Responsible Advertising and Giveaway Guidance

JANUARY 2023





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INTRODUCTION

Overview

The Nova Scotia Liquor Corporation (NSLC) is a Crown Corporation whose legislated mandate under the <u>Liquor Control</u> <u>Act</u> (LCA) is to manage the safe and responsible distribution of beverage alcohol in Nova Scotia. As the regulator and retailer of beverage alcohol in the province, our responsibilities include promoting responsible advertising and sales, and developing policies related to our mandate.

As the responsible industry steward, we promote responsible consumption and awareness across Nova Scotia. Our Advertising and Giveaway Policy (2023), "the Policy," provides directives to all manufacturers, industry associations, agents, and retailers of beverage alcohol in the Province of Nova Scotia, as well as all persons or companies advertising beverage alcohol in the Province of Nova Scotia on:

- Responsible Advertisement Placement
- Responsible Advertisement Content
- NSLC Logo and Asset Usage
- Beverage Alcohol Giveaways
- Vouchers
- Non-beverage Alcohol Giveaways
- Oversight and Accountability

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The directives contained within the Liquor Control Act, the Regulations, and the Policy must be followed by everyone to whom they pertain. The NSLC is committed to collaborating with and supporting the beverage alcohol industry in the Province of Nova Scotia. This guidebook provides the information you require to responsibly advertise beverage alcohol and participate in giveaways and should be used as a reference tool for further clarity when required.

UPDATES

This guidebook will be updated periodically. You will receive notice of any material changes to the Policy and guidebook, and you can stay informed by referring to this guidebook online.

REGULATORY COMPLIANCE

The NSLC's Advertising and Giveaway Policy is governed by the requirements of the LCA and NSLC Regulations (Regulations). Where there is a conflict between the information contained in the Policy and the LCA, the Regulations, or other applicable legislation, the legislation and Regulations will take precedence.

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You must ensure the following requirements are also met:

- All advertising must comply with the Nova Scotia LCA & Regulations.
- Radio advertising must comply with any requirements of the Canadian Radio-Television and Telecommunications Commission (CRTC), as well as any other regulatory body having related jurisdiction.
- 3. Television advertising must comply with any requirements of the:
 - a. <u>CRTC Code for Broadcast Advertising of Alcoholic</u> <u>Beverages</u> and the
 - b. thinktv Clearance Guidelines
 - c. Any other regulatory body having related jurisdiction.
- 4. All advertising must comply with Canadian Trademarks Act.

NOTE: The Federal <u>Cannabis Act</u> generally prohibits the promotion of Cannabis. Refer to the Act for further information.

GUIDING PRINCIPLES AND CONSIDERATIONS

All advertising and giveaways:

- Must be consistent with NSLC's values of respect and responsibility.
 - Must portray products and consumers in a responsible manner and emphasize the social aspect of moderate consumption.

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- Cannot encourage consumers to consume excessively or irresponsibly.
- Must be intended for adults of legal consumption age (19+) who choose to consume.
 - Cannot be promoted in any manner which may be directed to or appeal significantly to underage persons.
- Cannot disparage or discredit another company, business, product, or person.
- May be found to be inappropriate based on potential reactions from public groups or society in general due to safety, advocacy, or current social events.

The NSLC may utilize a test of reasonableness to ensure that advertising and giveaways have met the requirements laid out here within and have been fairly and legitimately applied.

CONTACT INFORMATION

If you have any concerns with, or questions regarding, information contained within this guidebook, please contact:

Ashley McDonald RESPONSIBLE RETAILING ADVISOR

EMAIL: <u>Ashley.McDonald@myNSLC.com</u>

PHONE: 902-450-5875 MAILING ADDRESS: 93 Chain Lake Drive, Halifax, Nova Scotia B3S 1A3 7

RESPONSIBLE ADVERTISING AND GIVEAWAY GUIDANCE

INTRODUCTION

Promoting Responsible Advertising, Sales and Giveaways in Nova Scotia

Responsible Advertisement Placement

Our directives regarding responsible advertisement (ads) placement for all forms of media focus on the prevention of advertising to vulnerable persons, which includes minors and individuals with addictions. The placement of ads must abide by our policies, values, responsibility mandate, and guiding principles.

AGE OF MAJORITY: 19+

The legal age to purchase and consume alcohol (age of majority) in Nova Scotia is 19. All ads involving beverage alcohol must be directed to and placed in media where most of the audience is expected to be adults over the age of majority. This applies to all forms of advertising, including online, at events, and static or fixed advertising at venues.

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The table below provides examples for appropriate (majority of audience expected to be 19+) versus inappropriate (majority of audience expected to be a minor) media placement.

FORM OF MEDIA	APPROPRIATE	INAPPROPRIATE
TV	Adult TV networks featuring mature content primarily geared towards adults, such as a news station (e.g. CTV).	TV networks that primarily show content geared towards a younger audience (e.g., Disney).
Radio/ Audio Podcast	Country music radio station where it is reasonably expected that the audience is over 19.	An ad for a distilled spirit plays during a podcast geared towards youth.
	Listener demographics may be available from radio stations and should be requested.	
Print	Ad is featured in a home and lifestyle magazine.	Ad is placed in a magazine for young people (e.g., Teen Vogue).
Location	Ad is featured on screens in the washroom of a licensed establishment.	An ad for red wine is placed on the wall of an arcade.

INTERNET AND SOCIAL MEDIA

Internet and social media pages promoting the sale of beverage alcohol must demonstrate that reasonable efforts were made to prevent minors from accessing or viewing such content.

Age-verification technology must be used when possible and requires that a user verifies their age by entering their birth date, or by confirming that they are over the age of 19.





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If you are unable to add a method of age-verification to your website, you must be prepared to explain why this is not a feasible option and the alternate steps taken to prevent minors from accessing your webpage. A declaration statement may be an approved alternative to age-verification technology in approved circumstances. (e.g. Declaration statement: "You must be of legal drinking age in your province or territory to access this webpage.")

Social media pages must also include an age-gate mechanism or declaration statement. Platforms, like Instagram's business and creator pages permit age limits for profiles and for branded content and posts. Social media posts and advertising must be targeted to an audience aged over 19.

If you conduct direct outreach, such as messaging a follower or social media influencer, the end user must confirm they are over 19. If you provide free product to influencers or other persons for promotion or other purposes, you must confirm their age and follow all other guidance provided, including ensuring that their audience is geared towards adults of legal drinking age. Only standard selling units for consumption can be provided as a giveaway.

Social media communications must respect user privacy and follow responsible content rules. If user-generated content is permitted on your social media pages, then you should monitor comments, photos, and videos added by third parties. Social media communication forwarded or shared by a third party PROMOTING RESPONSIBLE ADVERTISING, SALES AND GIVEAWAYS IN NOVA SCOTIA

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should include instructions regarding responsible placement and preventing engagement with minors. Share this guidance document with any parties whose services you use to advertise or promote your products on digital platforms.

The NSLC may review and determine whether you have taken the appropriate steps to safeguard against interactions with minors.

OUTDOOR ADVERTISEMENTS

To prevent undue exposure of vulnerable persons, ads cannot be placed within 200 metres of the following locations*: health facilities, homeless shelters, any primary or secondary schools or any location where services are regularly provided to children or individuals with addictions.

NOTE: Advertising is also not permitted on motor vehicles, including buses, except for corporate or brand names which are permitted to be displayed on company-owned motor vehicles.

*This is further defined as no advertising within 200 metres of the following:

Health facilities: Any major hospital providing tertiary care (e.g., QE2 Health Science Centre, The Nova Scotia Hospital, IWK Health Centre); **Regional Hospitals** (e.g., Cape Breton Regional, St. Martha's Regional, Aberdeen, Colchester East

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Hants Health Centre, Valley Regional, Yarmouth Regional, South Shore Regional); or <u>community hospitals</u>.

NOTE: Health facilities only include the hospitals outlined above. A gym or recreation centre, or health offices such as physiotherapists, chiropractors, and other supporting health providers **WOULD NOT** be included in the restrictions.

Homeless shelters: Any emergency or temporary shelter where men, women, and/or youth are experiencing homelessness. This includes Metro Turning Point, Salvation Army Men's Shelter, and Adsum House in Halifax. As well as any other shelter widely known to provide housing solutions to those in need. Sir Sanford Fleming House and Nehiley House, the two community residential facilities operated by Shelter Nova Scotia, are also included.

Primary or secondary schools: All schools public and private (traditionally pre-K to grade 12).

Locations regularly providing services to children: Facilities such as daycares and playgrounds.

Any location that provides services to individuals with addictions: Addiction treatment and rehabilitation centres.

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Responsible Advertisement Content

Advertisements cannot promote the general use and consumption of liquor, and must be designed to draw attention to specific brands through use of descriptive language. Our directives regarding responsible advertisement content also focuses on ensuring ads do not appeal to underage and vulnerable persons, do not promote irresponsible behaviour such as overconsumption, or include any illegal, discriminatory, or otherwise inappropriate behaviour. Ads intend to influence choice, opinions, and behaviours, and it is your responsibility to ensure that any messaging or content used is appropriate.

Responsible advertisement content directives apply to all product labels, which are a form of advertisement as defined in the policy.

APPEALING TO MINORS

Ads cannot appeal to minors directly or indirectly, as defined below.

Direct advertising: overtly (obvious, not hidden) appeals to minors through use of tactics such as cartoons, or use of a personality (e.g. celebrity or character) whose main appeal is with minors or youth. Direct advertising also includes placement of ads in media that target individuals under the legal drinking age.

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Indirect Advertising: covertly (not obvious, hidden) appeals to minors through use of tactics that may appeal to minors, such as imagery or symbols mentioned above and language "slang."

FEATURING SOMEONE UNDER THE AGE OF 25

Ads cannot feature in any significant role someone who appears to be under the age of 25, as this age provides a benchmark for clearly being over the legal drinking age. Individuals who are of legal drinking age but appear younger than 25 can appear but not have a primary role. Ads cannot depict family scenes that in any way involve using alcohol, including a group of adults accompanied by children, or make any reference to any persons who may be under the age of 19.

PROMOTION OF CONSUMPTION

Brand advertising can use language to describe the brand or product but cannot be used to promote consumption in general, encourage irresponsible consumption, or influence someone, including minors or non-drinkers to purchase beverage alcohol. No claims may be made that the product can make a consumer stronger, healthier, or more successful. PROMOTING RESPONSIBLE ADVERTISING, SALES AND GIVEAWAYS IN NOVA SCOTIA

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You can:

- Advertise a brand or product by referring to trademarks, brand names, container labels, established slogans, recipes, and using words to describe the merits of brand or product (e.g. descriptive language).
- Promote brand preference (e.g. "This glass of chardonnay by [insert brand name] is my favourite wine.")
- Show people holding one open drink each, or an open drink on the table in front of them.

You cannot:

- Show people consuming the product (e.g. bringing the product directly to their mouth for consumption).
- Use vague or nondescript statements or make claims of supremacy (e.g. "This glass of wine is the best!")
- Use words and or phrases which promote overconsumption (e.g. "crushable," "blitzed," "drink like a fish," "tastes like more," or "don't worry about the hangover.")
- Claim that the product, whether by itself or as a mixture, has any healthful, nutritive, dietary, curative, sedative or stimulative quality or properties.

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DEPICTION OF BEVERAGE ALCOHOL

Beverage alcohol should be shown in a sealed container or poured to a single standard drink. Everyone should be familiar with the definition of a standard drink under <u>Canada's Low-Risk</u> <u>Alcohol Drinking Guidelines</u>. We recognize that a standard drink may not be consistent across beverage alcohol categories, and that some single-selling units may be larger than those outlined in Canada's Low-Risk Alcohol Drinking Guidelines. Our role is to promote responsible and moderate consumption and prevent ads or inducements that may promote overconsumption, and this is the lens we take when analyzing the content of an ad.

MULTIPLE SELLING UNITS

When displaying multiple selling units in advertisements with people, one open or poured unit per person is allowed. All additional displayed beverage alcohol should be sealed.

If multiple selling units are displayed in an advertisement to display selection or quantity, most of the units should be sealed.

- Do show: two people at a table with a single serve poured each. An open bottle or can may be next to the poured glass.
- Do not show: two people at a table with 4-5 open bottles or a case.

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OTHER RESPONSIBLE ADVERTISEMENT CONTENT & CONSIDERATIONS

Ads that include the following are not permitted:

• Use offensive or discriminatory language: this includes, but is not limited to, language that may be construed to be racist, sexist, misogynistic, homophobic, incites hate in any form or ridicules a person.

For example:

- · Offensive use of sexual innuendo
- Discriminatory gearing the advertisement to be only for one gender or type of person
- Ridicules insinuating weakness if you don't like their product (e.g. "product is for real men.")
- Suggests that alcohol consumption is a rite of passage: alcohol cannot be portrayed as an important or vital part of a ceremony or event marking a milestone in one's life. It cannot be conveyed that consuming alcohol is necessary or helpful in obtaining social prestige, business success, popularity, or escape from personal problems.

For example, you cannot show:

• Young people starting university and purchasing alcohol to celebrate the start of frosh week.

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- An individual turning 19 and purchasing alcohol to mark their entry into adulthood.
- Depicts consumption in tandem with a skilled activity: alcohol cannot be shown while a skilled activity is performed as alcohol can impair coordination, hearing, vision, communication, and judgement. Skilled activities may require special training or knowledge, and if not completed properly due to impairment could impose a risk of harm. Alcohol can never be shown in scenes with heavy machinery or motor vehicles (including boats), while playing sports or while working.

For example:

- Hockey team cannot be shown on the ice drinking a beer, but a player could say "I can't wait to grab a (insert beer name) after the game."
- Office workers cannot be shown at their desk with an alcoholic beverage while performing work duties but could show the group going to grab a drink at a pub together after work.
- Depicts any illegal activity or glamourizes inappropriate or irresponsible consumption: Our values of respect, responsibility, and safety must always be followed. Illegal, unsafe, or risky behaviours can never be portrayed, even if meant to depict comedy.

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RESPONSIBLE ADVERTISING AND GIVEAWAY GUIDANCE

This means:

 Ads cannot indicate that alcohol may be consumed in any manner or place prohibited by federal, provincial, or municipal law or while committing a crime (e.g. committing vandalism while doing graffiti on the side of a building).

NOTE: Backgrounds containing scenes of campfires or water scenes (beach, lake, etc.), or provincial parks may have historically not been permitted for use in ads (as outdoor scenes had to portray private property). Moving forward, the NSLC will use the test of reasonableness in this scenario. We recognize the importance that landscapes and scenery play in the lives of Nova Scotians, and if the ad does not outwardly promote public consumption (such as having many people in a busy public area) the NSLC will take a reasonable approach.

 No drinking party scenes showing immoderate or extreme use of liquor, and no showing of any intoxicated person. (e.g. you cannot show a group of women having a "ladies' night out" and receiving gifted drinks and becoming intoxicated).

Other considerations:

Public Service Advertising must in our opinion, support a worthwhile cause, and not be solely a sales campaign. Public Sales Advertising may refer to the advertiser or product by company name or brand name with a slogan, but without describing the product.

Liquor prices or personal endorsements of liquor cannot be included in advertisements without express approval of the Responsible Retailing Advisor.

In the event there is a dispute whether the content of an ad violates any of the directives and guidance provided above, the NSLC's determination will be final.

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NSLC Logo and Asset Usage

The NSLC's brand logo is not permitted in the use of any external advertisement. The NSLC will permit the assets found below and on the <u>trade site</u> to be used. These assets highlight that the product can be purchased at the NSLC by using the text "available at the NSLC" and the wordmark that is separate from the NSLC brand logo.

Available at **NSLC**

Available at **NSLC**

Available at **NSLC**

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The use of the NSLC provided assets is permitted in social media advertisements. Any use of the NSLC asset, excluding social media advertisements, will require prior written approval from the NSLC Responsible Retailing Advisor (Ashley.McDonald@myNSLC.com).

NOTE: Please provide two weeks of notice for approval.

Beverage Alcohol Giveaways

Responsible sales and service practices must be reflected in giveaways and sponsorships. Responsible consumption must be promoted, and any method that may entice a customer to either purchase or consume additional beverage alcohol product is not permitted.

VOUCHER AND PRODUCT GIVEAWAYS AND SPONSORSHIPS

Manufacturers, agents, and retailers may engage in beverage alcohol giveaways to customer and community groups for the purpose of brand or product promotion or in response to customer complaints. Community groups include local sports teams and charitable organizations, and responsible sponsorships of community groups are permitted. PROMOTING RESPONSIBLE ADVERTISING, SALES AND GIVEAWAYS IN NOVA SCOTIA

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- Manufacturers and agents can provide vouchers for beverage alcohol giveaways.
- · Local manufacturers have the option to provide free product.
- Vouchers cannot be redeemed at Agency stores (more information on vouchers can be found in the Vouchers section on pages 26-27).
- Product purchased through the NSLC can be returned to the NSLC, or the manufacturer in the case of local manufacturers.

You can provide a reasonable and responsible donation of product to an organization doing charitable work in your community for an event where they are raising funds to support their cause. Beverage alcohol giveaways, and sponsorships, must include information that beverage alcohol can only be provided to, and responsibly consumed by, individuals over the age of 19.

All beverage alcohol giveaways must align with our values of responsibility and care. Irresponsible or excessive giveaways will not be permitted. The NSLC may publish limits on the amount of beverage alcohol given in a period or promotion. The NSLC will permit the following limits for giveaways:

- One 12-pack per month over the course of a year; or,
- Six cases of 24 over the course of a year (redeemed bi-monthly)

These limits are the maximum permitted for any giveaway that may be marketed as "Beer for a Year" or "Beer for Life."

Vouchers for extended giveaways cannot be redeemed all at once. Per the social media guidelines, giveaways to social media influencers must follow all guidance provided—including age 19+, audience age of majority and providing standard selling units.

Manufacturers shall log and record quantity of beverage alcohol and customer name for all beverage alcohol giveaways, including vouchers and log all voucher control numbers issued to sales representatives. Records on beverage alcohol giveaways, including vouchers, shall be kept for a minimum of six years.

EMPLOYEE GIVEAWAYS

Manufacturers and agents may engage in beverage alcohol giveaways to their employees. Beverage alcohol giveaways to employees cannot be used as a replacement of wages or as a bonus, (e.g. cannot be an incentive to increase producer volume or share) but are permitted as a standard benefit of employment. Per the <u>Permit Holder Guidebook</u>, employee giveaways can be done through:

- · Product sold from the manufacturer's retail store
 - Note: product must be included in the Retail Sales Markup Allocation "RSMA" reporting
- Vouchers redeemable at an NSLC store
- · Pre-paid credit cards used at an NSLC store

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Vouchers

Vouchers are required for beverage alcohol giveaways to be redeemed at NSLC retail stores or Private Wine and Specialty Stores, they cannot be redeemed at Agency stores. Voucher designs are solely your responsibility, and an example template can be found below.

	DDUCT VOU		
PO-	Manufacturer name or identifier Package size Package format (bottle, can, or List of products available, when	box)	Control number
Author	ized signature line	Customer signatur	e line

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Voucher designs must include the following:

- Control numbers and a dedicated character code to track
 redeemed vouchers
- Producer name or identification
- **Package size and format** to ensure the right selling units are included (give specifics around number in package and whether bottles or cans, etc.)
- · List of replacement products at the same retail price
- Authorized signature and customer signature line also for authentication and tracking purposes
- The words "exchange for specific manufacturer product only" and "not redeemable for cash"
- Security features to ensure the voucher (redeemable at NSLC) cannot be duplicated (e.g. security ink or hologram, barcode, scratch off codes or other featured approved by the NSLC.)

The NSLC will reconcile vouchers and bill manufacturers for the retail value of the product. Vouchers are billed back to the vendor at retail price to recoup what would have been collected from the customer at shelf/retail price.

Vouchers used at NSLC retail stores shall be promptly paid for (within 30 days) when billed back to manufacturers or agents.

The NSLC shall maintain copies of vouchers for seven years and destroy them when the retention period has expired for record keeping purposes. PROMOTING RESPONSIBLE ADVERTISING, SALES AND GIVEAWAYS IN NOVA SCOTIA

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Non-beverage Alcohol Giveaways

Manufacturers, agents, and retailers may engage in nonbeverage alcohol giveaways with customers and community groups for the purpose of product promotion or customer complaint.

Non-beverage alcohol giveaways with a retail value of \$250 or greater shall be logged indicating the product included and the customer's name. Records of non-beverage alcohol giveaways shall be kept for seven years.

Oversight and Accountability

As the responsible industry steward, it is our role to ensure that ads, giveaways, sponsorships, and all activities related to the beverage alcohol industry in the Province of Nova Scotia are conducted responsibly.

The NSLC will review all labels at the time of listing application. Through the Category team, new or revised labels may be referred to the Responsible Retailing Advisor, Ashley McDonald, prior to approval for listing.

Other advertisements and promotions will be reviewed on an as needed basis. If the NSLC requests that you submit an ad or giveaway information you will be provided with advance notice.

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Please contact, **Ashley McDonald**, Responsible Retailing Advisor at <u>Ashley.McDonald@myNSLC.com</u> or 902-450-5875 if you have concerns or questions.

The NSLC will follow a complaints-based model for advertising and giveaways. If it comes to our attention that an ad, giveaway, sponsorship, or other activity may be in violation of our policy or other regulations, our first step for enforcement will always be education. This means we will conduct outreach to provide information on how the ad, giveaway, etc., is in violation, respond to any questions, and allow the opportunity to address the issue.

If the issue must be escalated beyond education (due to refusal to address issues, or repeated violations), we assume all responsibility for enforcement action.

Enforcement may involve:

- Suspension or cancellation of permits and/or rights granted within permits
- Suspension or cancellation of Registered Representative privileges
- De-listing of products by NSLC stores for specific periods
- Fines, summary offense tickets, or prosecution in accordance with the Liquor Control Act

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Enforcement action will always be at the discretion of the NSLC and may depend on the outcomes of conversations, and as such will be dealt with on a case by case basis.

We look forward to continuing our work with you as we Come Together for the Good of Nova Scotians and helping them celebrate responsibly. We are here to support you with responsibly promoting your products and brand in the province of Nova Scotia. Please let us know if you have any questions.

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