

<u>DOUBLE UNDERLINE ARE ADDITIONS TO CURRENT RULES</u>		
EXISTING RULE	PROPOSED RULE	COMMENTS
<p>Regulation 47-950. Display of Alcohol Beverages Immediately Adjacent to Soft Drinks, Fruit Juices, Bottled Water, Candy, or Toys.</p>	<p>Regulation 47-950. Display of Alcohol Beverages:</p> <p>1. Immediately Adjacent to Soft Drinks, Fruit Juices, Bottled Water, Candy, or Toys <u>or</u></p> <p><u>2. Merchandised near checkout stands or customer ingress and egress areas.</u></p>	
<p>Basis and Purpose.</p> <p>The statutory authority for this regulation includes but is not limited to subsections 44-3-202(1)(b), 44-3-202(2)(a)(I)(A), and 44-3-202(2)(a)(I)(R), C.R.S. The purpose of this regulation is to prevent consumer confusion regarding whether a beverage contains alcohol and to help prevent sales of alcohol beverages to persons under 21 years of age.</p>	<p>Basis and Purpose.</p> <p>The statutory authority for this regulation includes but is not limited to subsections 44-3-202(1)(b), 44-3-202(2)(a)(I)(A), and 44-3-202(2)(a)(I)(R), C.R.S.</p> <p>The purpose of this regulation is:</p> <p>1. to prevent consumer confusion regarding whether a beverage contains alcohol and to help prevent sales of alcohol beverages to persons under 21 years of age and</p> <p><u>2. to reduce the likelihood of unplanned impulse purchases of alcohol beverages by individuals with substance use disorders.</u></p>	
<p>A. Definition.</p>	<p><u>A. Definitions.</u></p>	
<p>1. As used in this regulation, "immediately adjacent" means directly touching or immediately bordering one another from above, below, or the side, for example, on a shelf directly above or below another shelf; or on a shelf, cooler shelf, or display (including permanent or temporary displays) that is adjacent to another shelf, cooler shelf, or display shelving units on the opposite side of an aisle.</p>	<p>1. As used in this regulation:</p> <p>(a) "Immediately Adjacent" means directly touching or immediately bordering one another from above, below, or the side, for example, on a shelf directly above or below another shelf; or on a shelf, cooler shelf, or display (including permanent or temporary displays) that is adjacent to another shelf, cooler shelf, or display shelving units on the opposite side of an aisle.</p> <p><u>(b) "Retail Merchandising" means the ways retailers make their merchandise available in stores including location, proximity to shopping pathways, shelf placement, placement near other products, audiovisual enhancements to the product appearance.</u></p> <p><u>(c) "Eminent Placement" means the Retail Merchandising of an alcohol beverage in the vicinity of checkout stands or customer ingress and egress areas such that shoppers cannot choose to avoid them.</u></p>	<p>Why opposite side of the aisle? How wide is the aisle? Anywhere on in the aisle on the opposite side? What if it is a 50 foot aisle?</p>
	<p>(See additional definitions in Sections C and D below)</p>	

EXISTING RULE	PROPOSED RULE	COMMENTS
<p>B. Alcohol Beverages Immediately Adjacent to Soft Drinks, Fruit Juices, Bottled Water, Candy, or Toys.</p>	<p><i>See new section C below</i></p>	
<p>Any retail liquor store, liquor licensed drug store, fermented malt beverage and wine retailer, or fermented malt beverage on/off premises licensee that locates, places, or displays (including permanent or temporary displays) alcohol beverages immediately adjacent to soft drinks, fruit juices, bottled water, candy, or toys, shall:</p>		
<p>B. 1. Place signage that is clearly visible to consumers on any such shelves, cooler shelves, or displays (including permanent or temporary displays) that contains alcohol beverages and is immediately adjacent to soft drinks, fruit juices, bottled water, candy, or toys. This signage must:</p>		
<p>a. Be at least 8.5 x 5.5 inches or 4.2 x 11 inches, depending on the orientation of the sign;</p>		
<p>b. Use a font size of at least 40 points in black ink; and</p>		
<p>c. State “THESE PRODUCTS ARE ALCOHOL BEVERAGES AVAILABLE FOR SALE ONLY TO PERSONS WHO ARE 21 YEARS OF AGE AND OLDER.”</p>		
<p>B. 2. Signage may contain only retailer store branding or logos, but may not contain branding or logos of any alcohol beverage brand, manufacturer, or wholesaler.</p>		

EXISTING RULE	PROPOSED NEW SECTION C	COMMENTS
<p><u>Display of Alcohol Beverages Immediately Adjacent to Soft Drinks, Fruit Juices, Bottled Water, Candy, or Toys or with Eminent Placement near checkout stands or customer ingress and egress areas.</u></p>	<p><u>C. Alcohol Beverages with Eminent Placement near check out stands or customer ingress and egress areas.</u></p>	
	<p><u>Any retail liquor store, liquor licensed drug store, fermented malt beverage and wine retailer, or fermented malt beverage on/off premises licensee that uses Eminent Placement of alcohol beverages near check-out stands or customer ingress and egress areas, shall:</u></p>	
	<p><u>C. 1. Place signage that is clearly visible to consumers on any such shelves, cooler shelves, or displays (including permanent or temporary displays) that contain alcohol beverages with Eminent Placement near check out stands or customer ingress and egress areas.</u></p> <p><u>This signage shall:</u></p>	
	<p>C. 1. a. Be at least 8.5 x 5.5 inches or 4.2 x 11 inches, depending on the orientation of the sign;</p>	
	<p><u>C. 1. b. Use a font size of at least 40 points printed in black ink on a white or yellow background; and</u></p>	
	<p><u>State “GOVERNMENT WARNING: (1) According to the Surgeon General, women should not drink alcoholic beverages during pregnancy because of the risk of birth defects. (2) Consumption of alcoholic beverages impairs your ability to drive a car or operate machinery, and may cause health problems”</u></p>	
	<p>C. 2. Signage may contain only retailer store branding or logos, but may not contain branding or logos of any alcohol beverage brand, manufacturer, or wholesaler.</p>	

DEFINITIONS REQUIRED FOR NEW SECTIONS C AND D		
	<p>1. As used in this regulation:</p> <p><u>(a) "Immediately Adjacent" means directly touching or immediately bordering one another from above, below, or the side, for example, on a shelf directly above or below another shelf; or on a shelf, cooler shelf, or display (including permanent or temporary displays) that is adjacent to another shelf, cooler shelf, or display shelving units on the opposite side of an aisle.</u></p> <p><u>(b) "Retail Merchandising" means the ways retailers make their merchandise available in stores including displays, location, proximity to shopping pathways, shelf placement, placement near other products, and audio or visual enhancements to product appearance.</u></p> <p><u>(c) "Eminent Placement" means the Merchandising of alcohol products in the vicinity of checkout stands or customer ingress and egress areas such that shoppers cannot choose to avoid them.</u></p> <p><u>(d) "Small Business" means a grocery retail location with:</u> <u>(i) less than 15,000 square feet of selling area or</u> <u>(ii) less than \$30 million per year in gross receipts.</u></p> <p><u>(e) "Very Small Business" means a grocery retail location with:</u> <u>(i) less than 5,000 square feet of selling area or</u> <u>(ii) less than \$6 million per year in gross receipts.</u></p>	
		<p>Retail Merchandising is a useful catch-all term for where product is physically placed in the store or on a display or near other products, or in the main pathways of shopper movement.</p> <p>Eminent placement is a useful term to capture how a retailer will place alcohol in the direct path of shoppers coming and going, or standing at the cash register waiting to check out.</p>

EXISTING RULE	PROPOSED NEW SECTION D	COMMENTS
	<u>D. Exemptions for Small Business and Very Small Business</u>	
	<u>A. 1. A Small Businesses is exempt from restrictions on Retail Merchandising of alcohol beverages if:</u>	
	<u>A. 1. a. relocating a cooler installed connected to electriccal service and drainage would cause economic hardship or business disruption.</u>	Many grocery stores have very limited electric and drain infratucture availale to move displays, even when space is available. It's also difficult to install or relocate.
	<u>A. 1. b. insufficient space exists to relocate a display</u>	
	<u>A. 1. c. selected location of alcohol is required to prevent theft or in-store consumption. Provided that</u>	Many Small Businesses depend on human observation to reduce losses, and cannot survive excessive theft or instore-consumption.
	<u>A. 1. d. nothing in this section exempts a Small Business from compliance with advertising and warning sign rules.</u>	
	<u>A. 2. A Very Small Business is exempt from restrictions on Retail Merchandising of alcohol beverages if:</u>	
	<u>A. 2. a. relocating a cooler installed connected to electriccal service and drainage would cause economic hardship or business disruption.</u>	This section appears redundant, but certain restrictions on Small Business may not be applicable to Very Small Business, so this section is reserved for those special exemptions.
	<u>A. 2. b. insufficient space exists to relocate a display</u>	
	<u>A. 2. c. selected location of alcohol is required to prevent theft or in-store consumption. Provided that</u>	
	<u>A. 2. d. nothing in this section exempts a Very Small Business from compliance with advertising and warning sign rules.</u>	