**TYPE 23**

* A type 23 is not a licensed wholesaler -- it is a small beer manufacturer with the privilege to self-distribute only your brands.
* A beer manufacture cannot pour at any retail account other than a one day special event (beer festival)
* **Delivery Hours:** A beer manufacturer may only deliver to a licensed retailer between the hours of 4:00am and 8:00pm Monday through Saturday. Sunday deliveries are not allowed – including to a one-day special event (beer festival). If a non-profit special event that you are donating or selling beer to is being held on a Sunday, you must deliver prior to that day.
* **Coasters:** Beer manufacturers may provide at no charge, brand identified paper coasters that cost $0.05 or less per unit and do not exceed 25 square inches in size.
* Sales can occur anywhere within the licensed premise per ABC. Also, you do not need to notify ABC when you set up a tasting room area within the premise footprint. Your type 23 allows for tasting and *sales* anywhere within the footprint.
* You cannot sell beer other than your own brands in a tasting room. If you have a restaurant and are serving food, then you can sell other beers and wine.
* If you have a restaurant as part of your type 23, you can sell beer and wine (not just your own beer).
* ABC allows on-site sampling and sales of beer brewed under the license with no restrictions. It also allows off-site sales. Counties can impose their own restrictions. They have to sort out what/why the county is applying restrictions.
* Children are allowed to do anything but serve open containers
* It doesn't matter what type of non-profit (c) 3 or 6, etc. If they have the one day special event license, you can donate.

**Q&A**

**Question:**
We were invited by a commercial kitchen to participate in a class demonstration. Lulu's Kitchen is not a licensee, and they are charging for the class. Seems like a gray area for donating beer. Perhaps it is considered a private party.
**Answer:** If it is advertised or open to the public (not invitation only) and/or they charge any fee for the event or for the beer then it is not considered a private party.

**Question:**
A type 23 brewery wants to know if he can have a private party at his brewery and wants to have the option to sell his beer or give the beer for free. I’ll assume that he’d also like to know if he can provide samples at those functions.
**Answer:** Nothing precludes you from hosting a private party on the premises, but you can’t give away the beer. The same privileges and restrictions would apply to events held privately on the licensed premises….

**Question:**
Event #1: Is a non-profit event, which they are getting a special use permit for. They would like to know if I can: (A) pour at the event and collect payment, then donate some of our profits back to them. (B) If that isn't allowed, if I can sell them the kegs and pour the beer ourselves, and collect payment for the them.  (C) If that isn't allowed, if I can sell them the kegs, and pour the beer for them and someone else will collect payment.
Event #2: A car dealership is having a party and will have breweries and wineries pouring. No charge for the alcohol, just an event to get people in the door. They would like buy our kegs off of us and have us attend and pour the event. I wasn't sure if this is allowed because it isn't a non-profit organization. I'm not sure what special one day license they would need in order to do this.
**Answer:** Event #1 - Technically, the only thing a beer manufacturer can give a non-profit is beer – they should not be pouring or donating anything else to the non-profit.  So if the question is regarding selling beer to people (ie collecting payment) attending the event on behalf of the non-profit, that would be no.
Event #2 – The beer manufacturer should not be pouring at this event either.  However, they can attend and talk to people.  And the dealership would not necessarily need a license if they are giving away the beer, although they would need to be careful about the age of any “attendees.”  I would probably avoid this event (seems a little risky on potential ABC violations on the dealership’s side).

**Question:**
I needed some quick clarification about when brewery personnel can participate in a beer festival (i.e. pour the beer).I know that brewery staff are allowed to pour the beer when the beer is donated and the event is a one-day charitable event.  But what if the event organizers \*buy\* the beer?  Does this by itself make it illegal for the brewery staff to pour the beer?  Or is it just illegal if the event is "for profit"?
**Answer:** If the license is a non-profit special event license, then brewery staff can pour whether the beer is donated or purchased. If the event license is a retail license, including a caterer’s license, then brewery personnel cannot pour. Make sure the license is a special event one-day license before pouring.

**Question:**
Can our brewery donate beer to a 501 (c) (6) educational non-profit if the non-profit has it’s IRS exemption letter and a one day ABC license?
**Answer:** Yes you may. It doesn't matter what type of non-profit (c) 3 or 6, etc. If they have the one day special event license, you can donate.

**Question:** We have a type 23 license and we are a bona fide eating establishment. We want to add a food item to our menu that has whiskey as one of the ingredients. Can we have a bottle of whiskey in the kitchen? We know that it cannot be in the brewery premises but what about the kitchen
**Answer:** Should not be a problem.

**Question:**
I'm preparing to participate in my first "festival". The vendor information packet came to me and they are telling us to provide our own ice and glassware. From the June 6, 2013 "Know Your ABCs" email, this is not permitted. I've been looking in the Business and Professions code, but cannot find the exact section where these regulations are stated. Could you please clarify so that I can contact the event coordinator?
**Answer:** There are a number of sections in the B&P code that address this, but specifically 25501 states that a beer manufacturer cannot give anything of value to a retailer (the one-day special event license is a retail license). Sub section (a) states an exception which is the jockey box and faucet. Other sections that they should be aware of are 23357.3, CCR 53.5 and CCR 59

**Question:**
In California, does a self-distribution permit allow a brewery to sell via the internet direct to consumers?  Obviously there are states where shipping alcohol to them is illegal, and I know that I would need a special contract with either UPS or FedEx.  But is it possible for a small craft beer producer to ship direct from the brewery to the consumer with the self-distribution license?
**Answer:** California breweries are allowed to ship direct to consumer within the state. They are also allowed to ship to "reciprocal states" which allow it.

**Question:**
Are keg collars required for kegs that are only going to be served in a breweries tasting room?
**Answer:** No they are not. You do not need label approval or to price post either.

**Question:**
What about shipping to local accounts? I was told today that collars are only needed for shipping out of state.
**Answer:** You need ABC approved keg collar if selling to wholesaler, retailer or consumer in state but only need federal COLA for shipping out of state. Any container of beer leaving the brewery premise for sale or consumption must have an ABC approved label. You can contact Diana Villanueva who does label approval at ABC Sac for details or look on the ABC website. California labeling requirements are detailed in Sections 25200-25206 of the ABC Act and Rule 130 of the California Code of Regulations.

**FESTIVALS**

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**TYPE 75**

A type 75 is actually a "retail" license with the privilege to brew beer. It does not enjoy the same privileges as the type 23 (such as ability to self-distribute, participate in beer festivals, etc.).

type 75 requires a minimum 7 bbl system.

The type 75 states that they must buy from a licensed wholesaler

the only advantage to a type 75 is that it allows you to sell distilled spirits.

A type 75 can sell *other brands* for off-sale but those brands *must be purchased from a licensed wholesaler*. A type 75 must also offer *other brands of beer* *for on-site sale*, and must purchase those brands from a  licensed wholesaler. In other words, it forces a type 75 to do business with a licensed wholesaler.

Type 75's cannot donate to a non-profit event

A Type 75 is an “On Sale General, Brewpub - (Restaurant) which authorizes the sale of beer, wine and distilled spiritsfor consumption on a bona fide eating place plus a limited amount of brewing of beer. Also authorizes the sale of beer and wine only for consumption off the premises where sold,” as stated in the [ABC code.](http://mail-dog.com/link.html?url=74&client=smallbrewers&campaign=204&email=janet@californiacraftbeer.com)

This is much different than a Type 23 (Small Beer Manufacturer). The Type 75 is basically a retail license with the privilege to brew a limited amount of beer (up to 5,000 bbls per year).

Being that the Type 75 is not a small beer manufacturer, there are significant restrictions compared to a Type 23.

As a Type 75 license holder you cannot donate beer, such as to a non-profit special event license (beer festival). Instead, you must sell your beer to a wholesaler, who can then donate or sell the beer to the event for you. A Type 75 is also not allowed to wholesale distribute your products (self-distribution). And, as mentioned in the last forum post, you cannot buy beer (or wine) directly from a Type 23 – you can only purchase beer and wine from a licensed wholesaler (Type 17).

So why do some have a Type 75 instead of a Type 23? Because unlike a Type 23, it allows you to sell distilled spirits over the bar, and it is somewhat of a loophole to an inexpensive on-sale liquor license which are both restricted in numbers (hard to get) and expensive if purchased from a previous license holder.

**Q&A**

**Question:**
 Can you please fill me in more about a Type 23 selling to a type 75 license directly? As a Type 23, how am I supposed to know exactly who has what type of license? We have over 100 plus accounts!
**Answer:** It is incumbent on you to know that each and every account you sell to has a valid and appropriate ABC license. As a Type 23, when you are wholesaling your beer to retail accounts, it is important to operate and function as a wholesale distributor. A standard and essential practice if you are wholesaling your beer as a Type 23 to retail accounts is to get the license type and number of all retailers that you sell to and maintain that info in your files. I would highly recommend this practice as this could be looked at in an ABC audit. It’s a hassle, especially going back to get the current 100 plus accounts, but once you do – it is more simple to get the info from each new account as you open them up.

**Question:**
I’m a Type 75 so I can sell beer products other than my own over the bar. A small brewer (Type 23) wants to sell directly to me. Since Type 23’s are allowed to wholesaler their own products, why can’t I buy directly from them?
**Answer:** Because there is a specific restriction on your Type 75 that states you can only purchase products from a licensed wholesaler. The ABC interprets this as a Type 17 only.

**TYPE 17**

Type 17's cannot be a CCBA brewery member. They are a licensed wholesaler - not a beer manufacturer.

**Homebrew**

**Question:**
We hold an AHA Rally once a year that has become a very big event, and results in us brewing a version of the winning homebrew.

I do have a little concern about our AHA Rally and the possible code/law violation.

* The code states that Homebrew beer is not allowed to be removed from the place where it was brewed except to be entered into an organized “competition.”
	+ So we’re good there since our rally is an organized competition.
* However, they mention twice that “*Serving homebrewed beer at your licensed brewery puts your brewery license in jeopardy.”* And that “*The ABC interprets this to mean that a homebrewed beer can only leave the location where it was made to be entered (****not served or otherwise consumed****) at an organized competition.”*
	+ This is where I am concerned and a bit confused. It sounds like WE could taste/judge the beer for the Rally, but that we CANNOT serve it to the public. But I am not really sure since there are only a couple paragraphs on the subject. Is that correct?

**Answer:** The part of the regulation that states that no homebrew can be served or sold at a licensed brewery trumps the competition allowance. In other words, a brewery cannot avoid the regulation by holding a competition at the brewery.

Even at a competition, no homebrewed beer can be served or sold to the public - it can only be submitted for judging. This will all Change on January 1, 2014 when the new homebrew bill takes effect. It will be legal for homebrew to be served at festivals.