

March 30, 2015

To: All Trade Associations

Dear Trade Partner:

The Canadian Pallet Council (CPC), through its members, voted to dissolve the CPC effective March 23rd, 2015. The CPC office will close April 30th, 2015, and CPC Membership and Support will cease operation May 29th, 2015.

In light of this development, please note the following important transition timeline:

- As of May 24th, 2015 (Start of Period 3 2015-16), the LCBO will no longer be exchanging CPC pallets with its trade partners. CPC pallets shipped to LCBO Retail Service Centres will not be exchanged, reimbursed or returned.
- LCBO will recognize only the reconciled pallet balance owing as of May 23rd, 2015 (End of Period 2 2015-16), and there will be no exceptions.
- LCBO will allow all trade partners to reconcile their balances until June 30th, 2015.
- LCBO Retail Service Centres will continue with the normal scheduled pallet returns until balance owing is depleted. We are targeting completion of the pallet returns by September 12th, 2015 (End of Period 6 2015-16). Please note that companies with less than a full trailer load of pallets owed will be responsible for scheduling an appointment to pick up pallets using their own carrier.

LCBO requires all suppliers who prepare orders for delivery to LCBO Retail Service Centres from anywhere within Continental North America, to begin sourcing and converting to alternative 48" x 40" LCBO compliant pallets.

LCBO will update its current Product Packaging Standards to exclude all references to CPC pallets, and will produce and publish a comprehensive pallet design specification guide, as a supplement to the Product Packaging Standards document.

Please note that LCBO does not plan to participate in any other pallet exchange programs. We will continue to accept CHEP pallets (bloc and stringer). Suppliers will be responsible for the sourcing and paying of all costs associated with supplying compliant pallets for deliveries to LCBO Retail Service Centres.

Please share this information with your members, and have them direct any questions to myself or Michael Nachuk, Assistant Manager, Quality Services: michael.nachuk@lcbo.com or 416-846-6733. Inquiries related to reconciliation of a supplier's pallet balance should be emailed to: PalletControlHO@lcbo.com.

Sincerely,

Stephen Cater

Director, Quality Assurance, LCBO

Stephen Cater

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