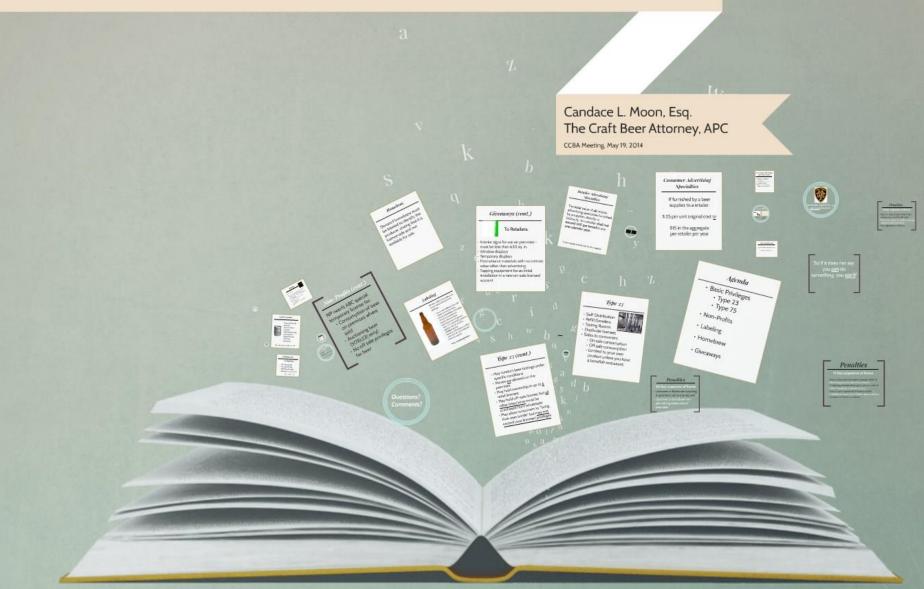
ABC DOs and DON'Ts

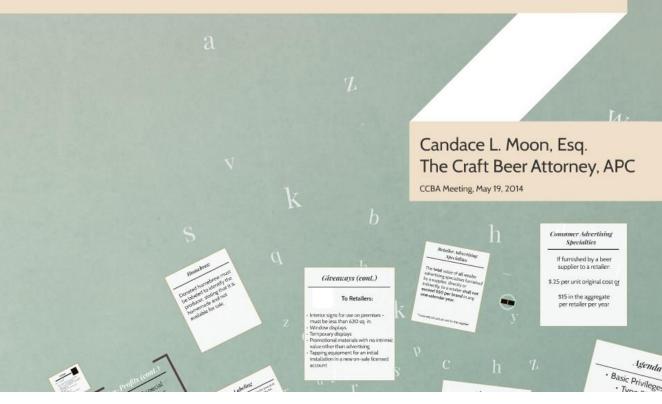


Candace L. Moon, Esq.
The Craft Beer Attorney, APC
candace@craftbeerattorney.com
619-749-4115/866-280-5553

ABC DOs and DON'Ts



ABC DOs and DON'Ts



Candace L. Moon, Esq. The Craft Beer Attorney, APC

CCBA Meeting, May 19, 2014

Retailer Advertising
Specialties
The total

Consumer Advertising Specialties

If furnished by a beer supplier to a retailer:

Consumer Advertising Specialties (cont.)

- Must bear conspicuous
- advertising
- Retailer cannot sell
- Must keep and maintain

Agenda

- Basic Privileges
 - Type 23
 - Type 75
- Non-Profits
- Labeling
- Homebrew
- Giveaways

Type 23

- Self Distribution
- Refill Growlers
- Tasting Rooms
- Duplicate licenses
- Sales to consumers
 - On sale consumption
 - Off sale consumption
 - Limited to your own product unless you have a bonafide restaurant





Type 23 (cont.)

- May conduct beer tastings under specific conditions
- Minors are allowed on the premises
- May hold ownership in up to 6 retail licenses
- May hold off-sale license, but <u>all</u> other beer/wine must be purchased from wholesaler
- May allow consumers to "bring their own bottle" but may not exceed your licensed privileges



Type 75 Brewpub license*

- Min and max brewing quanities
- No growler refills
- · No self distribution
- No off sale privileges to consumers
- · No donations to festivals, NPs, etc.

*Retail license, not a manufacturing license



Non-Profits

Non-Profits

- Only a beer manufacturer may give or sell beer to:
 - 501(c)(3)
 - 501(c)(6) -only for meetings/ conventions
 - other 501(c) only for public service or fundraising
- This means Types 01 and 23, not 75 or 17

Non-Profits (cont.)

NP needs ABC special temporary license for:

- Consumption of beer on premises where sold
- Auctioning beer (501(c)(3) only)
- No off sale privileges for beer



No license required when:

- No sale of alcohol no paid admission and
- Premises not open to general public when alcohol is served
- Premises not already licensed

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- Premises not open to general public when alcohol is served and
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Labeling



All beer sold in this state shall have a label affixed to the package

- name and address (city and state) of manufacturer
- name and address of bottler (if not manufacturer)
- · brand name of beer
- alcohol content if greater than 5.7% alcohol by volume
- special rules if contains distilled alcohol
- must be affixed prior to first sale (cannot sell unlabeled beer to anyone)

*This includes growlers

Labeling (cont.)



Kegs sold for off premise consumption need an identification tag and require a signed receipt from the purchaser

Can only loave the premises where made for:

- Competition or exhibition
- Personal or family use
- Donation to non-profit for fundraising events

*Tags and receipts available from ABC

Filings



Need to file with ABC:

- Brand names that you sell beer under (all beer, even if not leaving your premises)
- Copies of any label or notice affixed to beer, prior to first sale (cannot sell or deliver beer until label approved by ABC)
- Any variation must be filed separately
- Price Posting
 - Price for wholesalers
 - Price for retailers
- Distribution Agreements (aka territorial agreements)

Homebrew



Homebrew

Can only leave the premises where made for:

- Competition or exhibition
- Personal or family use
- Donation to non-profit for fundraising events

Homebrew

Donated homebrew must be labeled to identify the producer, stating that it is homemade and not available for sale.

Giveaways



To Retailers:

- No free goods
- No advertising
- Nothing of value
- No exterior banners*

*Unless sold or rented

Giveaways (cont.)



To Retailers:

- Interior signs for use on premises must be less than 630 sq. in.
- Window displays
- Temporary displays
- Promotional materials with no intrinsic value other than advertising
- Tapping equipment for an initial installation in a new on-sale licensed account

by inc exc one

*Value e



Retailer Advertising Specialties

Example

The total value of all retailer advertising specialties furnished by a supplier, directly or indirectly, to a retailer shall not exceed \$50 per brand in any one calendar year.



*Value equals actual cost to the supplier





Coasters

Napkins

Consumer Advertising Specialties

If furnished by a beer supplier to a retailer:

\$.25 per unit original cost or

\$15 in the aggregate per retailer per year

Examples



Keychains



Bottle Openers

Consumer Advertising Specialties (cont.)

- Must bear conspicuous advertising
- Can sell or give to retailer
- Retailer cannot sell
- Must keep and maintain records for a 3 year period

Giveaways (cont.)

If given directly to the general public:

\$3 per unit original cost



Remember, the ABC Act is a permissive document

So if it does not say you <u>can</u> do something, you <u>can't!</u>

Penalties

10 Day suspension of license

- Sale or consumption after hours (employees and friends only)
- Possession of an alcoholic beverage not permitted by license
- Keg registration violations

Penalties

15 Day suspension of license

- Sales of alcoholic beverages to people under 21
- Permitting person under 21 to consume
- Furnishing alcoholic beverage to person under 21
- Sale to obviously intoxicated person
- · Sale of consumption after hours by public
- Undisclosed ownership if hidden owner qualified
- Violation of license conditions

Penalties

30 Day suspension of license

- Licensee or Bartender working in premises while intoxicated
- Licensee or Employee not permitting inspection of premises

Questions? Comments?



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