

REFUNDABLE EMPTY KEG DEPOSITS

Agencies/Manufacturers can process refundable empty keg product container deposits in one of three ways. You can:

1. Use the Connect Logistics Services (CLS) Keg Deposit Program (KDP); or
 2. Facilitate your empty keg deposit return(s) via the AGLC invoicing process (self-distribution); or
 3. Separately manage a keg deposit program of your own (self-distribution).
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1. CLS Keg Deposit Program (Distribution through CLS)

If you want to use the CLS Keg Deposit Program:

1. You will need to advise AGLC Product & Pricing (P&P) pricing@aglc.ca that you want to participate in the KDP.
2. The AGLC P&P team will then set up an Empty Keg Product Code and send it to CLS at connect.agents@exel.com.
3. The AGLC P&P team will contact you advising you of the empty keg product code. You can then go ahead and register product on the Liquor Agency Portal (LAP). If the keg products are already registered, submit a list of revised prices which will have the keg deposit included in the invoice price to pricing@aglc.ca.
4. When registering the keg on LAP you must ensure that:
 - a. The invoice price includes the refundable keg deposit;
 - b. the “KEG” option keg is selected as the container; and
 - c. The \$30 container deposit amount is selected.
5. You will need to advise CLS Agent Services at connect.agents@exel.com, which SKUs to enroll in the KDP program.
6. When a licensee orders and pays the wholesale price (which includes the refundable keg deposit) you will get paid the invoice price for the sale (this includes the refundable keg deposit).
7. When the licensee returns the empty keg to CLS, CLS processes the keg return in the system using the Empty Keg Product Code. This flows to the consignment payment. It is deducted and shows as a deduction under the Empty Keg Product Code.
8. A credit for the licensee will then be set up. The credit gets automatically applied to that licensee’s next order.

2. Facilitated by the AGLC – (Self-Distribution by Manufacturer)

If you want to facilitate empty keg deposit returns via the AGLC invoicing process (self-distribution);

1. You will need to advise AGLC Product & Pricing (P&P) pricing@aglc.ca that you will be self-distributing your product and will use AGLC to facilitate processing your refundable keg deposits.
2. The P&P Team will then set up an **Empty Keg Product Code** and provide it to you
3. When registering the keg on the Liquor Agency Portal you must ensure that:
 - a. The invoice price includes the keg deposit;
 - b. The “KEG” option is selected as the container; and
 - c. The \$30 refundable container deposit amount is selected.
4. When a licensee orders and pays the wholesale price (which includes the refundable keg deposit), the manufacturer gets paid the invoice price for the sale (which also includes the refundable keg deposit).
5. When the licensee returns the empty keg to you, you will need to enter the keg return in the Sales Transaction File using the **Empty Keg Product Code**.
6. A empty keg deposit refund (credit) can be submitted in one of two ways:

Option 1: On its own (as its own sales invoice); or

Option 2: As part of another sales invoice.

Option 1: (As its own sales invoice):

To submit your empty keg deposit refund independently:

Enter the following in the Sales Transaction file:

- **Licensee Sold To** – Enter Licensee number
- **Product Code** – Enter the **Empty Keg Product Code** (6 digit number that starts with a 9).
- **Invoice Number** – Enter a new invoice number and submit on a separate line on your sale file (**do not use the original invoice number**). *See Example 1.*
- **Quantity** – Enter number of returned kegs.
- **Selling Price** – Enter **single** refundable keg deposit amount – **use positive numbers only** (no plus or minus signs, no brackets).
- **Credit Note # Column** – Enter any number you choose up to a maximum of three digits (**not the amount**). Once entered in this column this credit note number (that you assign) triggers our system to read the entry as a credit instead of a sale.

Once you have submitted your sales transaction file you will need to contact LiquorRevenue@aglc.ca to inform them how you would like the credit processed. You can either:

- (a) Request that the refund be issued to the licensee as a cheque; or
- (b) Request that the keg credit remain on the licensee account and applied to their next order from the same manufacturer (that the original credit was given). If you choose this option you will need to inform the licensee to short-pay their next order by the amount of the keg credit.

Option 2: (As part of another sales invoice):

To submit your empty keg deposit refund as part of another sales invoice:

Enter the following in the Sales Transaction file:

- **Licensee Sold To** – Enter Licensee number
- **Product Code** – Enter the **Empty Keg Product Code** (6 digit number that starts with a 9).
- **Invoice Number** Enter the same invoice number as your sales invoice and submit it on separate line in your sales file. *See Example 2.*
- **Credit Note # Column** – Enter any number you choose up to a maximum of three digits (**not the amount**). Once entered in this column this credit note number (that you assign) triggers our system to read the entry as a credit instead of a sale.

The AGLC will apply the credit to the next invoice amount to reduce the amount owing on the next licensee purchase from the same manufacturer (that the credit was originally given) or the credit note can be applied to and remain in the licensee account (to be redeemed on future orders from the same manufacturer).

7. The AGLC then deducts the empty keg deposit from the next payment to the manufacturer since the deposit was paid by the licensee in the invoice price. ***It is recommended that the manufacturer keep track of deposits on a separate document.***

3. Independently managing keg deposit returns (Self-Distribution by Manufacturer)

1. You can choose to manage your own empty keg deposit(s) independently. In that case, the AGLC does not need to be involved and the AGLC will not setup an Empty Keg Product Code. In this case, you DO NOT include the empty keg deposits in your sales transaction file.
2. It is recommended that you set up a separate account for the keg deposits only and/or keep track of deposits on a separate document.

Other Programs

Keg Share/Rental Program

Some companies such as Keg Share offer keg rental options where you can rent kegs from a shared pool. More information can be found at www.KegShare.ca or you can contact Connect Agency Services at connect.agents@exel.com.