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OMBUDSMAN
ANNUAL REPORT

Supporting fairness and transparency in Beer Store operations

A hand holding a yellow beer can with the text "The Beer Store" printed on it. The background features a field of sunflowers under a clear blue sky.

The
Beer
Store

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OMBUDSMAN'S MESSAGE

Charles Dougall

From its inception on January 1st, 2016, The Beer Ombudsman of Ontario has had a dual mandate - responsible, under both the Master Framework Agreement and the Shareholder Agreement, for accepting and investigating complaints from brewers and consumers about operational matters and acting as a mediator if disputes arise under the Shareholder Agreement. In May this year, the introduction of the Early Implementation Agreement between the provincial government and The Beer Store and its owners made no significant changes to the role of The Beer Ombudsman. Since no formal Notices of Dispute connected to the Shareholder Agreement were received this year, this report will focus solely on my activities related to the complaints I received in 2024.

By the end of the year, I had opened 28 cases, significantly more than the 19 last year but slightly fewer than the 34 in 2022. Once again, for the third year in a row, I opened no full investigations.

The cases I opened this year mirrored the pattern I have seen historically, with the largest number of cases related to consumer interactions with staff in the stores. After convenience stores, gas stations and big box stores began selling beer in September, I received only two complaints connected to these changes -

one from a convenience store owner who was unable to sell beer because his store was too close to a Beer Store outlet and one from a vendor questioning how a big box store could sell beer at low prices. Both of these cases lie outside the mandate of the Beer Ombudsman.

Finally, I wish to acknowledge once again the cooperation and assistance I received from the President and CEO of The Beer Store (TBS), Roy Benin, as well as his staff, especially Ozzie Ahmed, in managing these complaints.



Charles Dougall

CHARLES DOUGALL
Beer Ombudsman

QUARTERLY REVIEW OF CASES

Q1 - I opened 12 cases in Q1, which was four times what I opened in Q1 last year and more than double what I had opened in the previous quarter. There was a lot of variety in the nature of these cases. There were two from licensees - a bar owner about the way they were being treated when returning empties (apology and coaching resolved this matter) and the other about increases in delivery prices (out of mandate) - and one from a neighbor of a TBS store who alleged that TBS trucks had damaged their property (TBS worked with home owner to resolve). The other nine were from retail customers. One complained about buying bad beer (resolved by Customer Service) and two were concerned about receiving poor service (both resolved with an apology and coaching). There was a complaint about not being able to check gift card balances easily (misunderstanding by customer) and one because a store was not open during regular hours (apology, gift card and explanation). One customer was upset that he could not use his returns receipt after the day it was issued (system issues with accepting them on later dates) and one claimed it was illegal for TBS to offer free delivery (out of mandate). One customer was upset that international brands that are brewed domestically were included in the International section of TBS stores (approved policy at TBS). Finally, a transgender customer complained because a person they had known earlier in their life had insulted them on TBS property (out of mandate).

Q2 - Of the 9 cases I opened in Q2 (almost double last year), once again, two were from licensees - one about service (resolved at a meeting with customer) and one about pricing (out of mandate). Another TBS store neighbor complained, this time about the condition in which the TBS property was kept (apology and commitment to do better). One person received a case of beer in which the bottles were only half filled (resolved with a gift card) and one was charged more than the advertised amount (an apology and a gift card). A customer claimed they were threatened by staff in a TBS store (investigation indicated TBS staff had done

nothing wrong) and another became engaged in a confrontation with staff when returning empties (temporary problem in store - resolved with a gift card). One complainant thought TBS should support the LGBTQ+ community more actively (out of mandate) and one customer was upset at the way her support dog was treated by staff (TBS provided an apology, a gift card and a donation to her charity).

Q3 - I opened 4 cases in Q3 (down from 6 last year). The first was from a client who purchased a keg at a TBS store for a party but was unable to get it to work. When they returned it to the store, they could not get a refund. TBS was able to provide a refund subsequently and the customer was satisfied. One customer checked the availability of a product online before going to the store to purchase it but, when they arrived at the store half an hour later, the product was not available. TBS concluded that between the time of the online inquiry and his arrival, the product had sold out in the store. A customer complained that they were not allowed in a TBS store with their scooter to return empties because there was another scooter in the store. TBS apologized and stated the delay was caused by the heavy traffic in the store at that time and not because of the scooter. This customer also complained that they had followed up with Customer Service three times but had never received a response from TBS. The final complaint came from a convenience store owner who could not sell beer because there was a TBS store in his plaza (out of mandate).

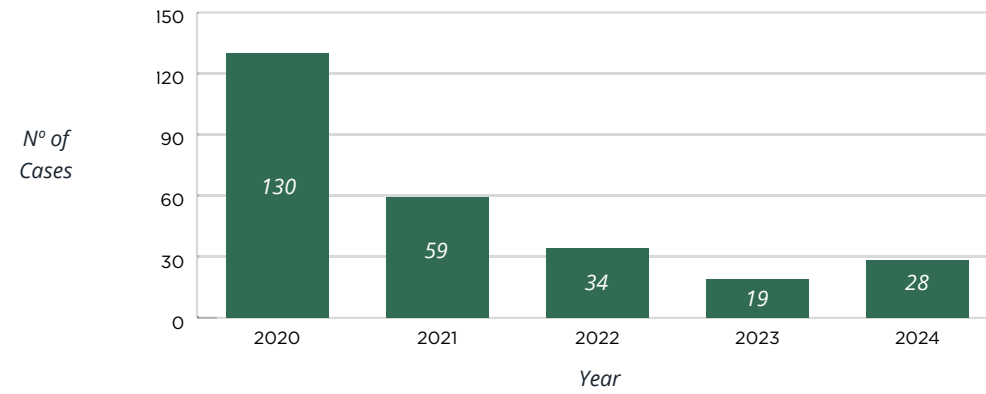
Q4 - Only 3 cases were opened in Q4 (2 fewer than last year). The first was from a vendor asking how a big box store was able to sell beer at such low prices. I informed the complainant that pricing was outside my mandate. The person followed up asking, if that is the case, who monitor the brewers (once again, out of mandate). The other two complaints were from customers who alleged they were treated rudely by staff in TBS stores (an apology and coaching resolved both).

COMPLAINT STATISTICS

From Year 2024

FIVE-YEAR COMPARISON

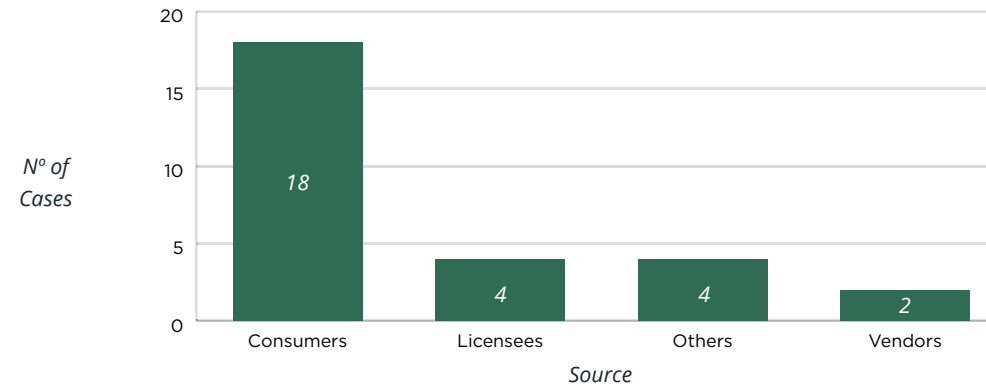
Fig. 1



2024 CASES

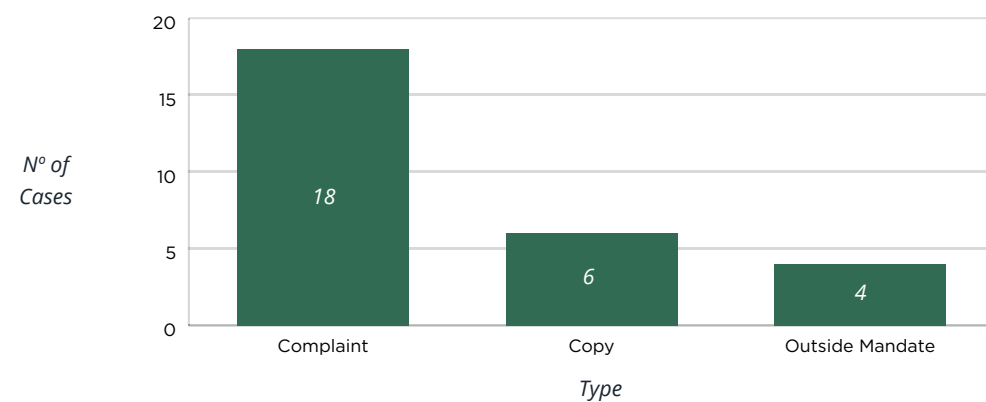
SOURCE

Fig. 2



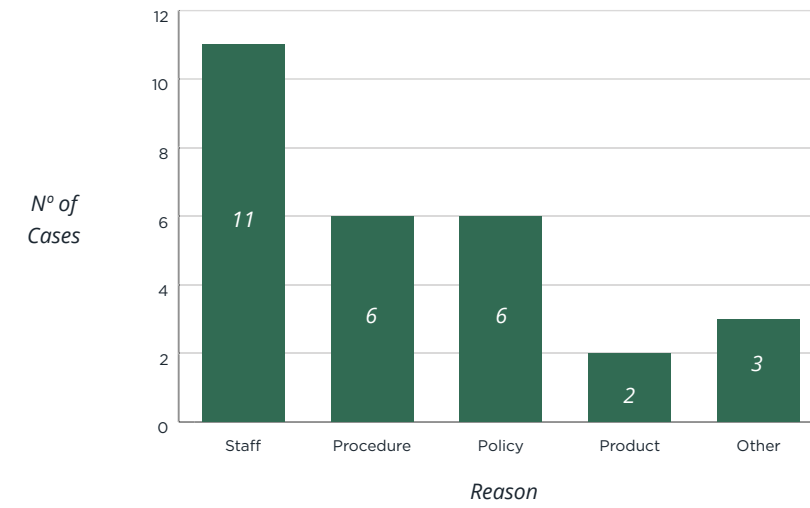
TYPE

Fig. 3



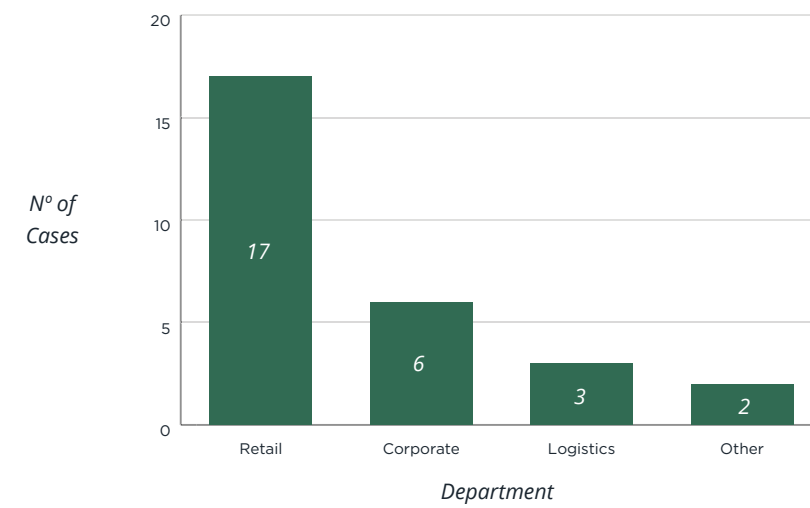
REASON

Fig. 4



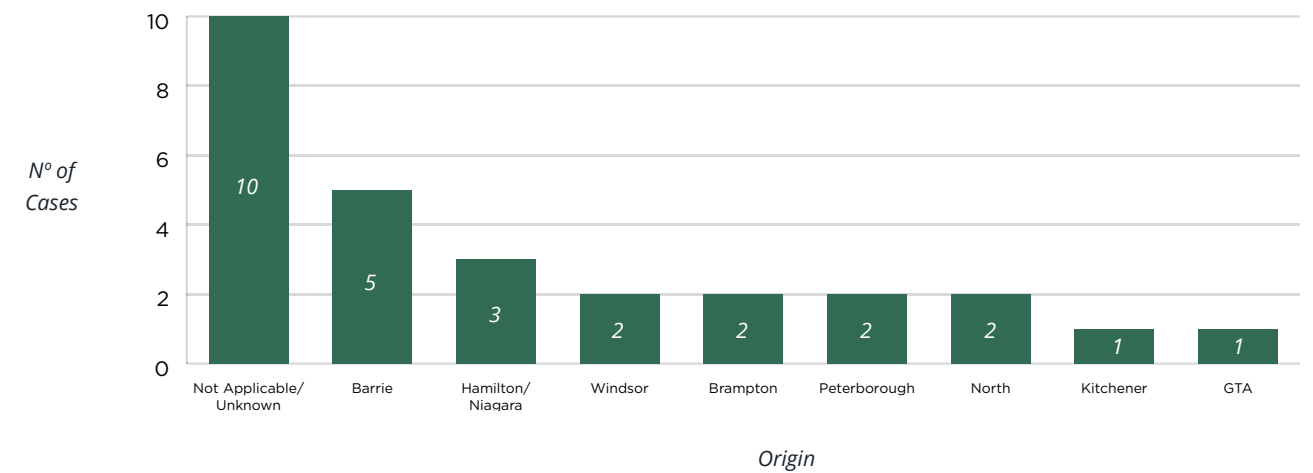
DEPARTMENT

Fig. 5



ORIGIN

Fig. 6





CONCLUSION

The main event this year was the introduction of the Early Implementation Agreement in May and the start of beer, wine and cooler sales in convenience stores, grocery stores, big box stores and gas stations in the province in September. Further changes under the agreement will become effective as of January 1, 2026 as all Ontarians continue to adjust to this new environment.

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BEER OMBUDSMAN

12258 Coleraine Drive
Bolton, ON
L7E 3A9

Email
ombudsman@thebeerstore.ca

Website
thebeerstore.ca/ombudsman