



**Wholesale
Operations
Group**

LCBO

PRESENTATION TO GROCERS

Information session: Grocer beer ordering

Chris Dini
Director

November 25, 2015





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Today's Agenda

PRESENTATION: 45 MINUTES

1- Introduction

- ① Key points to remember

2- How it will work: roles and responsibilities

- ① LCBO (wholesaler)
- ① Suppliers (beer manufacturers)
- ① Grocers (retailers)

3- Product ordering & fulfillment

- ① Steps to follow
- ① Timeframes

Q&A PANEL → WHOLESALE OPERATIONS GROUP: 45 MINUTES



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1 – Introduction





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LCBO role

- ① Receives all beer orders placed by authorized grocers
- ① Fill orders through various supplying sources



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April

Premier's Advisory Council on Government Assets ("PAC")

Striking the Right Balance: Modernizing Beer Retailing/Distribution in Ontario

- 🕒 **150 grocer** licences before May 2017 to sell beer to the public.
- 🕒 Maximum of **450 total**.

June

Ontario Budget: *Building Ontario Up*

- 🕒 Province announced it would **proceed** with this recommendation.

September

LCBO RFB

RFB 2015-010 Wholesale supply agreements for beer

- 🕒 Closed **November 6**, 2015.

November

- 🕒 Identification of successful respondents to be eligible to enter into a Wholesale Supply Agreement, **November 18**, 2015



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AGCO Requirements

- ① As per ONTARIO REGULATION 290/15 - GOVERNMENT STORES regulation, <https://www.ontario.ca/laws/regulation/150290>
- ① Addresses type, package size, alcohol content
- ① Minimum 20% shelf display for small brewers
- ① Hours of operation
- ① Restrictions on promotions, loyalty programs & advertising found here



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Shelf price = Uniform price

Product pricing:

- ① The retail price for beer sold to the public will be as **determined by brewers.**
 - ① Pricing will then be **communicated and administered** by the LCBO.
 - ① Pricing will **be the same** through all retail channels.

- ① Limited Time Offers (LTOs) are **decided upon** by brewers.
 - ① LTOs run for **4 weeks uniformly** across **all sales channels**, with no more than **20 products** included at any one time.
 - ① A **12 month calendar** of LTOs dates will be made available online to grocers.



2 - How it will work

- ① Roles & responsibilities
- ① Start-up steps





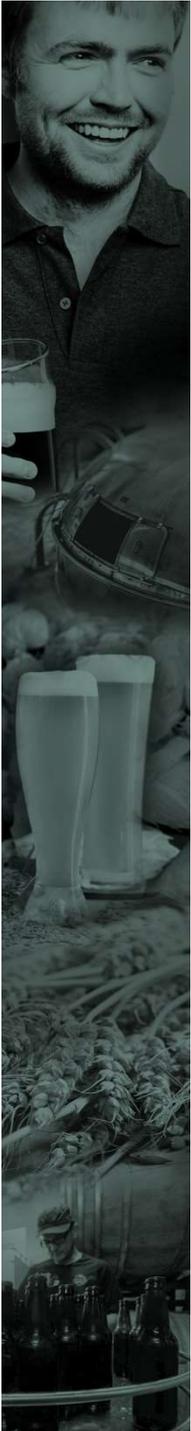
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We are your partner in getting beer products to your store shelves.

- ④ Established a **new group** within the LCBO.
- ④ Staffed and dedicated to **partnering** with beer suppliers.
- ④ Providing **wholesale transactional services** to grocer customers for all beer orders.

- ④ Finance
- ④ IT
- ④ Logistics
- ④ Inventory tracking
- ④ Customer service (dedicated contact for sales and service)

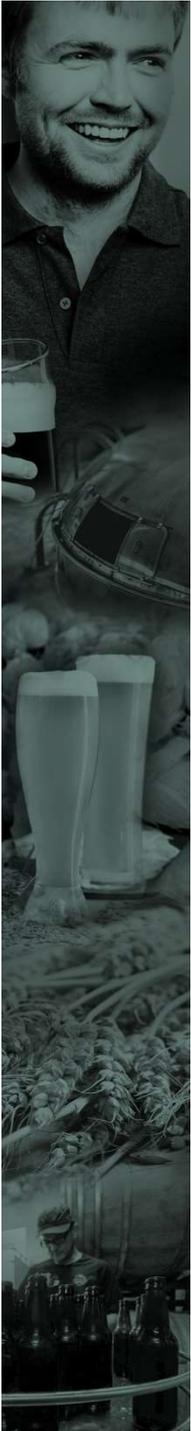


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People and technology are being put in place to assist you:

1. New **online product catalogue** for convenient product ordering.
2. **Dedicated wholesale customer service** staff and materials to provide ongoing support.



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Commitment to continuous improvement

- ④ Our **start-up processes** have been designed to get everyone up and running quickly.
- ④ We will work together to **achieve best-practices**.
- ④ We will be **reviewing and improving** our processes and systems as we move forward together.



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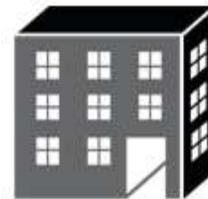
Roles

BUSINESS CUSTOMERS



Grocers

Wholesaling
"Beer In Grocer"
Program



LCBO

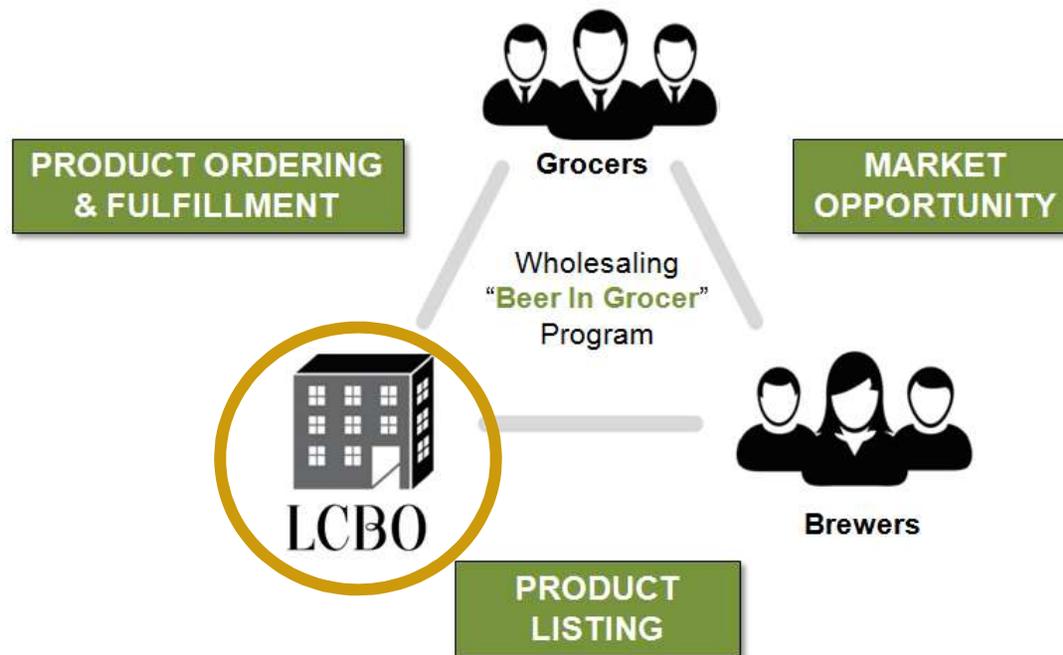


Brewers

WHOLESALE OPERATIONS

SOURCE OF SUPPLY

LCBO responsibility



Responsible for:

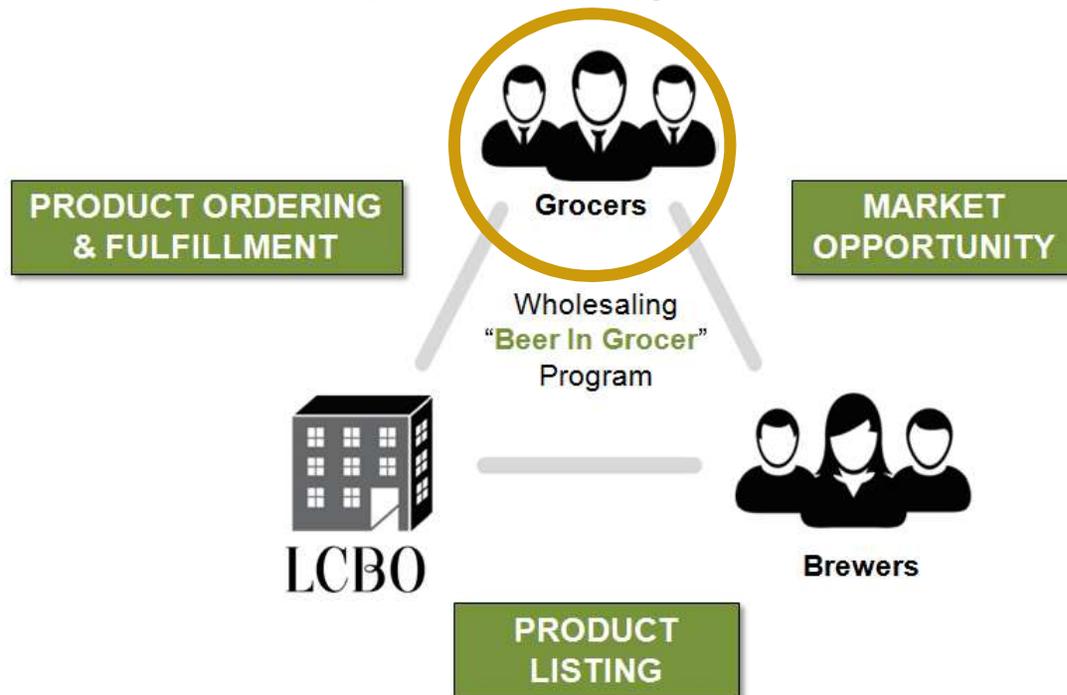
- ① awarding wholesale supply agreements to grocers
- ① providing product catalogue to grocers
- ① Accepting all orders for beer from grocers
- ① supplying source to grocers for all imported beer



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Grocer responsibility



Responsible for:

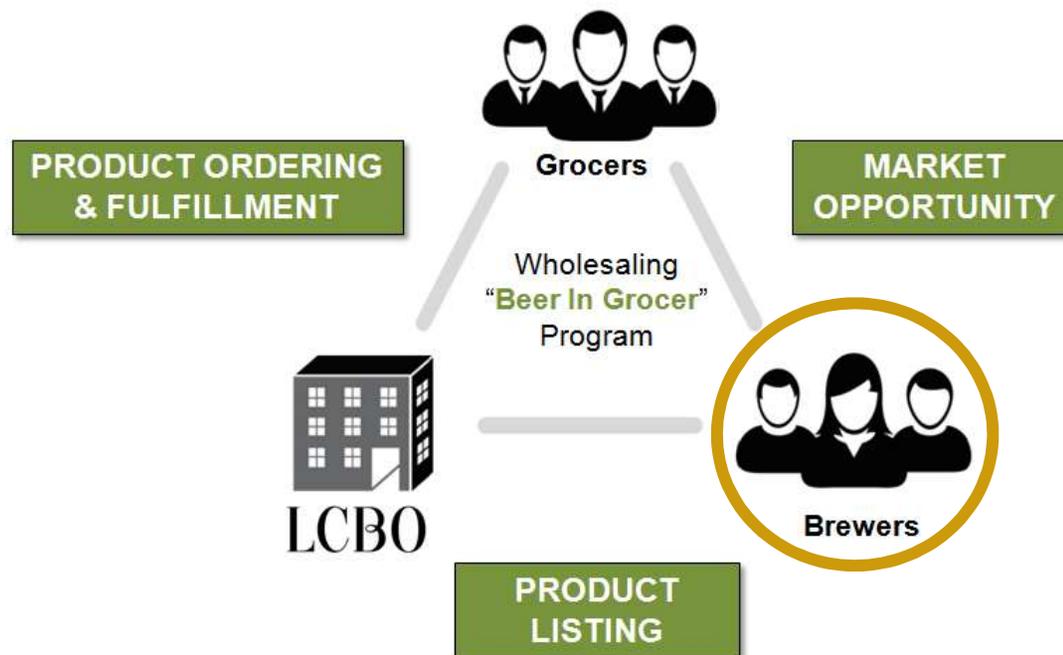
- ① purchasing decisions on brand and quantity of beer products ordered
- ① brand and marketing relationships with beer manufacturers



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Brewer responsibility



Responsible for:

- ① manufacturing and **listing products** for wholesale through the LCBO
- ① **setting retail prices**
- ① pursuing sales and marketing **opportunities with grocers**
- ① supplying source to grocers for **domestic beer**



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**Getting set up as a wholesale business client
with the LCBO.**



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www.doingbusinesswithlcbo.com

Click through to grocery section of the site

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Doing Business with LCBO



Trade Resources Online
Beverage Alcohol



Store Construction,
Real Estate, Agency Stores



Grocery



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Online grocer wholesale portal: landing page

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Grocer Resources

[Home](#) [Supplier](#) [Operator](#) [FAQ](#) [Contact Us](#)

Welcome to the Grocer information site

This website is a dedicated resource for selling beer in grocers in Ontario. Information and forms can be found for (1) suppliers to grocers, and (2) grocery operators.

For our customer facing web presence, please visit [LCBO](#). Other trade resource information may be found at [our trade resources site](#).

Background

In its April 2015 report, Striking the Right Balance: Modernizing Beer Retailing and Distribution in Ontario, the Premier's Advisory Council on Government Assets recommended that the government authorize qualifying grocery stores to sell beer to the public. In the 2015 Ontario Budget, Building Ontario Up, the government announced it would proceed with this recommendation and subsequently introduced regulatory changes establishing the LCBO as the wholesale supplier of all beer, domestic and import, to authorized grocery stores.

60
grocers by
end of
2015

up to
150
licenses by
May 2017

PAC
Premier's
Advisory
Council

Latest News

Winning Bids Announced
2015 Nov 18

The first grocers to be eligible to sell beer in Ontario grocery stores were announced.
[Read more >](#)

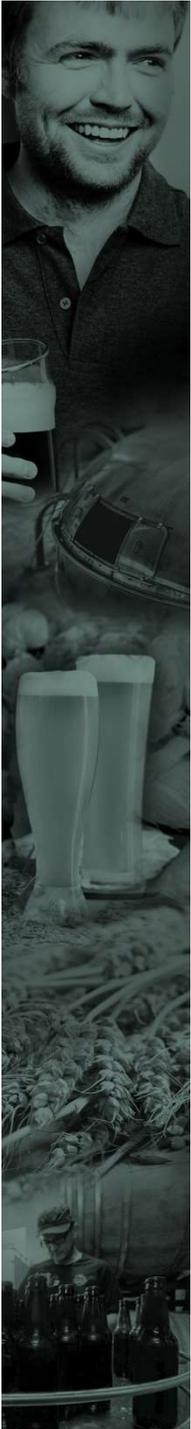
About us

We are the [Wholesale Operations Group](#). We will help suppliers get products listed for sale in grocery establishments, aid grocery operators order beer products and provide support and guidance with any operational and administrative concerns relating to selling beer in the grocery channel.

Corporate Social Responsibility

[Corporate social responsibility](#) is a key element of the LCBO's mandate and has been since our inception in 1927.

There are many definitions for Corporate Social Responsibility – for LCBO it's about how we conduct our business and manage policy and procedures to produce an overall positive impact on society.



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Click through to grocery section of the site

Contains: documents/forms and product ordering pages.

1. **Documents and forms** available by first week of December.
2. To be able to place orders as of December 15th, **all successful** responding grocers must complete a **Customer Profile** form and an **IT GMS Access** form.
3. Your pre-assigned **temporary username and password** is to be used for access to the secure portion of site used for product ordering (operational as of December 15th).



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Policies & Procedures Manual



LCBO

Wholesale Operations Group

Beer in Grocer
Policies & Procedures Manual

Version 1.0 November 2015



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1 – Customer Profile registration form

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CUSTOMER PROFILE
 Grocers must complete and submit this form to be added to the LCBO database for invoicing and payment purposes.
 Invoices will be sent electronically to the emails provided in the Contact Information section.

CUSTOMER INFORMATION			
Company Name			
Street No.	Street Name	Unit/Suite	
City/Town	Province	Postal Code	
Country	Telephone		

CONTACT INFORMATION		
Name	Title	Email Address
1)		
2)		
3)		

The customer certifies that all information provided above is correct and complete.

Date (mm/dd/yyyy)

Authorized Signature

Full Name

Business Title

Email completed form to wholesaleservice@lcbo.com



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2 - Grocer Management System IT Access form

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GROCER MANAGEMENT SYSTEM (GMS) IT ACCESS FORM			
To request access to the grocer management system (GMS) grocers may request up to 3 users per location. Suggested user types, quantities potential functionality:			
Admin user (1): manages account at the banner level, views catalogue, accesses to create/view purchase order transactions, views notifications			
Operational user (2): views catalogue, accesses to create/view transactions			
Notification e-mail; Views notifications/updates on purchase orders			
	Administrator User	Operational User	Operational User
*First Name			
Middle Name:			
*Last name			
*Email Address			
*Verify Email Address			
Occupation			
*Grocer Name			
*Grocer Phone Number			
*Grocer Address			
Notifications Y- use above e-mail or enter Alternative e-mail address for Notifications			
Return form to: Jim Sheridan at: wholesaleservice@lcbo.com			



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Delivery location & receiving requirements:

- ① Once stores are authorized by the AGCO, LCBO logistics will contact to collect delivery location and receiving requirements



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Click through to grocery section of the site

Contains: Reports after sales begin

- ① **Three mandatory weekly reports are to be submitted:**
 - i. demand forecast & inventory on-hand
 - ii. shipments received
 - iii. sales



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Quick Order | Saved Orders | My Account | orgC | Quick Links

Beer | Download Catalog | Search | All Departments

Home | My Account | Order History

My Account

- SETTINGS
 - Personal Information
 - Address Book
- ORDERS
 - Requisition Lists
 - Saved Orders
 - Order History
- ORGANIZATIONS
 - Organizations and Buyers

Orders | Waiting for Approval

Order History

Purchase Order	Order Date	Order Details	Status	Total Price	
67895	November 19, 2015	Details	Order Submitted	\$66.00	Re-Order
777222	November 19, 2015	Details	Order shipped View Status /Confirm Receipt	\$172.00	Re-Order
1234	November 19, 2015	Details	Inventory Availability View Status	\$15.00	Re-Order

Order No :1234	Ordered	Available	Shipped	Received	X
Molson Canadian	3	1	0	0	
Will be Shipping soon					



3 – Product ordering & fulfillment





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Beer Listing & Ordering System

BREWERS

ENTER PRODUCTS

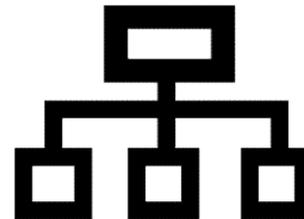


Product entry that **beer manufacturers** use to **enter and manage the products** that are available for wholesale to grocers.

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www.doingbusinesswithlcbo.com

Click through to grocery section of site



Enterprise-wide platform & online site used by the **LCBO** and its partners to **manage aspects of product** listings, inventory, ordering, fulfillment, and transactions.

GROCERS

BEER CATALOGUE



New online catalogue which provides **grocers** with the ability to view **all beer available for sale** and to place their orders.



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Process Steps (Required prior to placing orders for beer products)

- ① Receive authorization(s) from AGCO to sell beer at approved grocery store locations
- ① On receipt of authorization(s), contact LCBO to finalize Wholesale Supply Agreement with LCBO
- ① Provide LCBO with letter of credit (as required by the Wholesale Supply Agreement)
- ① Also – proof of insurance (to be provided within 10 days of effective date of the Wholesale Supply Agreement)



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Product list: catalogue goes live on Dec. 15th





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Grocer sign in

The screenshot displays the LCBO website interface. At the top left is the LCBO logo. To its right are navigation links: "Quick Order", "Saved Orders", and "Sign In". Further right are "Quick Links" and a shopping cart icon. Below the logo is a "Beer" category button and a "Download Catalog" link. The main content area features a large background image of a smiling man, beer glasses, and hops. A sign-in form is overlaid on the right side of this image. The form contains the following elements:

- Logon ID:
- Password:
- Remember me
-

At the bottom right of the page, there is a search bar with the text "All Departments" and a magnifying glass icon.



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Product Hierarchy

The screenshot shows the LCBO website interface. At the top left is the LCBO logo. To the right are navigation links: Quick Order, Saved Orders, My Account, orgC, and Quick Links. A shopping cart icon with a '0' is also present. Below the navigation is a search bar and a dropdown menu for 'All Departments'. The 'Beer' department is selected, and a 'Download Catalog' link is visible. A dropdown menu for 'Beer' is open, displaying a grid of product categories:

Beer		
ONTARIO	CANADA	<u>EUROPE</u>
Large Brewer	Large Brewer	Small Brewer
Small Brewer	Small Brewer	Large Brewer
US/MEXICO	OTHER COUNTRIES	GLUTEN FREE
Small Brewer	Small Brewer	Small Brewer
Large Brewer	Large Brewer	Large Brewer

The background of the website features a black and white photograph of a brewery interior, showing hops and beer bottles.

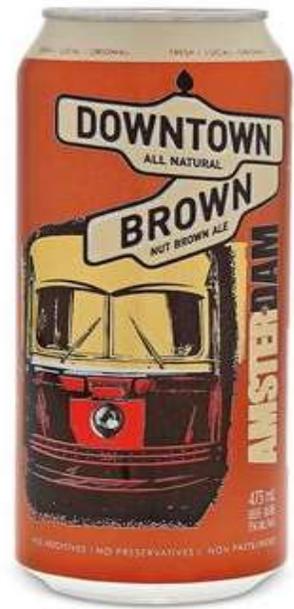
Sample Item Attribute Screen



LCBO [Quick Order](#) [Saved Orders](#) [Sign In](#) [Quick Links](#) 

[Beer](#) [Download Catalog](#) [All Departments](#) 

[Home](#) [Beer](#) [Ontario](#) [Small Brewer](#) [Amsterdam Downtown Brown Ale](#)



Amsterdam Downtown Brown Ale

SKU: 142331
Selling Units per Case Qty: 24

Retail Price of Selling Unit (including taxes & refundable container deposit)	\$2.75	Basic Price (Cost) per Selling Unit	\$2.45	Basic Price (Cost) per Case Qty	\$58.80
Case Qty Ordered	<input type="text" value="10"/>	Total Selling Units Ordered	<input type="text" value="240"/>	Total Basic Price (Total Cost)	<input type="text" value="\$588.00"/>

[Add to Current Order](#)

[Add to Requisition List](#)



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Sample Item Attribute Screen

LCBO Quick Order Saved Orders Sign In Quick Links

Beer [Download Catalog](#) Search All Departments

Home Beer Ontario Small Brewer Amsterdam Downtown Brown Ale

Amsterdam Downtown Brown Ale

SKU: 142331
Selling Units per Case Qty: 24

Retail Price of Selling Unit (including taxes & refundable container deposit)	\$2.75	Basic Price (Cost) per Selling Unit	\$2.45	Basic Price (Cost) per Case Qty	\$58.80
Case Qty Ordered	<input type="text" value="10"/>	Total Selling Units Ordered	<input type="text" value="240"/>	Total Basic Price (Total Cost)	<input type="text" value="\$588.00"/>

[Add to Current Order](#)
[Add to Requirements List](#)

Item Publication Info Pricing History Operational Info Limited Time Offer

- Selling Units Per Case: 24
- Agent: Amsterdam Brewing Co Limited
- Alcohol/Vol: 5 %
- Unit Volume: 473 mL
- Bottles per Pack: 1
- Container Type: Can
- Producer: Amsterdam Brewing Co Limited
- Small Brewer Flag: Yes



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Pre Checkout

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Saved Orders | My Account | orgC | Quick Links |

Beer | [Download Catalog](#) | Search

Current Order

[Continue Shopping](#)

Product	QTY	Each	Total
 Amsterdam Downtown Brown Ale SKU: 142331 Move to Requisition List Remove	10	\$58.80	\$588.00

Order Total: **\$588.00**

[Check Out](#)



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Order Summary

LCBO

Saved Orders | My Account | orgC | Quick Links | 

Beer | [Download Catalog](#) | Search 

Current Order | Shipping & Billing Method | **Order Summary**

Shipping Information

Shipping Address:
orgC
orgC
123
Toronto Ontario
Canada M4G8F4
orgC@gmail.com

+ Show Order Items

Order Total: \$588.00

Billing Information

* Purchase order number:



Order Confirmation

LCBO

Saved Orders | My Account | orgC | Quick Links |

Beer | [Download Catalog](#) | Search

Thank you for your order! [Continue Shopping](#)

You will receive a confirmation by e-mail to verify your order.
Purchase Order: 2721612
Order date: November 22, 2015

Shipping Information

Shipping Address:
orgC
orgC
123
Toronto Ontario
Canada M4G8F4
orgC@gmail.com

[+ Show Order Items](#)

Order Total: \$588.00

[Print](#) We recommend you print this page



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Order Acknowledgement

LCBO

Quick Order | Saved Orders | My Account | orgC | Quick Links |

Beer | [Download Catalog](#) | Search | All Departments |

Home | My Account | Order History

My Account

- SETTINGS
 - Personal Information
 - Address Book
- ORDERS
 - Requisition Lists
 - Saved Orders
 - Order History
- ORGANIZATIONS
 - Organizations and Buyers

Orders | Waiting for Approval

Order History

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777222	November 19, 2015	Details	Order shipped View Status /Confirm Receipt	\$172.00	Re-Order
1234	November 19, 2015	Details	Inventory Availability View Status	\$15.00	Re-Order

Order No: 1234 | Ordered: 3 | Available: 1 | Shipped: 0 | Received: 0 | X

Molson Canadian

Will be Shipping soon

Shipped Status

The screenshot shows the LCBO website interface. The top navigation bar includes links for 'Quick Order', 'Saved Orders', 'My Account', 'orgC', and 'Quick Links'. A search bar is present with 'All Departments' selected. The breadcrumb trail shows 'Home > My Account > Order History'. The left sidebar contains 'My Account' settings, orders, and organizations. The main content area shows 'Order History' with two orders listed. The second order, 777222, is highlighted with a red circle. A 'View Status / Confirm Receipt' button is visible next to it. Below the main table, a detailed status table for order 777222 is shown, also circled in red.

Purchase Order	Order Date	Order Details	Status	Total Price	
67895	November 19, 2015	Details	Order Submitted	\$66.00	Re-Order
777222	November 19, 2015	Details	Order shipped	\$172.00	Re-Order

Order No.:777222	Ordered	Available	Shipped	Received	X
Labatt Maximum Ice	10	8	8	0	
Molson Canadian	8	8	4	0	
Flying Monkeys Hoptical Illusion	3	0	0	0	



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Order History

LCBO

Quick Order | Saved Orders | My Account | orgC | Quick Links |

Beer | [Download Catalog](#) | Search | All Departments

Home | My Account | Order History

My Account

- SETTINGS
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1234	November 19, 2015	Details	Inventory Availability View Status	\$15.00	Re-Order
test2323	November 19, 2015	Details	Order Submitted	\$132.00	Re-Order



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Beer ordering & fulfilment process

Time required from placing to receiving order:

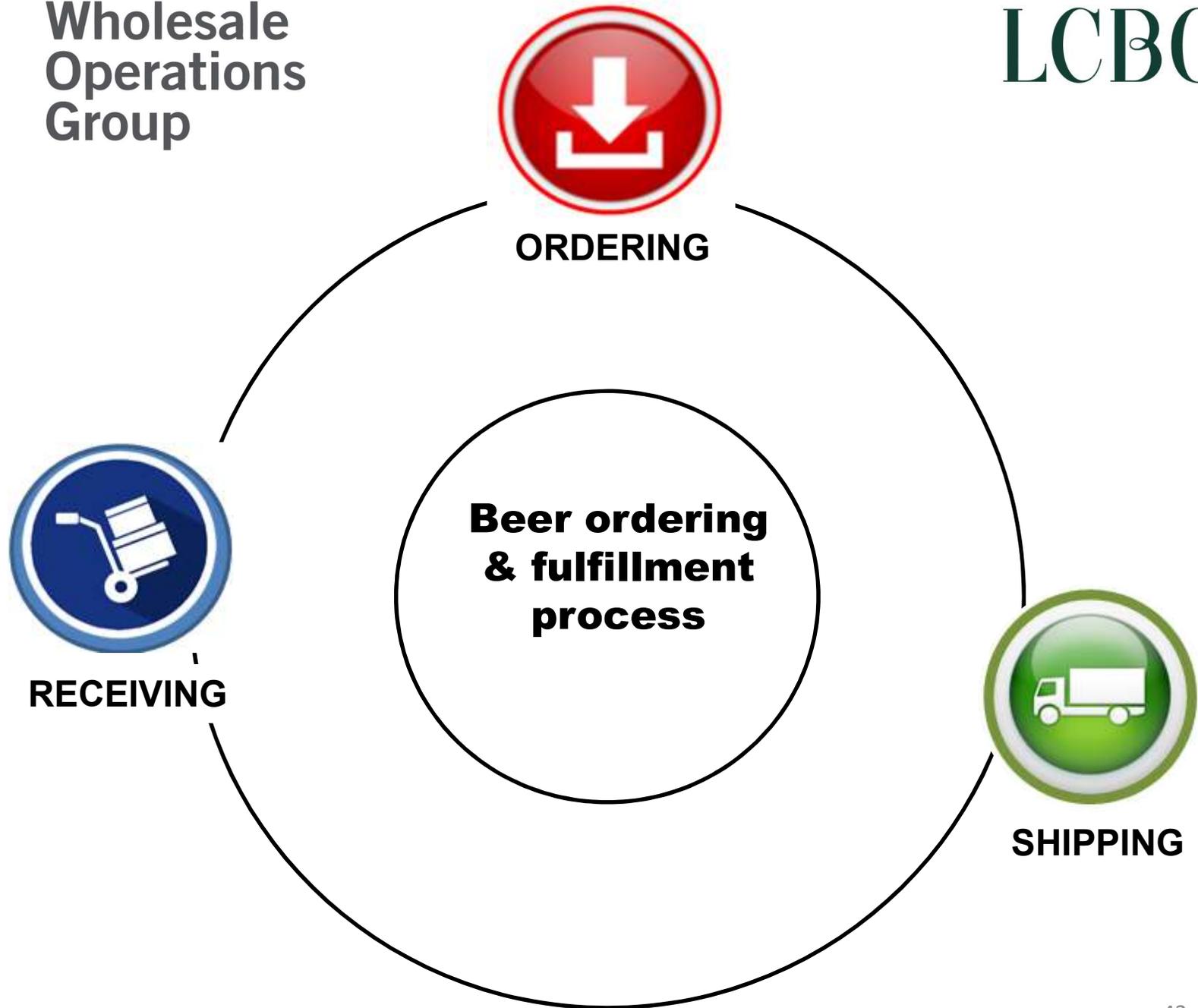
LCBO/TBS: up to 7 days

Ontario Brewers: up to 14 days



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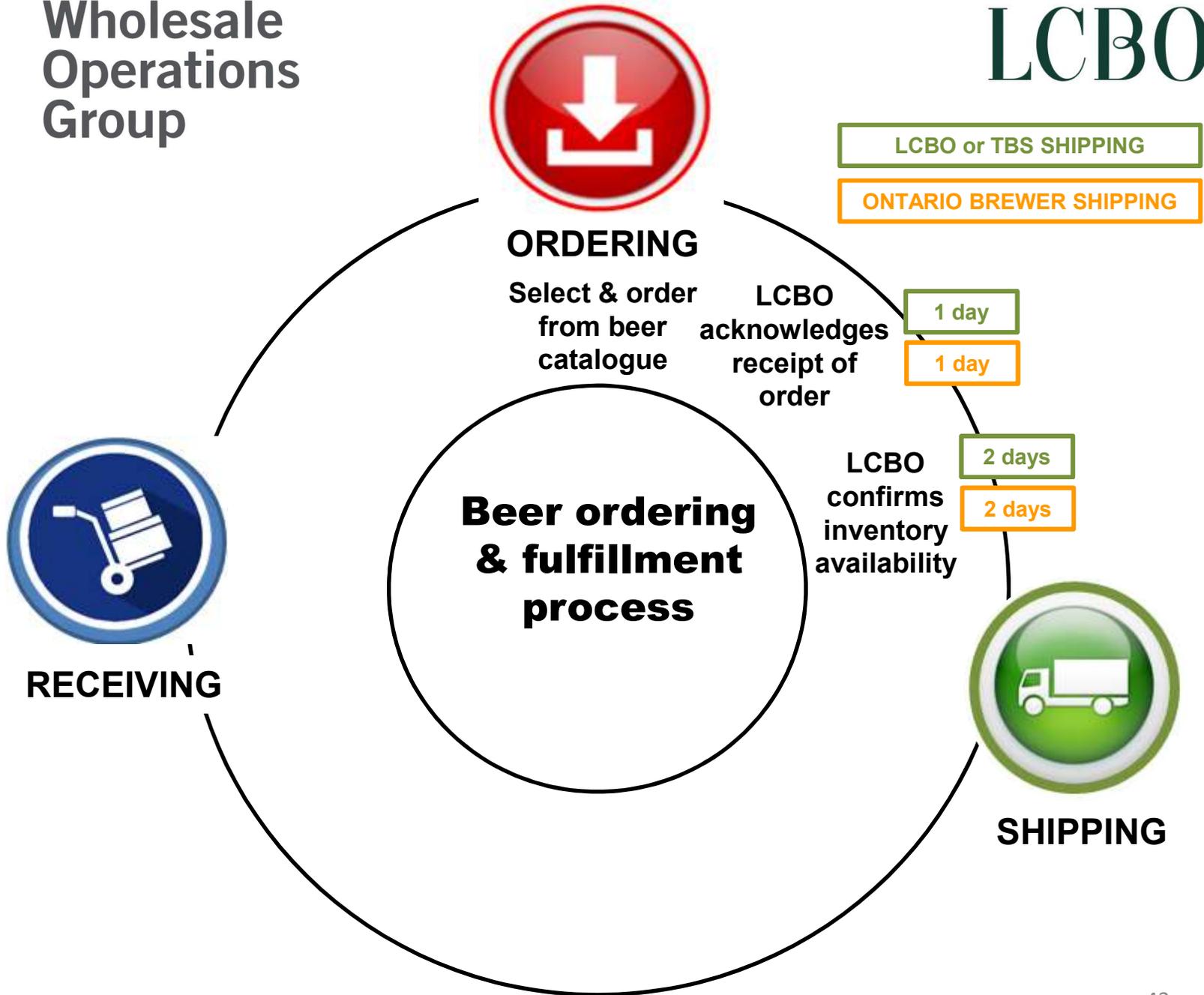
LCBO





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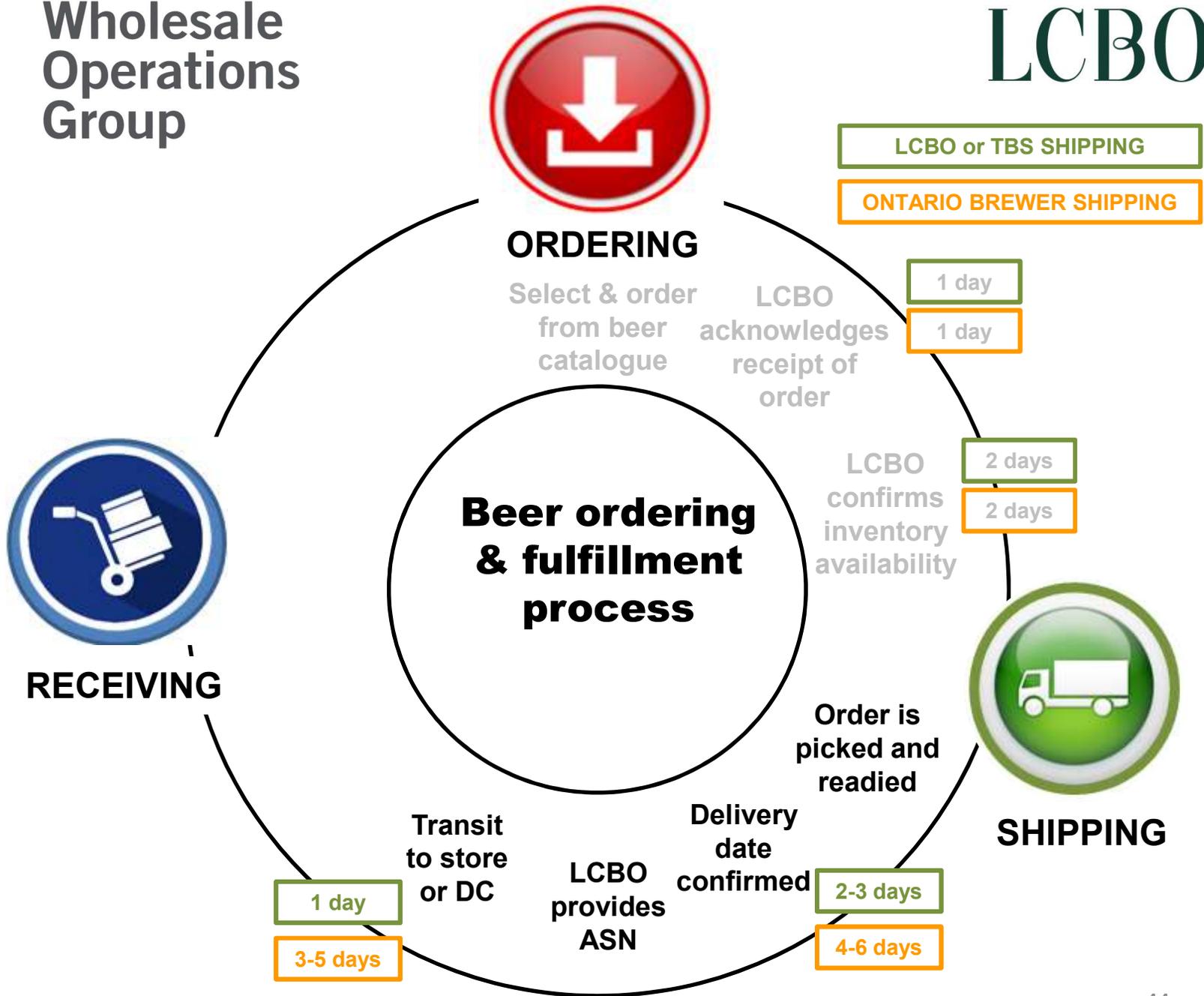
LCBO





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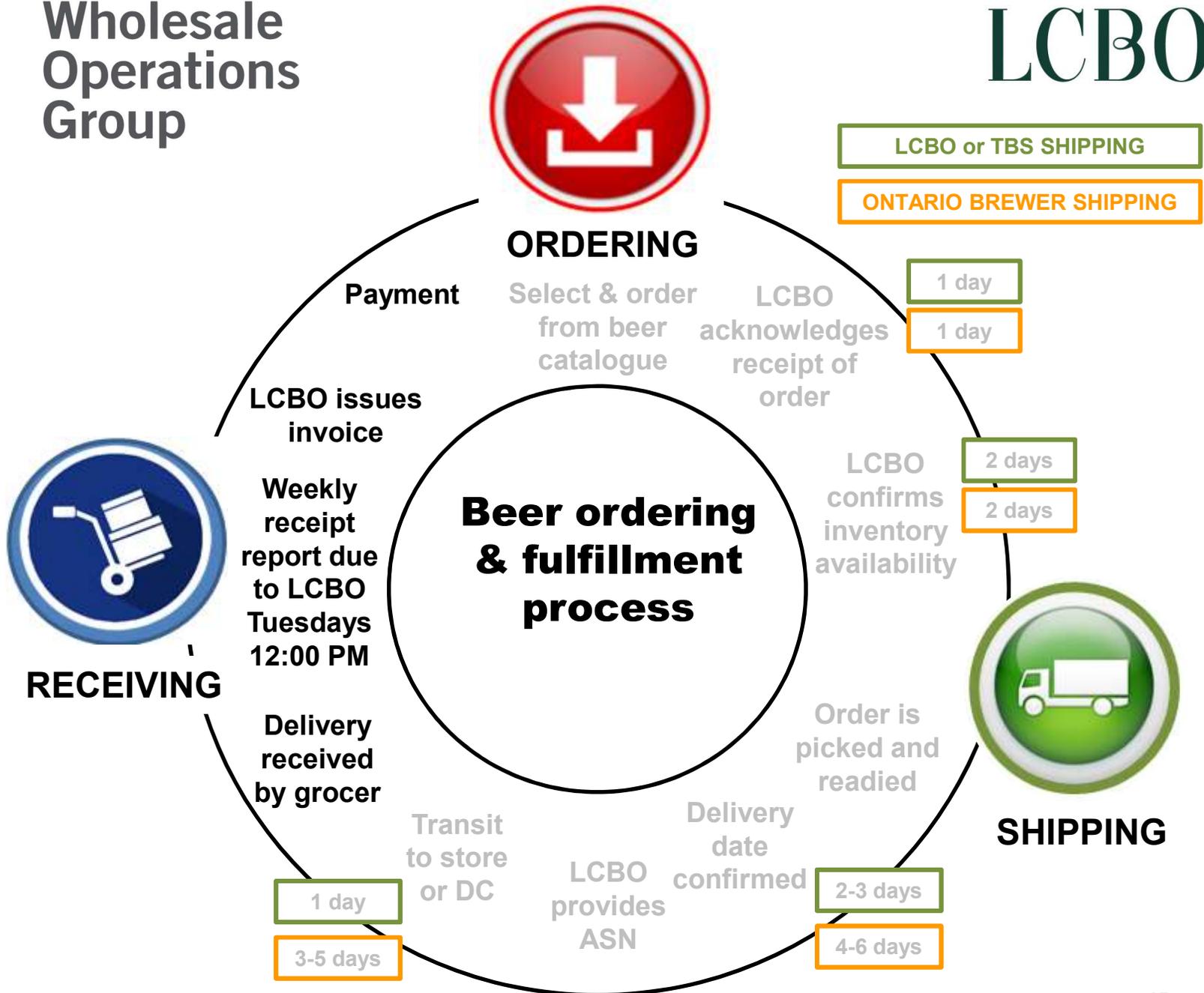
LCBO





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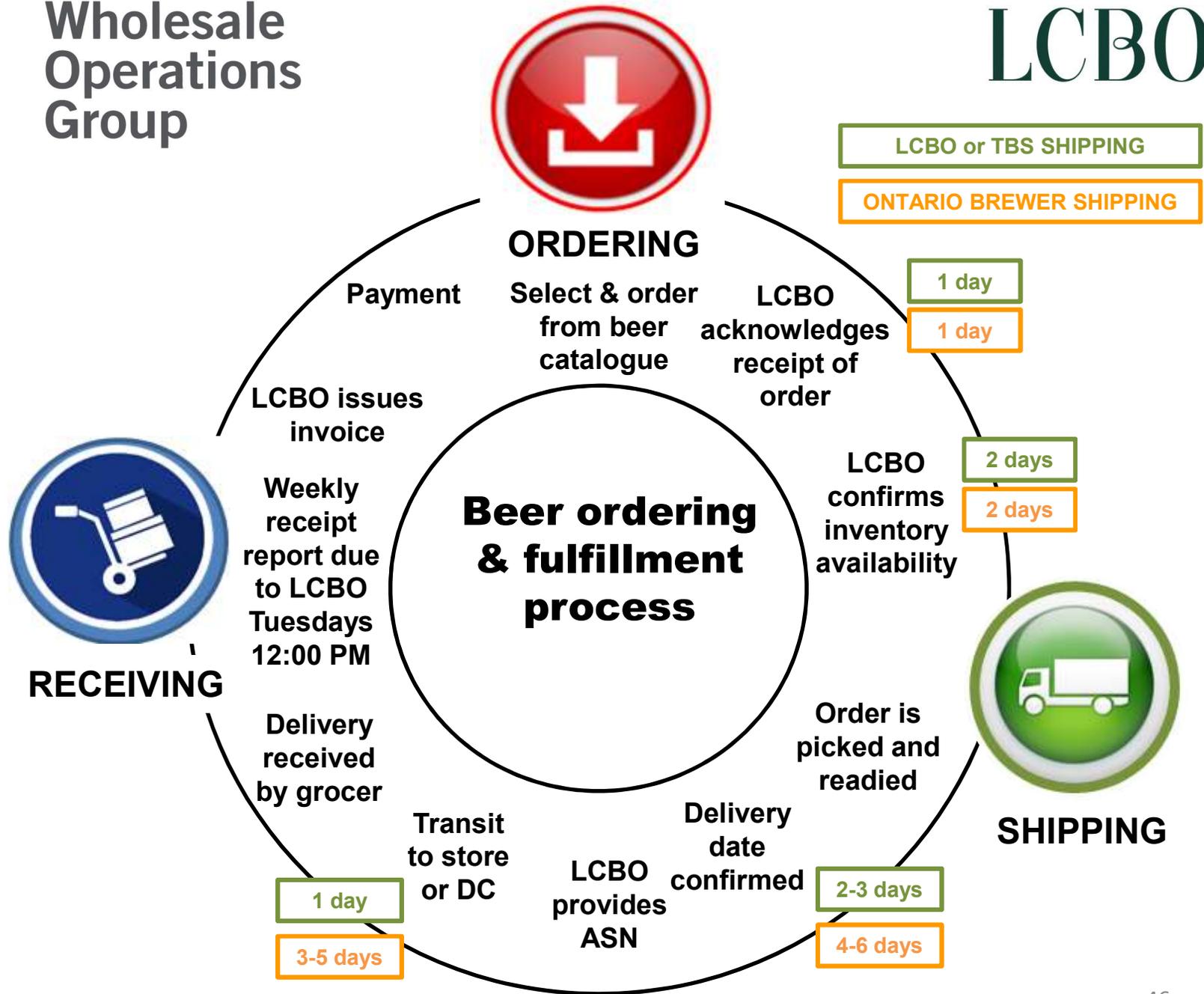
LCBO





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LCBO





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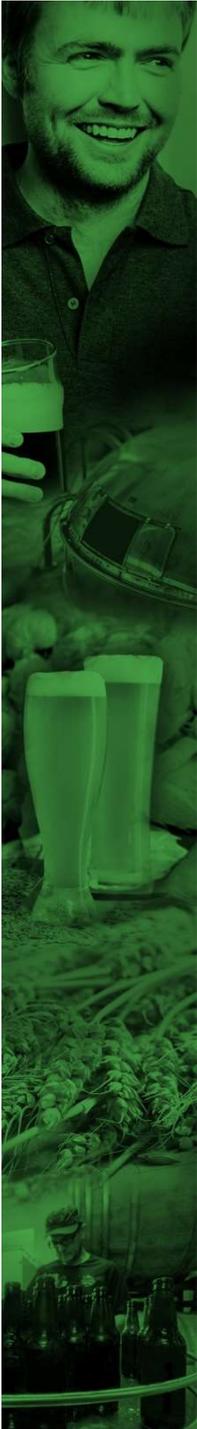
LCBO

IT Processes

- ① LCBO will be **organizing working sessions** with you to scope EDI requirements.
- ① Fully automating our processes will occur on a **rolling basis**.
- ① The LCBO is working towards **electronic transfer** and documentation being used for ordering.
- ① The enterprise's overall direction is to move towards implementation of **electronic business practices and solutions**.

Next steps

- ① Complete authorization as specified earlier
- ① Visit www.doingbusinesswithlcbo.com click through to grocery section
- ① Download necessary forms to set up a customer profile with the LCBO:
 - ① **Customer Profile** form
 - ① **IT GMS Access** form
- ① Complete and submit forms to wholesaleservice@lcbo.com
- ① LCBO representatives will be contacting you regarding grocer-specific next steps.

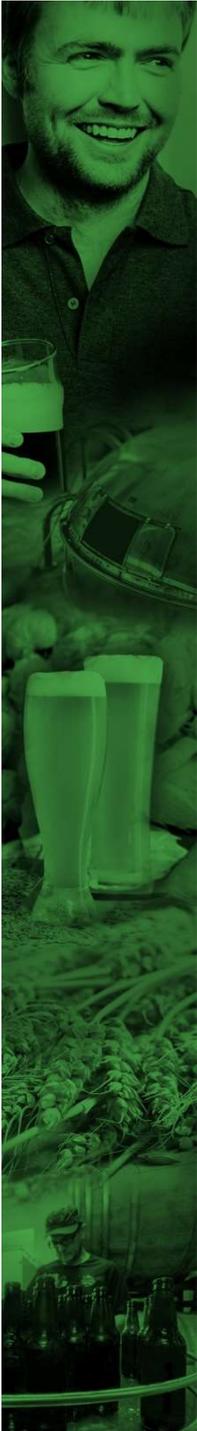


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Wholesale Operations Group: Contact team

Director:	Chris Dini chris.dini@lcbo.com	T: (416) 365-5714
Operations:	Leanne Rhee leanne.rhee@lcbo.com	T: (416) 365-5889
Invoicing/Payments:	Jamie Fazekas jamie.fazekas@lcbo.com	T: (416) 365-5912
Product Administrator:	Holly Garner holly.garner@lcbo.com	T: (416) 864-2541
Customer Service	Jim Sheridan wholesaleservice@lcbo.com	T: (416) 365-5842



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😊 **Thank you**

Q&A period

LCBO Wholesale Operations Group Panel members





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Panel members

Leanne Rhee

Manager, Wholesale Operations Group

Jamie Fazekas

Supervisor, Accounts Payable/Accounts Receivable

Nick Nanos

Director, Traffic, Customs, Toronto & Ottawa Logistics Operations

David Fisch

Senior Solutions Delivery and Relationship Manager Leader (IT)

