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2023 ADVOCACY REPORT

SEP 2023

BUILDING FOR THE FUTURE



THE ALLIANCE OF BEVERAGE LICENSEES (ABLE BC)
IS THE VOICE OF BRITISH COLUMBIA'S BARS, PUBS, NIGHTCLUBS,
PRIVATE LIQUOR STORES, AND HOTEL LIQUOR LICENSEES

A MESSAGE FROM ABLE BC'S PRESIDENT

YVAN CHARETTE

It has been my great pleasure to represent fellow owners as President of the Alliance of Beverage Licensees (ABLE BC) for the past two years. I am fortunate to be surrounded by a growing and strong membership of Licensee Retail Store (LRS) and Liquor Primary (LP) licensees, as well as our new Cannabis Retail Store (CRS) members. I want to thank our membership, government partners, and industry colleagues for supporting ABLE BC and our advocacy work.

As business owners in a volatile industry where we compete against our largest supplier, as well as face margin compression on many levels, it is clear to me that operators need to know their interests are represented. I am pleased to report that our 'voice' is well-received and respected by government officials at all levels. With strong lines of communication to various Ministers, elected officials, senior policy makers, the Liquor Distribution Branch (LDB), the Liquor and Cannabis Regulation Branch (LCRB), and others, ABLE BC is well positioned to fight for our members' needs and see even greater success in the coming months.



Photo credit to Brad Kasselmann

For this, I would like to thank ABLE BC's hardworking staff—particularly **Jeff Guignard** (Executive Director) and **Ann Brydle** (Manager of Membership and Communication)—along with their support team. I also want to thank our volunteer Board of Directors—past and present—for developing our association and its reputation. Together, we strive to find solutions to address industry challenges, work collaboratively, and advocate on your behalf.

The past two years have been filled with eye-opening experiences. I love what I do, and I am immensely proud to represent you. I know we're facing a tough road ahead, and I know that sometimes owners can feel like they're navigating the choppy waters of ownership all alone. I know I do. But our industry is tough. You are tough. Which is why I believe that now, more than ever, **we need to stick together as an industry to ensure our concerns are voiced and heard**. Both as a member, and now as President, I believe membership is vital to ensuring that ABLE BC continues to advocate for the health and success of our businesses.

Thank you to all members for their ongoing support of our association. I truly believe we are stronger when we work together. I also believe our best days are ahead.

Over the next year, we will continue the fight to improve our industry. If there any issues you wish to discuss with me directly, feel free to reach out at any time.

YOUR EVERYDAY ADVOCATES

ABLE BC's team of dedicated experts provide advice and guidance to our members daily. As the voice of BC's private liquor and cannabis industries, we are always working to advocate for BC's private liquor and cannabis stores, pubs, bars, nightclubs, and hotel liquor licensees.

We are available to decipher policies, Terms and Conditions handbooks, and to provide clarity about complicated industry issues. We also provide free resources to our members including signage, FAQs, and webinars on the issues that matter most to industry.

ABLE BC is BC's private liquor industry. We are your voice, your community, and the only industry association working for you.



Photo credits to Brad Kasselmann

A MESSAGE FROM EXECUTIVE DIRECTOR

JEFF GUIGNARD

For the past several years, I've spent the spring and summer riding my motorcycle (a 2015 Honda NC750X, for those wondering) around British Columbia to host meetings of liquor licensees in their neighbourhoods. Whether I'm visiting communities along the coast, amid the Rocky Mountains, or through the semi-arid shrubland of the Okanagan, I've always been inspired by BC's relentlessly beautiful landscapes. More importantly, these trips offer me first-hand insights into what's keeping industry up at night and what businesses need to ensure future success.

So far in 2023, I've met personally with over 150 licensees on Vancouver Island, in the Kootenays, and in the Okanagan. These meetings highlighted several stark reminders that both the liquor retail and hospitality industries have a long way to go to recover financially from the pandemic.

As your full-time advocate, I am dedicated to addressing your concerns and fighting for your interests directly with elected officials and senior government bureaucrats. In partnership with ABLE BC's President, **Yvan Charette**, I meet regularly with **Minister Mike Farnworth** (Deputy Premier, Minister of Public Safety, and Solicitor General), **David Hume**, (Assistant Deputy Minister and LCRB General Manager), and executive leaders at the LDB such as **Blain Lawson** (Chief Executive Officer and General Manager) and **Sairose Fisher** (Executive Director, Liquor Wholesale Operations), to find practical solutions to complex problems. We also work closely with municipal leaders and their staff in communities across BC.



Photo credit to Brad Kasselmann

If you have any specific issues you would like ABLE BC to address, please reach out to me directly at jeff@ablebc.ca.

LINKING YOU WITH INDUSTRY EXPERTS

We are your liaisons to BC’s best and most trusted liquor and hospitality industry experts. In addition to a broad range of recommended suppliers, we maintain close relationships with liquor and cannabis licensing consultants, such as [Rising Tide Consultants](#) and [Thrive Liquor & Cannabis Advisors](#). We also work with specialized legal partners [Dolden Wallace Folick LLP](#) to secure expert advice on liquor and host liability, and [Mathews Dinsdale LLP](#) to support you with labour and employment issues.

We also work collaboratively with partners like [go2HR](#), the [BC Hotel Association \(BCHA\)](#), the [BC Restaurant and Foodservices Association \(BCRFA\)](#), [Restaurants Canada](#), and others to bring you resources that make a difference in your business.



Photo credits to Brad Kasselmann

BUSINESS TECHNICAL ADVISORY PANEL (BTAP)

The **Business Technical Advisory Panel (BTAP)** was formed in 2018 to provide recommendations and advice to BC's government with a shared goal of improving and modernising liquor policies and regulations.

BTAP engaged with industry stakeholders over several months to determine a list of 24 specific recommendations aimed at increasing efficiency and creating opportunities in BC's liquor industry. The Panel provided a full report to government and industry in April 2018. Since then, the panel has provided ongoing advice and recommendations as needed.

BTAP is Chaired by **ABLE BC's Executive Director, Jeff Guignard**. Panel membership includes representatives from:

- ▶ BC Restaurant and Foodservices Association (BCRFA)
- ▶ BC Craft Brewers Guild
- ▶ Beer Canada
- ▶ Craft Distillers Guild of BC
- ▶ New Wave Wine Society
- ▶ Import Vintners & Spirits Association (IVSA)
- ▶ Restaurants Canada
- ▶ Rural Agency Store Advisory Society (RASAS)
- ▶ Spirits Canada
- ▶ Wine Growers BC

With ABLE BC at the helm of BTAP, **we are your direct line to the decision-makers who shape the future of our industry**. Jeff meets with **Minister Mike Farnworth** regularly to discuss BTAP's proposed priorities for the future. As the Minister contemplates government's post-COVID liquor policy agenda, we have reiterated industry's long-standing concerns about out-dated IT systems at the LDB, lengthy delays receiving non-stock wholesale products, issues with single-bottle picks, concerns regarding licensing delays, and several other issues.

LRS & LP POLICY COMMITTEES

The LRS and LP policy committees are made up of key ABLE BC members who help shape our priorities and government relations strategies. Committee members are industry experts who represent businesses of different sizes, corporate structures, and regions of BC. They work directly with **Executive Director Jeff Guignard** and the **Board of Directors**.

The LRS policy committee is chaired by Director **Mike McKee** (JAK's Liquor) and the LP policy committee is chaired by President **Yvan Charette** (My Pub Group). These committees identify key priorities and strategies for ABLE BC and regularly discuss current issues, policy changes, and future plans. Priorities raised by both committees include: the ongoing **labour crisis**, a lack of **affordable housing for workers**, **supply chain inefficiencies**, **permitting licensee-to-licensee sales**, **eliminating the licensee transfer limit**, and **inaccurate public information about Canada's Low-Risk Drinking Guidelines**.

In addition, the **LRS policy committee** has highlighted the need to:

- ▶ Improve distribution efficiency, particularly for non-stocked products (NSWP),
- ▶ Address outdated IT systems and process at LDB Wholesale,
- ▶ Curtail unfair retail practices and pricing strategies from BC Liquor Stores,
- ▶ Secure allocation or exclusivity on in-demand SKUs,
- ▶ End the LDB's monopoly on distributing RTDs,
- ▶ Increase SKUs available for single-bottle picks, and
- ▶ Increase data transparency from the LDB.

The **LP policy committee** has highlighted the need to:

- ▶ Address unsustainable costs of property crime and vandalism,
- ▶ Reduce LCRB timelines and municipal bureaucratic delays,
- ▶ Maintain license distinction between LPs, FPs, and manufacturer tasting lounges,
- ▶ Develop clear and fair policies for ordering product from BC Liquor Stores,
- ▶ Extend operating hours for special events such as FIFA World Cup,
- ▶ Permit site-wide licensing for private LP-clubs,
- ▶ Increase compensation from BC Lotto, and
- ▶ Stabilize skyrocketing insurance premiums.

If you are interested in joining a committee, please reach out to jeff@ablebc.ca.

DONATE TO OUR ADVOCACY FUND

ABLE BC is funded by membership dues and donations. **We can't do our work without the support of our members, our industry, or our community.**

If you are invested in BC's private liquor or cannabis industries, consider making a donation to our advocacy fund today. Donating to this fund gives us the resources we need to seek legal counsel, pressure government through media campaigns, and provide additional resources to our members for free.

Your support is critical to our success.

► Interested in sponsoring an event?

ABLE BC hosts several events each year - from liquor industry meetings in communities throughout BC, to webinars on industry issues, to our annual SPARK conference, and more. Sponsoring an event not only supports our work, but it also puts you in direct contact with our members. Sponsoring gives you a platform and opportunity to network, build relationships, and develop your business. Reach out to ann@ablebc.ca if you want to learn more.

We also offer advertising opportunities in our newsletter, on our website, in the annual Buyers' Guide, and our quarterly magazine The Quarterly Pour. Contact joyce@emcmarketing.com for more information.



2022-23 RECAP: OUR TRACK RECORD OF SUCCESS

Our membership year began in September 2022, shortly after the BC General Employees' Union (BCGEU) ended a two-week strike that disrupted all cannabis distribution and a significant portion of liquor distribution in BC. Even after the strike ended, it took months for the LDB to return to normal service levels.

On behalf of our members, during the BCGEU strike we:

- ▶ Met daily with government to explain how the strike was hurting our industry, maintained pressure for a swift end to the dispute, and provided feedback on LDB restart plans;
- ▶ Provided near-daily updates and an [FAQ](#) to keep members informed, and created [free signage](#) to explain stock outages to customers;
- ▶ Surveyed industry to measure the strike's impact and collated a list of [local producers](#) offering direct delivery;
- ▶ Hosted a [free webinar with go2HR](#) on How to Navigate Employee Layoffs;
- ▶ Along with a coalition of industry associations, published an [open letter](#) to government and the BCGEU calling for an end to the dispute and strike action; and
- ▶ Told your story in television, radio, and print media nearly every day throughout the strike.



Photo credit to Ben Nelms, CBC News

2022-2023 RECAP: OUR TRACK RECORD OF SUCCESS

After the strike ended and businesses returned to regular operations, ABLE BC continued to work hard for our members and industry. Over the last we year, we:

- ▶ Secured [temporary authorization for LP establishments](#) to extend operating hours during the FIFA world cup.
- ▶ Hosted our first annual [SPARK conference](#), in partnership with the BC Hotel Association.
- ▶ Launched our new [member portal](#) to streamline member services and resources.
- ▶ Supported industry as BC decriminalized certain drugs by publishing an [FAQ, sample policy, and signage](#) to mitigate risk. We also hosted a webinar with liquor liability lawyer and ABLE BC Director **Lorne Folick** ([Dolden Wallace Folick LLP](#)) to help you understand your duty of care.
- ▶ Published an [FAQ on excise duties](#) and, after a successful trip to Parliament Hill in Ottawa, played a key role in [capping excise duties at 2%](#) instead of the planned 6.3%.
- ▶ Extended the deadline for converting [Temporary Expanded Service Area \(TESA\)](#) authorizations to December 2024.
- ▶ Hosted 15 liquor industry meetings (on Vancouver Island, in the Okanagan, and the Kootenays) and met personally with over 150 liquor licensees across BC.
- ▶ Published an [FAQ and sample policy](#) regarding the requirement to sell a meal with takeaway or delivery liquor.
- ▶ Hosted a webinar about potential changes to tipping and payroll taxes, with employment lawyers **Ryan Anderson** and **Mark Bout** ([Mathews Dinsdale & Clark LLP](#)).
- ▶ Met with the federal government to request that Canada [extend the Canada Emergency Business Account \(CEBA\) repayment deadline](#) and/or implement a “scale-down” model of the forgivable part.
- ▶ Joined a coalition of industry partners to express [our serious concerns](#) about [The Proof](#) campaign and the Canadian Centre on Substance Use and Addiction’s (CCSA) controversial report and suggested drinking guidelines.
- ▶ Hosted a webinar with **Jay Blackwell** of Diligent Liquor Management outlining the key steps any licensee should take to ensure you ace a liquor inspection.
- ▶ Published an [Industry Benchmark Report](#) highlighting key industry benchmarks and statistics.
- ▶ To help combat increased instances of shoplifting across the province, we published an FAQ to help you understand some [best practices for theft prevention](#).
- ▶ Extended our advocacy work to the private cannabis retail industry by welcoming **Nick Landells**, Head of Cannabis Membership, to our team.

2023-2024: OUR PLANS FOR THE FUTURE

On behalf of our members, ABLE BC advocates for pro-business policies and cost-saving measures that help liquor and cannabis businesses thrive. As the liquor and cannabis retail and hospitality industries continue to recover from the pandemic, we will remain at the forefront of every issue affecting our members.

Over the next year, we will continue working with our government partners to protect the industry and build for the future. This year, we will aim to:

▶ RELIEVE INCREASING FINANCIAL PRESSURE

Address the **serious financial costs** being added to your businesses by **increased crime, homelessness, and mental health and addiction issues**; combat the impact of rising **inflationary costs hindering the profitability** of industry; and **reduce pandemic debt** on your businesses.

▶ PROTECT KEYSTONE LRS POLICIES

Protect the **1 km distance rule** between liquor stores in perpetuity, continue the **moratorium on new LRS licenses**, and **prevent grocery and convenience stores** from retailing liquor products.

▶ STREAMLINE LIQUOR STORE RELOCATIONS

Streamline rules for **liquor store relocations** due to involuntary “renovictions.”

▶ OPEN NEW SALES CHANNELS

Permit **licensee-to-licensee sales**, allowing private liquor retailers to sell products directly to hospitality customers, and eliminate or increase the licensee transfer limit.

▶ ADDRESS THE ONGOING LABOUR CRISIS

Tackle our industry’s **chronic worker shortage**, skyrocketing labour costs, and lack of **affordable worker housing**.

▶ MODERNISE LIQUOR LICENSING

Modernise **liquor licensing** rules to make them faster, simpler, and more transparent, as well as **expedite transition of TESAs** to permanent service areas.

▶ IMPROVE DELIVERY & DISTRIBUTION

Improve delivery and distribution from LDB Wholesale, including logical improvements to Webstore and out-dated IT systems, and improved access to Non-Stock Wholesale Products and single bottle picks. Publish **clear rules for hospitality purchases from BC Liquor Stores**.

▶ INCREASE COMPLIANCE WHILE REDUCING LIABILITY

Support members in their dealings with **liquor inspectors** to increase compliance and reduce liability, and provide updated due diligence materials for members.

EXPANDING TO CANNABIS RETAILERS

ABLE BC has long been the voice of BC’s private liquor industry, with an undeniable track record of success. Our deep understanding of government relations, policy and regulation development, and strong relationships with the LDB and LCRB make us a natural fit to advocate for private cannabis retailers. With longstanding relationships across the provincial government, ABLE is uniquely placed to reach decision-makers and to influence cannabis policy positively. Our new full-time Head of Cannabis Membership, **Nick Landells**, is the dedicated point of contact for cannabis retailers (nick@ablebc.ca).

CANNABIS POLICY COMMITTEE

The cannabis policy committee is made up of founding ABLE BC Cannabis members. These dedicated professionals represent different business sizes and regions, each bringing key perspectives that help shape our priorities and government relations strategies. This committee works directly with **Executive Director Jeff Guignard**, **Head of Cannabis Membership Nick Landells**, and the **Board of Directors**.

The cannabis policy committee is chaired by **Steve Dowsley (Burb)**. Other committee members include:

- Mike Mckee (Muse Cannabis)
- Marc Charette (Green Gold Cannabis)
- Keith Barbon (Flight Cannabis)
- Yvan Charette (Green Star Cannabis)



EXPANDING TO CANNABIS RETAILERS

POLICY PRIORITIES

The cannabis policy committee has identified the following strategic objectives:

- ▶ **Protect investments and expand business opportunities by:**
 - Working with the LCRB to implement a province-wide minimum distance criteria between cannabis stores; and
 - Preventing large-scale discount cannabis chains from entering the BC market.
- ▶ **Modernise cannabis licensing and regulations by:**
 - Addressing the Union of British Columbia Municipalities Resolution to permit municipalities to opt-out of providing a local government recommendation as part of provincial licensing applications; and
 - Addressing licensing inefficiencies with the LCRB.
- ▶ **Create due diligence materials and best practice guidelines by:**
 - Hosting webinars on hot topic issues such as the Minors as Agents Program; and
 - Working with licensing consultants to develop templates and signage.
- ▶ **Reduce taxes and regulatory burdens on cannabis retailers by:**
 - Ensuring the LDB lowers the 15% mark-up on the Direct Delivery Program; and
 - Working to increase the allowable THC limit in edibles and personal possession limits.

Recent policy wins for our cannabis members include:

- ▶ Repeal of cannabis visibility rules: effective May 30, 2023, the LCRB repealed the visibility requirements from the Cannabis Licensing Regulation. Removing this requirement has improved visibility into cannabis stores and increased safety for licensees, staff, and patrons.
- ▶ Cannabis delivery permitted by common carrier: ABLE advocated on behalf of our members to relax cannabis delivery rules. This led to an LCRB policy that enables product to be delivered by common carriers, increasing delivery options for retailers.



ABLE BC BENEFITS AND RESOURCES

In addition to supporting our ongoing advocacy work, an ABLE BC membership gives you access to exclusive benefits and discounts from our partners and associate members. By using our benefit programs and accessing our free and discounted resources, you can more than cover the cost of your annual membership fee.

EXCLUSIVE DISCOUNTS AND SERVICES FROM OUR BENEFIT PROVIDERS

 <u>SONA</u>	 <u>Hospitality Insurance Program & Employee Benefits</u>	 <u>Foodbuy</u>
 <u>Global Payments</u>	 <u>BRCCC Bottle Return Program</u>	 <u>VI Banking ATM</u>
 <u>Select Hospitality Owner Program</u>	 <u>Workforce Strategist</u>	 <u>Buyers' Guide</u>

EXCLUSIVE RESOURCES FOR ABLE BC MEMBERS

- [Member Portal](#)
- [The Quarterly Pour](#)
- [Discounted advertising](#)
- Free registration for ABLE BC webinars and liquor industry meetings
- Discounted pricing for the annual [SPARK](#) conference
- Signage
- Liquor price guide
- Due diligence materials
- Discounted ID checking guides

ABOUT US

ABLE BC is a not-for-profit society and the leading advocate for BC's private liquor industry. Our membership includes private liquor stores, private cannabis stores, pubs, bars, nightclubs, hotel liquor licensees, and various agents, industry suppliers, and benefit providers.

On behalf of our over 1,000 members, we advocate for a thriving and sustainable private liquor industry.

OUR BOARD

ABLE BC is governed by a volunteer Board of Directors, who are nominated and elected by our members and serve two-year terms. Our Directors are business owners and industry experts who are invested in the health and future of ABLE BC member businesses and our broader industry.

If you are interested in joining the Board or would like to nominate a Director, please reach out to jeff@ablebc.ca.

OUR TEAM



Jeff Guignard
Executive Director
JEFF@ABLEBC.CA

Jeff Guignard is a dynamic leader and communicator with extensive experience in government relations, strategic communications, and association management. As Executive Director of ABLE BC, Jeff advocates for BC's multi-billion dollar private liquor industry as well as emerging licensed retailers of non-medical cannabis. In 2022, Jeff was named to [VanMag's 2022 Power List](#) and to [Western Living Magazine's Foodies of the Year list](#). Outside of the office, Jeff is passionate about curling, cooking, reading, and motorcycling.



Ann Brydle
Manager of Membership and Communication
ANN@ABLEBC.CA

Ann Brydle is a dedicated industry professional with over 10 years of experience in liquor retail management, buying, and wine education. She is a skilled communicator and passionate advocate for BC's private liquor industry. As ABLE BC's Manager of Membership and Communication, Ann helps our members navigate policy changes, provides expert business advice, and works with benefit providers to add value to our member's businesses. When she's not working, Ann is probably exploring a winery, riding her horse, or hiking around Vancouver Island.



Nick Landells
Head of Cannabis Membership
NICK@ABLEBC.CA

As our Head of Cannabis Membership, Nick Landells brings an additional focus on cannabis issues to the ABLE team. With over 15 years of experience working alongside the liquor and cannabis industries, Nick is a specialist in licensing and compliance issues. Nick also spent five years as the manager of the legal department of one of Canada's largest quick-service restaurant brands. In his free time, Nick indulges his love of all sports – especially football – and is often found on one of the many pitches, courts, and fields in Maple Ridge.



CLOSING THOUGHTS

While the COVID-19 pandemic is now behind us, we know that the road to recovery has only just begun. **ABLE BC will not stop fighting for you.** We've built an incredible momentum that will keep us building on our track record of success.

As you know, **ABLE BC is the only organization that fights directly for your interests.** We are your industry advocates, and we are dedicated to supporting your businesses every day.

We can't do our work without the support of our members, our industry, or our community. If you are invested in BC's private liquor industry, please [join the Alliance](#) and consider making a donation to our [Advocacy Fund](#) today.

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