

PRICING REFERENCE GUIDE FOR FREIGHT & EXCHANGE RATE CHANGES

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How and when to submit for a freight & exchange price change:

When there are changes to freight and exchange Manitoba Liquor & Lotteries gives all supplier and marketing representatives the opportunity to re-quote invoice costs in order to adjust desired retail prices.

If retail price is your primary concern no action is required, and case cost will be automatically adjusted to maintain current retail price.

If case cost is your primary concern and you would like retail adjusted in order to maintain or change the current case cost, you would then apply for the price change. Use the supplied trial pricing calculator to calculate the new retail with your desired case cost and submit the product on the MBLL Price Change Request Form. It is important that you submit the correct retail price based off your case cost, as case cost will be calculated from the retail price you submit.

Example – Exchange Rate Change:

There has been a change to the exchange rate for USD and your payment currency is USD. The previous rate in CDN was \$1.35 (April 16, 2020) and the new rate is \$1.45 (July 1, 2020). At the previous rate in effect April 16th you can see a case cost of \$32.06 USD resulted in a retail of \$29.99 CDN. However, with the change to the USD exchange rate that same case cost would now result in a retail price of \$31.34 CDN.

Manitoba Liquor & Lotteries Trial Pricing Calculator Effective April 16, 2020		Manitoba Liquor & Lotteries Trial Pricing Calculator Effective July 1, 2020	
Product Information		Product Information	
Product Category	SPIRIT	Product Category	SPIRIT
Sub-Type	Whisk(e)y	Sub-Type	Whisk(e)y
Micro Distillery		Micro Distillery	
Case Cost	\$32.06	Case Cost	\$32.06
Currency	USD	Currency	USD
Alcohol Percent (%)	40.0%	Alcohol Percent (%)	40.0%
Units/Case	6	Units/Case	6
Individual Container Size (L)	0.75	Individual Container Size (L)	0.75
Product Ship Point	USA	Product Ship Point	USA
Freight Zone	Kentucky	Freight Zone	Kentucky
Duty Type ¹	Customs	Duty Type ¹	Customs
Certificate of Origin	No	Certificate of Origin	No
Retail Price		Retail Price	
Base Unit Price	7.2124	Base Unit Price	7.7478
Standard freight rate/L	0.4125	Standard freight rate/L	0.4125
Customs Duty	0.0000	Customs Duty	0.0000
Excise Duty	3.7830	Excise Duty	3.7830
Markup	17.4541	Markup	18.2733
Per Package Surcharge	0.8430	Per Package Surcharge	0.8430
Commercial Consideration	0.2850	Commercial Consideration	0.2850
Equalization Charge	0.0000	Equalization Charge	0.0000
Final Retail Price	\$29.99	Final Retail Price	\$31.34
Social Reference Price (SRP)	\$20.94	Social Reference Price (SRP)	\$20.94

By default, Manitoba Liquor & Lotteries will adjust case cost to maintain current retail unless you apply for the price change.

As you can see below a default case cost adjustment would result in a case cost change from \$32.06 USD on April 16th to \$29.84 USD on July 1st in order to maintain the retail price at \$29.99 CDN.

Manitoba Liquor & Lotteries Trial Pricing Calculator Effective April 16, 2020		Manitoba Liquor & Lotteries Trial Pricing Calculator Effective July 1, 2020	
Product Information		Product Information	
Product Category	SPIRIT	Product Category	SPIRIT
Sub-Type	Whisk(e)y	Sub-Type	Whisk(e)y
Micro Distillery		Micro Distillery	
Case Cost	\$32.06	Case Cost	\$29.84
Currency	USD	Currency	USD
Alcohol Percent (%)	40.0%	Alcohol Percent (%)	40.0%
Units/Case	6	Units/Case	6
Individual Container Size (L)	0.75	Individual Container Size (L)	0.75
Product Ship Point	USA	Product Ship Point	USA
Freight Zone	Kentucky	Freight Zone	Kentucky
Duty Type ¹	Customs	Duty Type ¹	Customs
Certificate of Origin ²	No	Certificate of Origin ²	No
Retail Price		Retail Price	
Base Unit Price	7.2124	Base Unit Price	7.2124
Standard freight rate/L	0.4125	Standard freight rate/L	0.4125
Customs Duty	0.0000	Customs Duty	0.0000
Excise Duty	3.7830	Excise Duty	3.7830
Markup	17.4541	Markup	17.4541
Per Package Surcharge	0.8430	Per Package Surcharge	0.8430
Commercial Consideration	0.2850	Commercial Consideration	0.2850
Equalization Charge	0.0000	Equalization Charge	0.0000
Final Retail Price	\$29.99	Final Retail Price	\$29.99
Social Reference Price (SRP)	\$20.94	Social Reference Price (SRP)	\$20.94

If case cost is your primary concern you would then apply for the price change. Using the trial pricing calculator, you would input your desired case cost. Then apply for price change using the new retail price based off that case cost.

For the purpose of this explanation we will continue with our current example. If you wanted to maintain the case cost at \$32.06 USD. You would use the trial pricing calculator sent to industry with the newest rates, input your desired case cost and then apply for price change on your product with the new retail displayed.

Manitoba Liquor & Lotteries Trial Pricing Calculator Effective July 1, 2020

Using the updated Trial Pricing Calculator with the new freight & exchange rates.

In this case we can see the new retail price with a case cost of \$32.06 USD would be \$31.34 CDN.

As you want to maintain that case cost you would then apply for price change on that product. By filling out the Price Change Submission Form and submitting it to pricechange@mbl.ca


Ensure you submit the correct retail price based off your desired case cost, as case cost is calculated based of the retail price you submit.

Product Information	
Product Category	SPIRIT
Sub-Type	Whisk(e)y
Micro Distillery	
Case Cost	\$32.06
Currency	USD
Alcohol Percent (%)	40.0%
Units/Case	6
Individual Container Size (L)	0.75
Product Ship Point	USA
Freight Zone	Kentucky
Duty Type ¹	Customs
Certificate of Origin ²	No

Retail Price	
Base Unit Price	7.7478
Standard freight rate/L	0.4125
Customs Duty	0.0000
Excise Duty	3.7830
Markup	18.2733
Per Package Surcharge	0.8430
Commercial Consideration	0.2850
Equalization Charge	0.0000

Final Retail Price	\$31.34
Social Reference Price (SRP)	\$20.94

Example of price change submission form to maintain case cost based on above example:

Manitoba Liquor & Lotteries Price Change Request Form		2019-4	
Company Name:	Something or Other		
Filing Date:	12-May-20		
Price change Effective Date:	1-Jul-20		
Contact with phone number and email:	123-456-789		
Brand Number*	Brand Description*	Current Retail Price*	Proposed Retail Price*
123456	Made up Kentucky Whiskey	29.99	31.34

For the next example we will illustrate a change to freight rate. See following page.

Example – Freight Rate Change:

There has been a change to the freight rate for products shipping from Italy and your product ships from Italy. The previous freight rate was \$0.98 per litre (April 16, 2020) and the new rate is \$1.00 per litre (July 1, 2020). At the previous rate in effect April 16th you can see a case cost of \$34.87 CDN resulted in a retail of \$9.99 CDN. However, with the change to the Italy freight rate that same case cost would now result in a retail price of \$10.02 CDN.

Manitoba Liquor & Lotteries Trial Pricing Calculator Effective April 16, 2020		Manitoba Liquor & Lotteries Trial Pricing Calculator Effective July 1, 2020	
Product Information		Product Information	
Product Category	WINE	Product Category	WINE
Sub-Type	All Other Wine	Sub-Type	All Other Wine
Cottage Winery	No	Cottage Winery	No
Case Cost	\$34.87	Case Cost	\$34.87
Currency	CAD	Currency	CAD
Alcohol Percent (%)	12.0%	Alcohol Percent (%)	12.0%
Units/Case	12	Units/Case	12
Individual Container Size (L)	0.75	Individual Container Size (L)	0.75
Product Ship Point	International	Product Ship Point	International
Freight Zone	Italy	Freight Zone	Italy
Duty Type ¹	Customs	Duty Type ¹	Customs
Certificate of Origin ²	No	Certificate of Origin ²	No
Retail Price		Retail Price	
Base Unit Price	2.9056	Base Unit Price	2.9058
Standard freight rate/L	0.7350	Standard freight rate/L	0.7500
Customs Duty	0.0140	Customs Duty	0.0140
Excise Duty	0.4988	Excise Duty	0.4988
Markup	3.9457	Markup	3.9602
Per Package Surcharge	1.3051	Per Package Surcharge	1.3051
Commercial Consideration	0.3300	Commercial Consideration	0.3300
Equalization Charge	0.2558	Equalization Charge	0.2558
Final Retail Price	\$9.99	Final Retail Price	\$10.02
Social Reference Price (SRP)	\$6.28	Social Reference Price (SRP)	\$6.28

By default, Manitoba Liquor & Lotteries will adjust case cost to maintain current retail unless you apply for the price change.

As you can see below a default case cost adjustment would result in a case cost change from \$34.87 CDN on April 16th to \$34.69 CDN on July 1st in order to maintain the retail price at \$9.99 CDN.

Manitoba Liquor & Lotteries Trial Pricing Calculator Effective April 16, 2020		Manitoba Liquor & Lotteries Trial Pricing Calculator Effective July 1, 2020	
Product Information		Product Information	
Product Category	WINE	Product Category	WINE
Sub-Type	All Other Wine	Sub-Type	All Other Wine
Cottage Winery	No	Cottage Winery	No
Case Cost	\$34.87	Case Cost	\$34.69
Currency	CAD	Currency	CAD
Alcohol Percent (%)	12.0%	Alcohol Percent (%)	12.0%
Units/Case	12	Units/Case	12
Individual Container Size (L)	0.75	Individual Container Size (L)	0.75
Product Ship Point	International	Product Ship Point	International
Freight Zone	Italy	Freight Zone	Italy
Duty Type ¹	Customs	Duty Type ¹	Customs
Certificate of Origin ²	No	Certificate of Origin ²	No
Retail Price		Retail Price	
Base Unit Price	2.9056	Base Unit Price	2.8906
Standard freight rate/L	0.7350	Standard freight rate/L	0.7500
Customs Duty	0.0140	Customs Duty	0.0140
Excise Duty	0.4988	Excise Duty	0.4988
Markup	3.9457	Markup	3.9457
Per Package Surcharge	1.3051	Per Package Surcharge	1.3051
Commercial Consideration	0.3300	Commercial Consideration	0.3300
Equalization Charge	0.2558	Equalization Charge	0.2558
Final Retail Price	\$9.99	Final Retail Price	\$9.99
Social Reference Price (SRP) ³	\$6.28	Social Reference Price (SRP) ³	\$6.28

If case cost is your primary concern you would then apply for the price change. Using the trial pricing calculator, you would input your desired case cost. Then apply for price change using the new retail price based off that case cost.

For the purpose of this explanation we will continue with our current example. If you wanted to maintain the case cost at \$34.87 CDN. You would use the trial pricing calculator sent to industry with the newest rates, input your desired case cost and then apply for price change on your product with the new retail displayed.

Manitoba Liquor & Lotteries Trial Pricing Calculator Effective July 1, 2020

Using the updated Trial Pricing Calculator with the new freight & exchange rates.

In this case we can see the new retail price with a case cost of \$34.87 CDN would be \$10.02 CDN.

Product Information	
Product Category	WINE
Sub-Type	All Other Wine
Cottage Winery	No
Case Cost	\$34.87
Currency	CAD
Alcohol Percent (%)	12.0%
Units/Case	12
Individual Container Size (L)	0.75
Product Ship Point	International
Freight Zone	Italy
Duty Type ¹	Customs
Certificate of Origin ²	No

As you want to maintain that case cost you would then apply for price change on that product. By filling out the Price Change Submission Form and submitting it to pricechange@mbl.ca

Ensure you submit the correct retail price based off your desired case cost, as case cost is calculated based of the retail price you submit.

Retail Price	
Base Unit Price	2.9058
Standard freight rate/L	0.7500
Customs Duty	0.0140
Excise Duty	0.4988
Markup	3.9602
Per Package Surcharge	1.3051
Commercial Consideration	0.3300
Equalization Charge	0.2558
Final Retail Price	\$10.02
Social Reference Price (SRP)	\$6.28

Example of price change submission form to maintain case cost based on above example:

Manitoba Liquor & Lotteries Price Change Request Form


2019-4

Company Name: Something or Other

Filing Date: 12-May-20

Price change Effective Date: 1-Jul-20

Contact with phone number and email: 123-456-789



		Current Retail Price*	Proposed Retail Price*
Brand Number*	Brand Description*		
123456	Made up Italian Wine	9.99	10.02

Note: It is possible for a product to be affected by freight & exchange rate changes simultaneously. For the purpose of our explanation we highlighted separate examples. The steps would remain the same.

It is also possible for a product to not be affected whatsoever by a freight & exchange rate change.

Example – No Change to Freight or Exchange:

As you can see in the below example if your product is not affected by a change to freight or exchange rates it will not change price in any aspect.

Manitoba Liquor & Lotteries Trial Pricing Calculator Effective April 16, 2020		Manitoba Liquor & Lotteries Trial Pricing Calculator Effective July 1, 2020	
Product Information		Product Information	
Product Category	BEER	Product Category	BEER
Sub-Type	Beer	Sub-Type	Beer
Micro Brewery	No	Micro Brewery	No
Case Cost	\$50.00	Case Cost	\$50.00
Currency	CAD	Currency	CAD
Alcohol Percent (%)	5.0%	Alcohol Percent (%)	5.0%
Units/Case	24	Units/Case	24
Individual Container Size (L)	0.5	Individual Container Size (L)	0.5
# of Containers per Selling Unit	1	# of Containers per Selling Unit	1
Container Type	Can	Container Type	Can
Product Ship Point	Canada	Product Ship Point	Canada
Freight Zone	Alberta Zone 2 - Calgary	Freight Zone	Alberta Zone 2 - Calgary
Duty Type ¹	Duty Paid	Duty Type ¹	Duty Paid
Certificate of Origin ²	No	Certificate of Origin ²	No
Retail Price		Retail Price	
Base Unit Price	2.0833	Base Unit Price	2.0833
Standard freight rate/L	0.0700	Standard freight rate/L	0.0700
Customs Duty	0.0000	Customs Duty	0.0000
Excise Duty	0.0000	Excise Duty	0.0000
Markup	1.6494	Markup	1.6494
Per Package Surcharge	0.2090	Per Package Surcharge	0.2090
Commercial Consideration	0.0000	Commercial Consideration	0.0000
Equalization Charge	0.0000	Equalization Charge	0.0000
MBLL Dist. Beer Extra Charge	0.0458	MBLL Dist. Beer Extra Charge	0.0458
Final Retail Price	\$4.06	Final Retail Price	\$4.06
Social Reference Price (SRP)	\$1.75	Social Reference Price (SRP)	\$1.75

Summary:

- 1) If your product will be affected by a freight or exchange rate change & you do not want your retail price to change: Do not apply for price change. We will adjust your case cost automatically to maintain your current retail.
- 2) If your product will be affected by a freight or exchange rate change & you want your case cost maintained and do not care where your retail price falls: Apply for price change. Use the supplied trial pricing calculator to calculate the new retail with your desired case cost and submit the product on the MBL Price Change Request Form. It is important that you submit the correct retail price based off your case cost, as case cost will be calculated from the retail price you submit.
- 3) If your product will not be affected by freight or exchange rate changes and you do not want your products retail price to change: Do not apply for price change.
- 4) If your product will not be affected by freight or exchange rate changes and you want your products retail price to change: Apply for price change.

Whenever there is a change to rates of any kind Manitoba Liquor & Lotteries will e-mail the industry notifying of the change to rates as well as providing an updated Trial Pricing Calculator for use and a copy of the MBL Price Change Request Form.

All information can also be located on our Partners Website.

Case cost changes on Purchase Orders

If your product was affected by a freight and exchange rate change and you did not apply for price change your case cost will be adjusted to maintain the products current retail price.

Changes to case cost, as part of the normal Price Change process take effect seven (7) days before the price change. Purchase Orders placed seven days or less before the Price Change effective date will reflect the new case cost.

Purchase Orders placed more than seven days before the price change will not be revised to reflect the new case cost after the price change. If required, an inventory adjustment will be made upon arrival and the agent/supplier will be charged or credited the difference.

Please note we will not send confirmation e-mails for case cost changes as a result of freight & exchange changes. We will only send confirmation e-mails to those who apply for price change.

Please refer to the price change schedule which can be found on MBLL Partners Website for a list of price change and case cost effective dates. This list is updated annually.

Manitoba Liquor & Lotteries Partners Website

All relevant information pertaining to pricing can be found in the section titled Liquor Agents & Suppliers (highlighted orange) at <https://www.mblpartners.ca/>



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LIQUOR & LOTTERIES

Doing Business with Us

CANNABIS PARTNERS

CORPORATE SUPPLIERS

LIQUOR AGENTS & SUPPLIERS

LIQUOR LICENSEES

LOTTERY RETAILERS

Liquor Agents & Suppliers

We have assembled a collection of application forms, instructions, manuals, price lists and other relevant information for our liquor suppliers, agents and commercial customers.

Click to expand one of the sections below and download any of the resources contained within.

Trail Pricing Calculators and Price Change Request Forms (among others) can be found under:

PRICING TOOLS AND FORMS

- ❖ Annual Declaration of Production Form
- ❖ Certificate of Origin submission form
- ❖ Price Change Request Form - Notice to Suppliers
- ❖ Price Change Request Form 2019-04
- ❖ Private Distribution Price Change Submission Form
- ❖ Private Distribution Trial Pricing Calculator
- ❖ Trial Pricing Calculator for All Products April 16, 2020
- ❖ Trial Pricing Calculator for All Products July 1, 2020

The Pricing Information Manual, Price Change Deadlines and Changes to Freight and Exchange can be found under:

▼ PRICING INFORMATION

- ❖ [MEMO - Changes to Freight and Exchange - Effective July 1, 2020](#)
- ❖ [MEMO: Changes to Freight and Exchange - Effective April 16, 2020](#)
- ❖ [Price Change Deadlines 2020-21](#)
- ❖ [Pricing Information Manual 2020](#)
- ❖ [Requirements for Micro Producers 2020](#)
- ❖ [Social Reference Pricing Rates effective February 3, 2020](#)

The Partners website also contains copies of memo's and other industry related information. It is a valuable resource for suppliers and industry representatives.