



TO: All Suppliers & Industry Representatives

FROM: Laurie Kennedy, Manager, Supply Chain Administration

DATE: October 22, 2019

RE: **Price Change Process Improvements**

Manitoba Liquor & Lotteries' supply chain is introducing process improvements to our price changes which will make them simpler and more efficient. These changes will reduce red tape and common submission errors and are a result of the feedback you've provided during industry and stakeholder engagement meetings. All changes described below will take effect April 2020:

PRICE CHANGE SCHEDULES

The Private Beer Price Change schedule is being aligned to the MBLL Distributed Price Change schedule. Suppliers and agents may submit new retail prices on all their products **six (6) times** annually.

The Competitive Price Change will be eliminated, and all eligible products can be submitted for any scheduled price change at the supplier's or agent's discretion.

In order to provide more consistency to the Price Change process all Price Changes will take place on the first of the month, rather than the first Monday of the month, with the exception of April. The April Price Change will take place on the sixteenth (16th).

PRICE CHANGE SUBMISSION PROCESS

For changes to freight and exchange rates, Liquor & Lotteries will maintain the existing supplier provided retail price while the case cost is adjusted. A price change submission will only be required to change an existing retail price.

**All listed products are eligible for price changes except for Distinctions, Allocations, Specialty Wine Store exclusives, Special Orders and Limited Releases. Retail prices for all Allocations and Distinctions products will continue to be evaluated based on date of arrival per purchase order.*

The new **Price Change Schedule for Fiscal 2020-21** is included in this memo and applies to both privately distributed beer and MBLL distributed products. If you have any questions about the program changes outlined above, please contact our Product Management Coordination team at ProductManagementCoordination@mbll.ca or call 204-957-2500 ext. 4998.

Thank you for your feedback on our existing price change programs; your valuable input has influenced these process updates.

PRICE CHANGE DEADLINES - FISCAL 2020/2021

(Deadlines will be strictly enforced)

PRICE CHANGE SUBMISSION DEADLINE	PRICE CHANGE EFFECTIVE DATE*	NEW CASE COST EFFECTIVE DATE
-	No Price Change for March 2020	-
February 21, 2020	April 16, 2020	April 9, 2020
-	No Price Change for May 2020	-
-	No Price Change for June 2020	-
May 15, 2020	July 1, 2020	June 24, 2019
-	No Price Change for August 2020	-
July 17, 2020	September 1, 2020	August 25, 2020
-	No Price Change for October 2020	-
September 18, 2020	November 1, 2020	October 25, 2020
-	No Price Change for December 2020	-
November 20, 2020	January 1, 2021	December 25, 2020
-	No Price Change for February 2021	-
January 15, 2021	March 1, 2021	February 22, 2021

NOTES

All supplier wholesale price quote *reductions* must remain in effect for a minimum of 60 days. All retail price reductions will be subject to a chargeback on all inventory in the distribution centre and Liquor Marts. This chargeback will be calculated using the difference between the old retail price from the new lower retail price's invoice costs.

*Price change effective dates are subject to change. Changes to the schedule will be communicated to all customers.