

Restrictions on Vendor Incentive Items**Policy No.VM-100.12**

Effective Date: October 1, 2016

No. of Pages: 3

Policy

Federal WIC Regulations require WIC authorized vendors to offer WIC Program participants, parents or caretakers of infant and child participants, and proxies the same courtesies that are offered to other (non-WIC) customers. Accordingly, WIC-authorized vendors are prohibited from offering incentive items solely to WIC participants in an effort to encourage participants to redeem their WIC food benefits at their store locations. Similarly, WIC-authorized vendors may not treat WIC customers differently from non-WIC customers by excluding them from in-store promotions. This includes disallowing the use of coupons or other vendor discounts in WIC transactions that are allowed in non-WIC transactions.

Purpose

To describe State agency requirements regarding WIC-authorized vendors' use of incentive items and other in-store promotions.

Procedures

- I. Georgia WIC will not authorize nor continue the authorization of a vendor that advertises, promises, provides, or indicates an intention to provide prohibited incentive items to customers.
- II. Minimal customer courtesies of the retail food trade, such as bagging or helping load groceries are exceptions.
- III. The WIC acronym or WIC logo cannot be used in total or in part on any form of marketing, promotional materials, or advertisements of the store.
- IV. Permissible In-Store Promotions.
 - A. Buy One, Get One Free (BOGO)
 - B. Buy One, Get One at a Reduced Price
 - C. Bonus Size Items
- V. *Terminable and Sanctionable Offenses.* Vendors who use advertisements to solicit the business of WIC participants, or who offer prohibited incentives/ incentive items or delivery services to participants, will be subject to sanctions as explained in the Vendor Agreement and the Georgia WIC Program Vendor Handbook.
 - A. *Terminable Offenses.* Georgia WIC may terminate the Vendor Agreement for:
 1. Misuse or unauthorized use of the WIC acronym; or,
 2. Georgia WIC may terminate the vendor agreement for cause if a vendor provides prohibited incentive items as part of a WIC transaction.

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- B. *Georgia WIC Sanction Schedule.* Georgia WIC will impose a sanction against a vendor if it engages in:
1. A pattern of failing to allow in-store or manufacturers' promotional or free item with a WIC purchase, which corresponds to a six month disqualification upon commission of the third instances of this violation in a 12 month period.
 2. A pattern of providing unauthorized food items in exchange for food instruments or cash value vouchers, including charging for supplemental foods provided in excess of those listed on the food instrument, or if an above-50-percent vendor¹ provides prohibited incentive items to customers.

Authority

7 C.F.R. § 246.12(h)(3)(iv)

7 C.F.R. § 246.12(h)(8)

WIC Policy Memo #2014-3-Vendor Management: Incentive Items, Vendor Discounts and Coupons.

Definitions/Supporting Information

Incentive or Incentive Item: Incentives are defined as an item or service provided by a vendor to attract customers or encourage customer loyalty. . Incentives or incentive items may include, but are not limited to, free or complimentary gifts, such as free food or merchandise, cash prizes, lottery tickets, transportation or home delivery of foods, sales or specials, store memberships, and other free or discounted services.

In-store Promotion: A sales promotion in which a vendor may offer *incentive items*, *vendor discounts* or *coupons* in order to increase sales of certain items or to encourage customer loyalty to the vendor.

Prohibited Incentive Item: An incentive item or promotion that is not equitably provided by a WIC-authorized vendor to both WIC and non-WIC customers. This includes incentives or promotions that are used solely provided to solicit the patronage of a WIC participant or to that

¹ The Georgia WIC Program does not authorize applicants, nor will continue authorization of authorized vendors, who meet the criteria for being classified as an Above 50 Vendor. However, in instances where removal of an Above 50 vendor would create an inadequate participant access issue, Georgia WIC will place them in the Peer Group G category until such time as the vendor can be removed from the Program.

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are offered to WIC customers to *entice* them to transact food instruments; or, that are only offered by a vendor to its non-WIC customers. Prohibited incentive items include cash and lottery tickets.

[Georgia WIC Program Vendor Handbook](#)

[Georgia WIC Non-Corporate Vendor Agreement -2 year](#)

[Georgia WIC Corporate Vendor Agreement -3 year](#)

Contact Information

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