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Jonathan Newman, Chairman
Pennsylvania Liquor Control Board
502 Northwest Office Building
Harrisburg, Pa. 17124-0001

Dear Chairman Newman:

On behalf of the Liquor Control Board, you have requested my opinion as to the proper interpretation of Section 498 of the Liquor Code, 47 P.S. §4-498. Specifically, you have asked whether Section 498(e)(2) prohibits licensees from advertising alcohol products and prices in community papers, which are locally distributed, paper advertising media in which, for a fee, businesses may advertise their products and services. Our Opinion assumes that the community paper is not owned, operated or controlled by the licensee advertising in the paper.

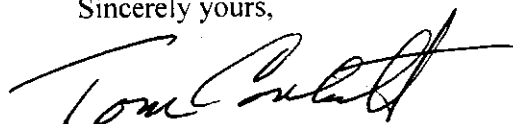
Section 498(a) broadly permits licensees "to advertise their products and prices," and section 498(g) broadly defines "advertisement" as "any advertising of alcoholic beverages through the medium of radio broadcast, television broadcast, newspapers, periodicals or other publications, outdoor advertisement, any form of electronic transmission or any other printed or graphic matter, including booklets, flyers or cards, or on the product label or attachment itself." Section 498(e)(2), however, prohibits licensees from "distribut[ing], by mail, personally or through servants, agents or employees, price lists, circulars or handbills off the licensed premises to the general public as a means of advertising liquor, wine or malt or brewed beverages."

By its terms, Section 498(e)(2) prohibits only a "licensee" or a "servant, agent or employee" of a licensee from distributing "price lists, circulars or handbills." The relationships of master-servant, principal-agent, and employer-employee share the essential feature that the former controls the latter. Thus, a licensee who advertises in a community paper that the licensee does not own, operate, or control does not violate Section 498(e)(2), which obviates the need to consider whether community papers, which unquestionably are "publications" and "printed matter," are nonetheless, in some general sense or particular context, "price lists, handbills or circulars."

Accordingly, it is our opinion, and you are so advised, that Section 498(e)(2) of the Liquor Code does not prohibit licensees from advertising alcohol products and prices in community papers.

Finally, you are advised that, in accordance with Section 204(a)(1) of the Commonwealth Attorneys Act, 71 P.S. §732-204(a)(1), you are required to follow the advice set forth in this Opinion and shall not in any way be liable for doing so.

Sincerely yours,



TOM CORBETT
Attorney General