

FINE WINE & GOOD SPIRITS



2017 SPECIAL ORDER (SLO) PROGRAM CHANGES GUIDE FOR LICENSEES

INTRODUCTION

The Pennsylvania Liquor Control Board (PLCB) is making various changes to the Special Order (formerly Special Liquor Order, or SLO) program to bring the program into compliance with new laws passed in 2016, modernize the PLCB's business, and improve customer convenience. Most of the changes discussed herein will go into effect Oct. 1, 2017.

This guide has been developed to inform licensees of key changes to the Special Order program that will become effective Oct. 1.

TABLE OF CONTENTS

Adoption of a Pre-Paid Program for In-Store Pickup	3
Return of Licensees' Special Order Fixed Deposits	3
Licensee Approval of Supplier-Entered Special Orders in LOOP	3
Licensee-Entered Special Orders through www.FineWineandGoodSpirits.com	4
In-Store Order Pickup	5
Resolution of Order Disputes	6
Licensee/Consumer Notifications	6
Luxury Order Vendor Supplied Orders	7
Assistance.....	7

ADOPTION OF A PRE-PAID PROGRAM FOR IN-STORE PICKUP

Effective Oct. 1, each Special Order must be paid for in-full when the order is shipped, before a licensee may pick up the order from a Fine Wine & Good Spirits (FW&GS) store.

Licensees paying with ACH debit information on file in the Licensee Online Order Portal (LOOP) will see their accounts debited as orders are shipped. In the case of credit card payment, a hold will be placed on the licensee's credit card when the order is submitted or approved, then the card will be charged as suppliers prepare to ship each order.

For the foreseeable future, all Special Orders must be delivered by suppliers to FW&GS stores for licensee pickup.

RETURN OF LICENSEES' SPECIAL ORDER FIXED DEPOSITS

The \$100 payments submitted to the PLCB by licensees engaged in the Special Order fixed-deposit program will be returned to licensees by mid-November. Paper checks will be mailed to the premises address for each active and inactive licensee, and refunds for licenses held in safekeeping will be sent to the address of record.

Prior to the mailing of a licensee's check, the licensee can expect to receive notification that the fixed-deposit return will be coming by mail.

Deposits owed to licensees no longer in existence or for which the PLCB has no ability to identify a current address will be turned over to the Bureau of Unclaimed Property within the Pennsylvania Treasury.

LICENSEE APPROVAL OF SUPPLIER-ENTERED SPECIAL ORDERS IN LOOP

Effective Oct. 1, licensees must authorize payment for and approve each order entered on their behalves by suppliers, before the supplier may deliver an order.

Establishing a User Account to Enable Electronic Special Order Approvals and Payments

To approve and pay for Special Orders entered by suppliers, licensees must register for LOOP, select the Special Order enrollment check-box upon registration, and enter a method of payment. Licensees will receive email confirmation when enrolled in the Special Order program through LOOP.

Licensees already enrolled in LOOP will need to revisit the "Manage LID" page, select the Special Order enrollment check-box, and provide payment information.

If entering a credit card as the payment method, the card will take up to 15 minutes to appear within LOOP as a payment option, following registration.

Licensee training guides specific to [LOOP Special Order registration](#) and [order approval](#) are available to assist licensees in registering.

LOOP will be the only method by which licensees can approve and pay for supplier-entered Special Orders as of Oct. 1, so licensees are encouraged to register for LOOP, enroll in the Special Order program, and enter a payment method in advance to minimize Special Order fulfillment interruptions.

Once a licensee has taken the steps identified above, LOOP will provide visibility into the order status for Special Order items and enable licensees to approve and pay for Special Orders entered by suppliers.

Not only does LOOP provide a convenient and user-friendly way to approve Special Orders, but it's also a great tool for licensees to use to place orders of regular stock items. LOOP provides visibility of current and upcoming product sales, allowing licensees to plan purchases around sales to achieve cost savings. LOOP also provides price-per-ounce information on non-Special Order items so licensees can compare products, and the system instantly shows licensees how much is saved on an order. Additionally, LOOP offers customizable reports and data exports that help licensees track and manage their businesses.

[More information about LOOP is available online](#), and LOOP customer service is available by calling 800-332-7522, option 5, or emailing plcbloop@pa.gov.

Notification and Approval of Supplier-Entered Special Orders

A licensee will receive email notification when an order has been entered by a supplier, and the licensee will be prompted to approve and authorize payment for the pending order in LOOP. Licensees will not have the option to alter or adjust an order entered by a supplier; licensees will only be able to accept and place an order as entered, or reject and cancel the entire order.

Licensees will have 30 calendar days to approve and place or reject and cancel an order after it has been entered by a supplier; an unapproved order will automatically be cancelled on the 31st calendar day following order entry.

The licensee's order approval or rejection will be communicated to the supplier so the supplier knows when an order has been approved and may be shipped, or must be renegotiated and purchased through LOOP as described above or abandoned.

Similarly, suppliers will not have the ability to alter or adjust an order after it has been approved and placed by a licensee. The supplier must either ship the merchandise as ordered/approved and paid for, or it must cancel the transaction. Any modification will require that a new order be initiated.

Payment for each Special Order will be processed when the supplier prepares the order for shipment. Licensees will receive automatic, system-generated email notification when payment has processed and an order has been prepared to ship. Such communication will include a shipment tracking code or estimated date of delivery for the order to arrive at the designated store.

Each Special Order and its status will appear in LOOP for the licensee.

Suppliers will have 30 calendar days from the date a licensee approves and submits payment for a supplier-entered order to make the order available in-store. Orders not received in-store within 30 calendar days of the licensee's order approval will automatically be cancelled on the 31st calendar day following licensee approval.

It is incumbent upon suppliers and licensees to clearly and openly communicate product needs, expectations, and availability to facilitate timely, complete, and accurate product orders and shipments.

LICENSEE-ENTERED SPECIAL ORDERS THROUGH WWW.FINEWINEANDGOODSPIRITS.COM

Effective Oct. 1, licensees who wish to enter and place their own Special Orders will be able to do so through the PLCB's e-commerce store at www.FineWineandGoodSpirits.com. The catalogue of Special Order items available on the FW&GS website includes items suppliers have decided to make available to the general public. Items a supplier has designated as available only to licensees will not display on the FW&GS website and must be ordered by suppliers on behalf of licensees and purchased through LOOP as described above.

Given the new, easy-to-use Internet-based ordering option, also effective Oct. 1, FW&GS stores will no longer place Special Orders for licensees or individual consumers.

Credit card payment for Special Orders placed through the FW&GS website must be authorized at the time the order is placed (a hold for the amount will be placed on the licensee's credit card), and the licensee's credit card will be charged as each order is prepared for shipment by the supplier. Suppliers will have up to seven calendar days to accept and process each e-commerce order from the date the order is placed, then up to 30 calendar days to deliver the order to the store of the customer's choosing.

Licensees will receive automated, system-generated email confirmations following placement of the order; when payment has processed and each order is prepared for shipment by the supplier; and when the order is available for pickup in-store. See page 6 for more information on Special Order customer notifications.

IN-STORE ORDER PICKUP

Effective Oct. 1, FW&GS store staff will no longer inspect, sort, and inventory items within Special Orders, unless damage is observed. Suppliers will be required to package each Special Order individually and securely, ensuring order accuracy and completeness prior to shipment of each order.

Upon arrival of a Special Order at a FW&GS store, staff will inspect the exterior of the package(s) for visible signs of damage.

- If there is no visible damage, the order will be received by store staff, and an automated, system-generated email will be sent notifying the licensee the order is available for pickup.
- In cases where one or more packages of an order is damaged, the store will receive the undamaged packages, and an email will be sent notifying the licensee the order is available for pickup. A refund will be issued for the damaged portion of the order, and the customer will receive a return invoice upon order pickup. The licensee may opt to purchase comparable in-store alternatives or pursue replacement of the damaged Special Order products with a supplier. Should the licensee seek replacement of the damaged Special Order products, a new order must be created by the supplier for the replacement products, and payment must be authorized by the customer.

Licensees must pick up Special Orders within 15 calendar days of notification that the order is available in-store. If a Special Order is not picked up within 15 calendar days, the order will be returned to the supplier and become subject to a processing fee of 50 percent of the total order amount, up to a maximum of \$100. The processing fee will be deducted from the customer's refund for the order.

Note that stores will no longer perform "Miscellaneous 29" transactions after Saturday, Sept. 16, 2017. Beginning Saturday, Sept. 17, all Special Orders must be picked up within 15 calendar days of notification the order is available in-store in order to avoid order cancellation and imposition of the processing fee.

RESOLUTION OF ORDER DISPUTES

Within each Special Order package, the supplier must include contact information and instructions for a licensee to pursue dispute resolution with the supplier. Each supplier has the discretion to determine whether it will accept

returns and to set parameters for when and how it will accept returns, and such information must be included with the dispute resolution contact information. Returns will only be accepted up to 30 calendar days from the date the customer picks up the Special Order from the store.

A licensee whose Special Order did not meet expectations must contact the supplier to discuss the order issue. Once the supplier and licensee have agreed upon resolution of the order dispute, the supplier will contact the Special Order Division to notify the PLCB of the resolution and related product return(s), partial or full refunds, order cancellation, and/or creation of a new order. If replacement of returned items is sought, this will require creation of a new order.

Any returned SLO product must be physically presented at a FW&GS store in order for the return to be accepted and approved by the PLCB. Suppliers will no longer be permitted to pick up returned product from licensees directly. The transfer of anything of value between suppliers and licensees without the payment of proper consideration is generally prohibited by law. As such, the physical presentation of licensee SLO returns at a FW&GS store ensures refund payments can be made lawfully.

FW&GS stores will only accept Special Order returns that have been pre-authorized by the PLCB Special Order Division, following supplier notification of the return. Licensees are encouraged to confirm with suppliers that they have made the appropriate PLCB notifications before returning Special Order products to a store, to avoid unnecessary trips or inconvenience.

LICENSEE/CONSUMER NOTIFICATIONS

The PLCB aims to provide timely communications to keep licensees informed of the status of Special Orders.

Automated, System-Generated Emails:

- *Supplier-entered licensee order is awaiting approval:* Upon entry of an order by a supplier for a licensee, the licensee will be notified by email that an order is awaiting approval and the licensee must approve the order and authorize payment via LOOP. Each Special Order and its status will also appear in LOOP for the licensee.
- *E-commerce Special Order confirmation:* Upon placing a Special Order on the FW&GS website, the customer who placed the e-commerce order will receive an email confirming receipt of the order. The email will clarify that subsequent emails will be provided when payment is processed and the order is shipped, as well as when the order is available for in-store pickup.
- *Payment has processed and order is prepared for shipment:* Upon a supplier's confirmation that it has prepared an order for shipment, the customer will be notified by email that payment has processed and the order is prepared for shipment. The customer will either be provided with the shipment tracking code provided by the supplier (for orders delivered by common carrier) or the timeframe identified by the supplier that the order is expected to arrive in-store. For orders placed by suppliers on behalf of licensees, the shipment tracking number or estimated delivery date provided by the supplier will also appear for licensees in LOOP.
- *Order is available for in-store pickup:* Once an order has been received at the FW&GS store designated for pickup, an email will be sent notifying the customer that the order is available for pickup and that the order must be picked up within 15 calendar days to avoid imposition of a return processing fee (50 percent of the total amount of the order, up to a maximum of \$100).
- *Order cancelled because supplier is unable to fulfill it:* If a supplier is unable to fulfill a Special Order, the customer will receive an email notifying him/her of such and that there will be no charge to the credit card for the cancelled order.
- *E-commerce 10-day pickup reminder:* E-commerce customers who haven't picked up Special Orders within 10

calendar days of store receipt will receive an email reminding them they have five more calendar days to pick up the order before it is cancelled and the processing fee is applied.

- *Order cancelled after not having been picked up:* Customers whose orders are cancelled because they were not picked up timely will receive email notification that an order was cancelled and the processing fee has been deducted from the customer's refund for the order.
- *Damage return refunded:* Customers whose orders included damaged product(s) will receive email notification when the refund for the damaged product(s) is posted to the customer's account.
- *Customer return processed and refunded:* Customers whose returns are accepted by suppliers will receive email notification when the return is processed and payment is refunded to the customer's account. Licensees are reminded that they are obligated to retain documentation of alcohol purchases for at least two years.

Other Customer Notifications:

- *Special Order Invoice:* When a customer picks up a Special Order at a FW&GS store, he/she must sign for receipt of the order. Once a supplier-entered order is picked up, LOOP will show the order as "closed."
- *Special Order Return Invoice:* If an order is rejected or adjusted at a FW&GS store due to visible damage, the customer will be notified of the damage and that a refund of the damaged goods is being processed. The Special Order Return Invoice will reflect the refund in process. Should the customer seek replacement of the damaged order, a new order must be created

LUXURY ORDER VENDOR SUPPLIED ORDERS

The Special Order program changes have no impact on the processing of Luxury Order Vendor Supplied (LOVS) orders. LOVS orders will continue to be entered for licensees by suppliers (with no licensee approval required), and licensees will continue to pick up and pay for LOVS orders in stores.

ASSISTANCE

If licensees are unsure how to handle a Special Order process or issue, they are encouraged to contact the Special Order Division at 800-332-7522, option 1, or ra-lbslo@pa.gov.