
at Sutton Place Hotel
Vancouver
- BC's premier liquor
industry event
- Early bird pricing ends
August 7
- Register at
BCLiquorConference.com



Conference Seminars include

- Monetizing recreational cannabis
- Find your niche: developing a profitable and unique liquor primary concept
- Consumer trends report: what you need to know to help grow your business
- Roadmap for Revenue: sales strategies that drive sales and encourage consumers to trade up
- Foolproof social media strategies: what you really need to know
- Make money with your kitchen: improving menu design, food costing, and more

HOW TO GET IN TOUCH

Phone: 604-688-5560 (1-800-663-4883)

Email: info@ablebc.ca

Website: ABLEBC.ca

Twitter and Facebook: @ABLEBC



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Have a question?

Please submit your questions and comments in the questions panel. We will do our best to answer it!

Thank you for attending!
Join us at our next webinar in
September. Details to come!

For more information please contact:
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Communications, ABLE BC
604-688-5560 or danielle@ablebc.ca