



WINE COUNCIL  
OF ONTARIO



# AGCO REGULATORY REVIEW

## MODERNIZING THE BEVERAGE ALCOHOL INDUSTRY

Update to Town Hall meeting  
October 29, 2014

# AGCO - REGULATORY MODERNIZATION IN ONTARIO'S BEVERAGE ALCOHOL INDUSTRY

- AGCO began industry consultations in Fall of 2013
- Findings Report was issued March 2014
- PAUSE during the Provincial election campaign
- Announcement by AGCO September 2014
  - **Approved an initial series of policy reforms – 3 of the issues highlighted in the Findings Report will be looked at first**
    - 1. Licensing reform for Manufacturers
    - 2. Reforming the 'Batch Still Capacity' requirement for distillers
    - 3. Modernizing the Ancillary Items List for sale at on-site retail stores



# LICENSING REFORM FOR MANUFACTURERS

- WCO Participant – Allan Schmidt
- Specifically looking at:
  - Consolidating application process for manufacturers' licenses and related authorizations
  - Harmonizing license renewal dates
  - Increasing the term for licenses (i.e. more than one year)
  - Introducing 'risk-based' principles and simplifying renewal process



# REFORMING 'BATCH STILL CAPACITY' REQUIREMENT FOR DISTILLERS

- WCO Participant – Jeff Aubry
- Specifically looking at:
  - Reducing the current 5,000 litre threshold in order to open and operate an on-site distillery retail store.
  - Unfortunately, earned margins are not part of the AGCO review (not their jurisdiction)



# MODERNIZING ANCILLARY ITEMS LIST FOR SALE IN ON-SITE RETAIL STORES

- WCO Participant – Duncan Gibson
- Looking at selling items that “promote and support the local cultural, historical and culinary experience, while ensuring focus remains on responsible sale of alcohol”
  - Less restriction on books, including cookbooks/recipes
  - Produce, especially that grown on same winery property
  - Local food products – cheese, meats (charcuterie), fruits and dried fruits, jams, honey, maple syrup, etc.
  - Other ‘local’ foods – bread and bread products, crackers, nuts, spices, herbs, oils, pasta, coffee/tea
  - Local crafts





## OTHER REFORMS

- Announced as DONE (effective September 15, 2014):
  - May extend payment terms up to 30 days
  - **ALL WINERIES** (regardless of date of Manufacturers' License) **MAY NOW** produce/sell ICB wine at their on-site retail stores
  - All sales staff at manufacturer retail stores will be required to complete a 'responsible service training course' (effective date January 1, 2015)

