# Yukon Liquor Corporation Wholesale Pricing - the Fine Print

# January 22, 2015 - YLC announces wholesale pricing media release

## Overview

While licensees will begin to benefit from wholesale pricing as of February 1, 2015, time is required to make adjustments to YLC's computer system. Licensees will be charged the retail prices at the time of picking up their order and rebate cheques will be issued for the difference between wholesale and retail prices.

## Who is eligible for wholesale pricing?

All annual or seasonal licensees qualify, whether they are Liquor or Food Primary. Permit holders (eventbased permits) do not qualify for wholesale pricing.

## What is the wholesale price?

In general terms, the wholesale price will be 10% off the YLC retail base price. A wholesale price list has been created and provided to all licensees to aid them in calculating the cost of their orders. The YLC computer system will also be reprogrammed to provide wholesale prices when calculating licensee orders for billing.

## When will the wholesale prices come into effect?

Licensees will be able to purchase liquor products at wholesale prices effective February 2, 2015. Licensees will be charged retail prices at the time of picking up their order; rebate cheques will then be issued for the difference between wholesale and retail prices.

## When will rebate cheques be issued?

The amount of rebate for each licensee will be determined during the first week in March (for February purchases), the first week in April (for March purchases), and so on for the following months. Rebate cheques should be in the mail by no later than the 2nd week of each month, along with a summary for each licensee for their records.

## When will licensees be charged the wholesale price at the time of order?

Licensees will be charged the retail prices at the time of picking up their order and rebate cheques will be issued for the difference between wholesale and retail prices.

## Will the wholesale price apply to the stock picked up after February 1st?

Yes, all liquor products ordered or picked up on or after February 1st 2015 will be under the wholesale pricing policy. But as noted above, retail prices will be charged at the point of purchase, and rebate cheques for the difference will be issued within the next month.

## How will the wholesale price affect off-sales mark-ups?

Yukon Liquor Regulations state that off-sales pricing cannot be more than 30% above Yukon Liquor Corporation stores' *retail price*. Therefore, wholesale pricing has no impact on off-sales pricing, other than giving licensees enough margin to sell product cheaper should they wish to do so.

## Will the wholesale price apply to stock returns?

Yes, returns will be credited at wholesale prices.

## Are any other changes considered such as charge accounts for licensees?

Not at this time; all sales will continue to be on a cash basis for all licenses.