MEMO

To: Retail Beer Vendors
From: Robert Holmberg
Date: March 23, 2022
RE: Beer Container Handling Fee and Discount Category Structure

Manitoba Liquor and Lotteries is announcing changes to the discount categories for retail beer vendors to reflect the change in the Consumer Price Index (CPI).

The discount categories are outlined below:

Category	Range	Rate of Discount	Maximum Annual Discount	Payment Schedule
1	Up to $150,000	12% on 1st $100,000	$12,000	Monthly (based on purchases)
2	$150,001 - $446,000	9% on 1st $100,000	$9,000	$2,000 in April, May, June & July $1,000 in August
3	$446,001- $742,000	6% on 1st $100,000	$6,000	$2,000 in April June & August
4	$742,001 +	4% on 1st $100,000	$4,000	$2,000 in April & May

As of April 1, 2020, MBLL moved all Retail Beer Vendors to a 100% off-premise beer ratio in response to the challenges experienced during the pandemic. This change resulted in 100% of the handling fee being paid to the Retail Beer Vendor, as opposed to only receiving the handling fee on empty returns deemed off-premise typically set at 85% of the established beer handling fee rates.

MBLL will be removing the on-premise/off-premise ratio as a component of the beer handling fee and thus Retail Beer Vendors will receive 100% of the handling fee on a go forward basis. This change will reduce "red-tape" as Retail Beer Vendors will no longer be required to submit a request to adjust their off-premise rate, if applicable, to a rate higher than the previous industry standard rate of 85%.

Effective April 1, 2022, the beer handling fee rates will be as noted in the table below. Beer handling fee rates will continue to be reviewed annually.

Category	
All bottles and cans	44.0¢ per dozen
PET	14.5 ¢ per container

Your beer discount category and handling credit rate will appear on your customer statement for April 2022.

If you have any questions, please contact Chris Dale at chris.dale@mbll.ca.

Sincerely,

Robert Holmberg
Executive Vice President, Liquor & Cannabis Operations

cc: MHA