FREQUENTLY ASKED QUESTIONS
New Product Information Sheet

Q1: What is the New Product Information Sheet?

A1: The New Product Information Sheet is a form for Trade agents/representatives to use when approaching our store managers to consider a new product in their store. The completed form is the basis for a discussion with the store manager, who uses the information presented to make a decision whether or not to list the product.

Q2: Why is the LCBO introducing the New Product Information Sheet?

A2: The LCBO is introducing the New Product Information Sheet as a consistent way of listing new products at the store level. The use of the sheet will encourage listing decisions that emphasize the sales, marketing and promotion of products and will therefore lay the foundation for a more productive business relationship with our Trade partners.

Q3: How does the New Product Information Sheet benefit me?

A3: The New Product Information Sheet will:

- Bring transparency to the new product information process at the store level
- Permit a more timely, fact-based evaluation and decision
- Allow for a tighter process for follow-through and follow-up
- Help maintain a dynamic store product assortment, to the benefit of our mutual customers

WHEN TO USE THE FORM

Q4: When should the New Product Information Sheet be used?

A4: The New Product Information Sheet should be filled out to introduce general list products at the store level, when the store currently does not carry the listing.

The sheet WILL NOT BE required for new products introduced at the corporate/warehouse level, in stores where the product is force allocated.

Q5: If a licensee, agency, or operator requests a product that is currently not carried by the store, does the New Product Information Sheet need to be used?

A5: The New Product Information Sheet is for Trade agent requests only; it does not need to be used to bring in products requested by licensees, agencies, operators or for other, specific customer requests.

Q6: Are New Product Information Sheets required for seasonal products (ie: summer coolers, Christmas packages) that the agent/supplier wishes to distribute to a large number of stores?

A6: If the product has been identified for LCBO distribution by the LCBO Category Director/Product Manager, it will already be force allocated to selected stores, and the New Product Information Sheet will not be required. The sheet will also not be required if it is part of a blanket seasonal product promotion.

Q7: Are New Product Information Sheets required for promotional products, if the store doesn't currently carry that SKU or size?

A7: No, a New Product Information Sheet will not be required for promotional products if the store does not currently carry that SKU or size. Please adhere to the corporate guidelines for the promotion.

Q8: When a store manager or designate decides to list a product on their own, will the agent/representative be required to fill out a sheet?

A8: No, a New Product Information Sheet will not be required when a store manager or designate decides to list a product on their own.

Q9: What happens if an agent/representative wants to introduce more than one new product to the store at a time?

A9: If an agent/representative is introducing more than one product at a time, they must complete an information sheet for each product. Only one form is required if the agent introduces more than one size of a product at the same time.

FILLING OUT THE FORM

Q10: What is the LCBO Merchandising Circular and where can it be obtained?

A10: The LCBO Merchandising Circular is faxed to the agent head office when the new product is released corporately (at the warehouse level). If this is not readily available, the circular can be obtained through the local LCBO store.

Q11: What is meant by "Product Category"?.

A11: Product category refers to one of the three product categories of the LCBO – Wines, Spirits or Beer and Special Markets. If the product can be further classified into a subcategory or set (ex: Wine – Ontario, Spirits-Whisky, etc.) this would also be helpful.

Q12: What is the difference between "agent" and "supplier" as it appears on the form?

A12: In some cases, the company representing the brand to our stores (the agent) is different from the company that produced the product (supplier).

Q13: Why is information on "Local Area Stores Carrying Product" requested?

A13: The intention of "Local Area Stores Carrying Product" is to identify any stores already carrying the product being introduced, that are in the vicinity of the store for which a listing application is being made. The comparison with other local stores will assist both the agent/representative in making a business case, and the store manager in making an informed decision.

Q14: Must the "Planned Local Tasting Events" already be approved?

A14: We appreciate that there may be a time lag between the submission of promotional plans for a product and their approval. Therefore, we request that the agent/representative provide information on the promotional support that they anticipate for the product.

Q15: What information should be included in the section "What is the product designed to do in this category?

A15: The information provided in this section should detail how the product will migrate customers from a particular customer demographic or across a category, up-sell customers to a premium price, or cross-sell customers within a suite of brands and among product sets and sub-sets.

Q16: What is meant by "anticipated product placement"?

A16: "Anticipated product placement" refers to where the product would appear on the shelf, the set and sub-set that it would be grouped in, and/or comparative products that it would be placed beside.

Q17: When introducing a new product into a store, the agent/representative may not know what the sales targets for that store should be. How should this be addressed?

A17: The store-specific sales estimate may be derived based on the agent/representative's previous experience with similar products introduced to the store. The estimate should be derived collaboratively, based on a discussion with the store manager, who can also provide some insights.

PROCESS

Q18: Can the agent/representative e-mail the report directly to the LCBO stores?

A18: The LCBO stores do not have external Internet access. Most stores have a fax machine, and the report can be sent via fax. If the agent/representative has difficulty sending the material by fax, they can contact the LCBO Customer Service department and forward the information to the store through them.

Q19: An Agent/representative with many stores to visit won't have the time to make an appointment to meet with the store manager.

A19: The LCBO strongly recommends that the New Product Information Sheet be reviewed face to face with the store manager or designate, as this allows for a more comprehensive discussion of the product, and of its fit with the store's assortment. Agents/representatives who follow a regular schedule of visits may wish to work the discussion into their itinerary. However, we recognize that there may be limitations from time to time that prevent a face to face meeting. In these circumstances, a telephone discussion can be arranged with the store manager.

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Q 20: On what basis is the store manager' decision made?

A20: The store manager's decision will be based on an evaluation of the product to ensure a balanced and dynamic assortment in the store. The merits of each product will be considered at the time of the listing submission; not on a first-come, first-served basis. The store manager will take into account how the product:

- Meets store goals and objectives
- Suits store demographics
- Contributes to price point/margin
- Contributes to performance of products in a particular set/sub-set
- Performs in other stores in the vicinity
- Enhances product selection unavailable in nearby stores
- Fits the promotional plan
- Will be supported by the Trade representative
- Will be measured

Q21: What is the recourse if a store manager/designate says no to the listing request?

A21: If the product proves to be performing well in other, neighbouring stores, and the agent/representative feels that there is a strong case to be made to bring the product into that store, then the request can be re-submitted.

Q22: If a store manager discontinues a product from his/her store, when is the timeframe to revisit that product?

A22: There is no set timeframe for revisiting the product. However there must be compelling evidence of performance in neighbouring stores in order for the store manager to reconsider the product.

Q23: Does the district manager receive a copy of the sheet and decision from the store manager?

A23: A copy of the sheet with the decision will be kept on file in the store and will be reviewed as required by the district manager.

Q24: Does the agent/representative get a copy of the acceptance/rejection?

A24: If requested, the agent/representative will be provided with a copy of the decision upon their next visit to the store.

Q25: Once the listing for the new product is approved, where is it placed on the shelf?

A25: The new product will be given a favourable shelf position in accordance with the guidelines established by the LCBO's Sales and Marketing Division. The goal of the guidelines is to encourage trails of new products that will lead to incremental and repeat purchases. Placement of the new product is in large part determined by the space available within the product's Set/Subset.

Q26: Once the listing for the new product is approved, is the listing still subject to One-In/One-Out?

A26: Once the listing for the new product is approved, the listing is still subject to One-In/One-Out. However, when new products are brought into the store at the manager's discretion, they are usually retained for three months to see how the product will perform in the store.

Q27: What will happen to a brand that is listed for the IMAGE period, but is not normally carried in the store?

A27: In compliance with the corporate program, the IMAGE store manager must list the product for the IMAGE period. Following the period, it will be up to the store manager's discretion to retain or discontinue the product. The agent/representative may submit a New Product Information Sheet to make a business case for retaining the product at this time.