

VIA EMAIL Ref. 658639

December 20, 2023

Jeff Guignard, Executive Director
The Alliance of Beverage Licensees (ABLE BC)
200 – 948 Howe Street
Vancouver BC V6Z 1N9
Email: Jeff@AbleBC.ca

## Dear Jeff Guignard:

Thank you for your feedback concerning the provincial Cannabis Retail Store (CRS) licence cap, as well as your thoughtful recommendations on tied house restrictions, the licence transfer process and distance criteria for cannabis retail stores.

On behalf of staff within the Liquor and Cannabis Regulation Branch (LCRB), we appreciate your continued collaboration. These conversations are important for informing our work on policy development and improving service delivery.

As you know, in 2018, the Province put several market controls in place which were intended to support diversity in the legal cannabis industry, foster a competitive marketplace, create economic opportunities for local entrepreneurs and Indigenous peoples and prevent well-capitalized companies from dominating the retail market. These controls included limiting the number of licences that CRS licensees may have interest in at one time, as well as prohibitions on vertical integration and tied houses.

In a dedicated pursuit of continuous improvement and industry responsiveness, the LCRB is committed to reviewing and refining these market controls. As you are aware, most recently, LCRB concluded an engagement which specifically focused on license cap considerations. This collaborative effort involved discussions with industry partners and licensees, fostering a constructive dialogue to ensure a well-rounded understanding of the intricacies involved. The LCRB has now completed initial analysis of the feedback from this engagement and will now move on to explore other possible market controls.

As the LCRB continues to review cannabis market controls, they will also be looking at distance criteria and tied house restrictions, including "white label" products.

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My colleagues and I are committed to continuing these conversations, and we look forward to providing an update to you and the other members of The Alliance of Beverage Licensees (ABLE BC).

Thank you again for your feedback.

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Sincerely,

Mike Farnworth

Minister of Public Safety and Solicitor General

and Deputy Premier