

Update from LDB: Temporary hospitality pricing model changes, review of LDB distribution centre complete

Over the past several weeks, the LDB has supported the Provincial government in enacting policy and regulatory changes to support the liquor and hospitality sector, which has been significantly impacted by the COVID-19 pandemic.

Today, Government announced it has approved a temporary pricing model for hospitality licensees that will allow them to purchase liquor at the wholesale price until March 31, 2021.

These changes to our systems will take six to 12 weeks to complete, in two phases:

- By July 20, hospitality customers will be able to buy liquor at wholesale price.
- By September 1, we will provide hospitality customers access to the wholesale price list through a hospitality portal.
- **REMINDER** - June 19 is the deadline to change your pricing for the August price period

Please note that hospitality customers will continue to pay retail price on their orders until July 20, 2020. There will be no changes to the current returns policy – all sales are considered final. Details on return guidelines can be referenced [here](#).

In addition to changes to the temporary hospitality pricing model, work is also underway by Government on several other measures including the adoption of recommendations contained in a third-party assessment of the LDB's liquor distribution centre in Delta.

Among other changes, the report recommended the addition of an order management system that will provide wholesale customers with greater visibility into the status of orders and a transportation management system to optimize transportation efficiency. The LDB will begin work on Deloitte's recommendations after the temporary hospitality pricing model is operational.

Deloitte also identified options to replace the current system for the delivery of non-stock wholesale product. These options will be re-evaluated once the changes at DDC are operational and we can recalibrate the gains that need to be made. Deloitte's report has been released and can be found [here](#).

The LDB is grateful to those customers and stakeholders who contributed input and feedback as part of this review. If you have any questions about the review or these changes, please contact the Stakeholder Relations team at communications@bcldb.com.

Regards,

Erin McEwan

Executive Director, Corporate Strategic Services

BC Liquor Distribution Branch

3383 Gilmore Way, Burnaby BC V5G 4S1

T: 604 252-7443 F: 604 252-3283 E: erin.mcewan@bcldb.com