

Liquor Supplier Social Responsibility Survey

Background

The Washington State Liquor Control Board's top priority is to promote public safety. In particular, the Board is concerned about public safety as it pertains to responsible use and preventing underage drinking. Suppliers, distributors, and brokers also care and their actions can significantly affect attitudes though their interaction with licensees as well as their advertising and promotional materials. The responsibility of industry to be aware of its effect on responsible consumer behavior, the community, and environment, is commonly known as "social responsibility."

The Board developed the Liquor Supplier Social Responsibility Survey in order to define and encourage the desired social responsibility activities of suppliers, increase awareness of supplier programs, and build a platform from which we can gather and share best practices.

The following Q&A provides more insight to the program, its development, and challenges.



What is the "Supplier Social Responsibility Survey?"

The Supplier Social Responsibility Survey is a mechanism for suppliers to share their social responsibility business practices in the communities where they do business, with particular focus on activities in Washington State. We recognize that suppliers will be at different stages of growth in their social responsibility programs and some may not be able to provide answers for every question.

What are the topics covered in the Survey?

- Minimizing youth exposure to and impact of alcohol advertising.
- Providing and/or supporting education and tools to prevent underage access and use.
- Providing and/or supporting education and tools to prevent over-consumption and encourage responsible use.
- ➤ Being a good steward of your local community and the environment (in support of Governor Gregoire's "Green Initiative").

What is the purpose of the Survey?

- > To fully understand all the social responsibility activities and initiatives already implemented by LCB suppliers
- > To identify ideas and best practice that can be shared with to suppliers that may not be as developed in their social responsibility programs
- > To recognize companies with best-in-class social responsibility programs
- > To consider supplier social responsibility efforts as one additional component in business decisions

What are examples of LCB business decisions that may be influenced by the survey results?

- Product listings
 Product promotional opportunities
- Product de-listingsParticipation in program development

How was the survey developed?

The LCB formed a workgroup of staff from multiple divisions as well as representatives from spirit suppliers, wine suppliers, distributors and the prevention community. Both small and large companies were invited to be part of this workgroup. This group worked collaboratively to provide input at each stage of the survey development.

Which suppliers will be required to take the Survey?

All of the LCB's largest suppliers - which make up a total of 85% of our case volume – will be asked to complete the Survey. Other suppliers will be asked to complete the Survey when they come to present a product for listing (if they haven't already completed one in the past year).

How will the program be implemented?

There will be a six month pilot of the Supplier Social Responsibility Survey to determine its effectiveness. The pilot will begin once all involved suppliers have completed the survey.

- ➤ In July 2009, approximately eight suppliers will complete the survey
- ➤ In September 2009, the remaining large suppliers, who supply 85% of the product we sell, will complete the survey.
- Beginning in January 2010, non-scorecard suppliers presenting new products for listing consideration will begin completing the survey. With survey results available from all suppliers presenting new products, staff will begin considering the survey data in the business decisions, and compiling best practices.
- ➤ In June 2010, at the conclusion of the six month pilot, the survey program will be reviewed with the Board to determine if any changes need to be made.

What are the key issues associated with the Survey?

- ➤ Larger companies may have diverse operations, and require a number of different departments responsible for programs and initiatives to complete the survey.
- ➤ Companies may have a concern about the proprietary nature of the requested information, given public disclosure requirements. Companies with this concern are encouraged to contact Debi Besser, Director of Purchasing, to discuss options.
- ➤ Educating the supplier community about the purpose of the survey, so that they see it as an opportunity to share their social responsibility program and be exposed to best practices.

How frequently will suppliers be asked to take the survey?

Suppliers will need to complete the survey once a year. This annual update provides an opportunity to share new initiatives, or provide updated results from existing programs.

Who do I contact to learn more about this program?

Debi Besser, Director of Purchasing for the Liquor Control Board: 360-664-1668 or djb@liq.wa.gov.