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# **Brewer, Distiller and Agent Licences**

## **TERMS and CONDITIONS**

A GUIDE FOR  
LIQUOR LICENSEES  
IN BRITISH COLUMBIA

Updated  
September 2011

## **This guide . . .**

provides essential information for:

- licensed breweries and distilleries (including cottage breweries and brew pubs)
- licensed agents hired to promote brewery/distillery products, and
- breweries and distilleries holding on-site retail liquor store appointments.

This information does not apply to all licence classes or to other types of appointments.

Separate guides are available for those holding winery licences (and their agents) and on-site retail wine store appointments; wineries holding off-site retail wine store appointments; and for those with food-primary, liquor-primary, UBrew/UVin and licensee retail store licences.

For copies of these other guides, please contact us or visit the provincial government website below:

Phone (toll free): **1 866 209 2111**

E-mail: **[lclb.lclb@gov.bc.ca](mailto:lclb.lclb@gov.bc.ca)**

Website: **<http://www.pssg.gov.bc.ca/lclb>**

## Brewer, Distiller and Agent Licences – Terms and Conditions Guide

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# Brewer, Distiller and Agent

## Terms and Conditions

A GUIDE FOR LIQUOR LICENSEES  
IN BRITISH COLUMBIA

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# Introduction

## This Guide

This guide outlines the requirements of the Liquor Control and Licensing Act and Regulations for liquor manufacturers and agents (excluding wineries).

It also imposes further terms and conditions, in addition to those found in the Liquor Control and Licensing Act and Regulations.\*

Licensees and appointment holders must follow these terms and conditions - and any further terms and conditions that might be printed on the face of your licence or your Certificate of Appointment or contained in letters issued to you by the general manager of the Liquor Control and Licensing Branch or the general manager of the Liquor Distribution Branch - at all times.

It is your responsibility to operate your business so that it complies with the law and with the terms and conditions of your licence and Certificate of Appointment.

### Important!

Please take time to read this guide carefully and make sure your managers and staff are familiar with the information presented here and with any additional terms and conditions printed on the face of your licence, your Certificate of Appointment and/or in letters issued by the Liquor Control and Licensing Branch or the Liquor Distribution Branch.

**\*Section 12 of the Liquor Control and Licensing Act provides the general manager with the authority to impose, in the public interest, terms and conditions on licences.**

## Definitions Used in this Guide

**"The Act"** means the Liquor Control and Licensing Act, the provincial legislation that guides the licensing of establishments that manufacture or sell liquor in BC.

**"Agent"** means a liquor manufacturer representing itself as an agent, a person hired by a liquor manufacturer to represent them as an agent or a person who represents a manufacturer of liquor outside of British Columbia as their agent.

If you hold a Winery, Brewery or Distillery licence and also hold an agent licence, you may advertise and promote your liquor products off the manufacturer site to licensees, liquor stores and the public. An agent cannot sell liquor directly to the public. A manufacturer agent cannot sell liquor directly to licensees, unless authorized to do so by the General Manager of the Liquor Distribution Branch. All actual sales are made under the manufacturer licence.

**"Marketing Representative"** means a person hired by a licensed agent to promote their products. These marketing representatives do not need to be registered with the Liquor Control and Licensing Branch. Agents must provide their marketing representatives with identification establishing them as representatives and must also ensure that they comply with provincial liquor laws.

### Please Note:

Wherever definitions, words or expressions used in the guide differ from the wording of the Liquor Control and Licensing Act and Regulations and the LDB Act, the legislation will prevail

**"Appointee"** refers to any individual, group of individuals or corporate body holding either an off-site retail store appointment or an on-site brewery or distillery retail store appointment.

**"Branch"** means the Liquor Control and Licensing Branch.

**"Buy-sell agreement"** is a contract between a liquor manufacturer/agent and a bar, pub, restaurant or licensee retail store to promote the manufacturer/agent's products during a permitted promotion. A buy-sell agreement spells out what the licensees have agreed to and for how long that agreement is to remain in place (it may not exceed 36 months).

**"General manager"** means the general manager of the Liquor Control and Licensing Branch.

**"Licensee"** refers to any individual, individuals or corporate body that holds a British Columbia liquor licence. The term covers both the licensee of record and any person acting in the place of the licensee, such as a manager or person in charge of a brewery or distillery in the licensee's absence.

**"Liquor manufacturer"** or **"manufacturer"** means a manufacturer of liquor products (i.e., wine, beer, spirits, cider and coolers) or the corporate official of a liquor manufacturer.

**"Minor"** refers to an individual who is under 19 years of age - 19 is the legal drinking age in British Columbia.

**"On-site retail store"** or **"on-site brewery/distillery store"** refers to a retail store on the same site of a brewery and/or distillery.

**"Product voucher"** or **"Voucher"** is a certificate issued by a manufacturer. A customer may take the voucher to a participating licensee retail store and exchange it, at no charge, for the quantity of liquor (a case of cider, for example) specified on the voucher.

**"Terms and conditions of licence"** are requirements of licensees that are set by legislation, regulation or branch policy. All licence terms and conditions must be followed. Not following them may result in enforcement action.

## Updates

Licence and appointment terms and conditions change from time to time. We will make revisions to this guide periodically and post these revisions online. The most up-to-date copy of this guide is always available at:

<http://www.pssg.gov.bc.ca/lclb/docs-forms/guide-breweries.pdf>

## Help is Available

We understand the challenges you may face as a brewery, distillery or agent in consistently following B.C.'s liquor laws. You should always feel free to discuss potential problems with a branch employee or a liquor inspector. If you have any concerns or questions, please contact the Liquor Control and Licensing Branch at:

### **Mailing address**

PO Box 9292 Stn Prov Govt,  
Victoria, BC V8W 9J8

### **Office address**

4<sup>th</sup> Floor, 3350 Douglas St.  
Victoria, BC V8Z 3L1

### **Email**

[lclb.lclb@gov.bc.ca](mailto:lclb.lclb@gov.bc.ca)

### **Phone**

250-952-5787 in Victoria

### **Toll-Free Phone**

1 866 209 2111

A range of helpful information along with licensee guides, application forms and links to the Liquor Control and Licensing Act and Regulations can be found on the provincial government website under “Liquor Licensing”:

[www.pssg.gov.bc.ca/lclb](http://www.pssg.gov.bc.ca/lclb)

# Background: Who is Responsible for What

## The Liquor Control and Licensing Branch

The Liquor Control and Licensing Branch is responsible for regulating and monitoring the manufacture and sale of liquor in licensed establishments in British Columbia, and for protecting the public from the harm that may be caused by making and selling liquor or products that contain alcohol.

The branch issues and supervises liquor licences, and monitors the activities of all liquor licensees and appointment holders in British Columbia to make sure they are following the rules laid out in the Liquor Control and Licensing Act, its Regulations, and the terms and conditions of licences and/or appointments.

To make sure the public has full access to information about liquor licensees and appointees in this province, we post summaries of all cases where the branch has recommended enforcement action on our branch web site. For those cases that go to an enforcement hearing, we post the complete text of the decision. (Names of individuals are removed to comply with the requirements of the Freedom of Information and Protection of Privacy Act.)

## Your Role as a Licensee

As a licensee (someone who holds a liquor licence), you are legally responsible for understanding how the Act, its Regulations, and the specific terms and conditions of your licence affect the operation of your business, and for complying with the Act, its Regulations, and the terms and conditions of your licence.

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The term "licensee" covers both the licensee of record and any person acting in the place of the licensee, such as a resident manager or person in charge of a brewery or distillery in the licensee's absence, as well as any staff working on-site at the brewery/distillery, or off-site at a theme night, sponsorship event or other promotion. You are therefore responsible for making sure all your employees (including agents that you hire and any staff they employ to market your products off the manufacturing site) follow B.C.'s liquor laws and the terms and conditions of your licence, both on-site and off-site.

If you are also an appointee (someone who holds a Certificate of Appointment to operate an on-site retail store), you are also legally responsible for understanding the specific terms and conditions of your appointment and how these terms and conditions affect the operation of your brewery/distillery retail store. You are responsible for making sure your employees follow B.C.'s liquor laws and the terms and conditions of your appointment, even when you are not on-site.

**If you do not carry out your legal responsibilities, you could face serious penalties, including the suspension or loss of your licence and/or appointment.**

You must let the branch know about any changes you make to your business (including changes to business partners, or to your on-site retail store). You must cooperate with liquor inspectors and police when they visit your brewery/distillery or your on-site retail store.

You must give liquor inspectors and police immediate access to all areas of your brewery/distillery and on-site retail store upon request. You may not delay or refuse to provide access to an inspector or police officer, and you must ensure that your actions and the actions of your staff do not put liquor inspectors or police at risk or prevent them from carrying out their duties.

Drawing the attention of patrons to the fact that liquor inspectors and/or police are present in your establishment may put the safety of the inspectors and police at risk. Accordingly, your actions must not cause the attention or focus of patrons to shift towards inspectors or police at any time; including entry, during an inspection, or when exiting your establishment. Actions such as announcing the arrival of inspectors or police, raising or flashing lights, turning down music, playing particular soundtracks – e.g. “Bad Boys”, using spotlights, or any other action that causes the attention of patrons to shift towards inspectors or police is unacceptable.

**Any act by you or your staff that puts the safety of inspectors, the police, your patrons, or your staff at risk will be treated very seriously and may result in the suspension or loss of your licence and/or appointment.**

If your licence is suspended or revoked, you will not be able to manufacture or sell beer or spirits. If your appointment is suspended or revoked, you will not be able to sell beer or spirits to the public.

## The Role of the Liquor Inspector

Liquor Control and Licensing Branch liquor inspectors may make unannounced visits to your place of business at any time to:

- explain the terms and conditions of your licence/appointment
- inspect the physical layout of your manufacturing facility – including the on-site retail sales area, sampling area(s), equipment and/or storage area
- inspect your legal, financial and business records
- observe and record your business practices, identifying gaps or weaknesses that are likely to lead to non-compliance (not following the Act and/or the terms and conditions of your licence), and
- identify any contraventions of the Act, its Regulations or the terms and conditions of your licence and/or store appointment.

If a liquor inspector finds you are contravening (not following) the Act, its Regulations or the terms and conditions of your licence, the inspector will issue a Contravention Notice and may recommend that the general manager take enforcement action against you.

## The Role of Police

Police officers may also make unannounced visits to your place of business. When the police walk through your facility, they will look for evidence of any liquor contraventions, such as selling liquor to minors. If they find a contravention, they will record it on a form called a Licensed Premises Check (LPC), leave one copy with you and send one to the Liquor Control and Licensing Branch. The branch follows up on all LPCs, and may ask a liquor inspector to conduct a further inspection. If the inspector confirms the contravention, he or she may recommend enforcement action.

## The Role of Local Government and First Nations

A liquor licence and certification of appointment are not the only requirement for operating a brewery/distillery and on-site retail store, in British Columbia. As a licensee and/or appointee, you must also deal with local governments and First Nations band councils on such issues as zoning, building bylaws, business licensing requirements and health and fire regulations. Local governments and First Nation band councils are responsible for protecting the peace and good order of their communities and are often the first to learn about problems relating to your brewery/distillery or on-site retail store. The general manager takes very seriously complaints from local governments and band councils that breweries and distilleries and/or their on-site retail stores are operating contrary to the public interest and are disturbing people in the surrounding area.

# The Nature of Your Business

## Brewery/Distillery Licence

If you are making beer, spirits or spirit-based coolers in B.C. you must have a brewery/distillery licence from the Liquor Control and Licensing Branch and a federal brewery/distillery licence from the Canada Revenue Agency – Excise Duty Pacific Region. The Liquor Control and Licensing Act allows a person to make beer for his or her own consumption, or for consumption by others at no charge, without a licence.

Once you have a distillery or brewery licence, you may sell your products off-site as permitted through your agreement with the Liquor Distribution Branch (LDB) (see below).

If your company is incorporated under the laws of another province or country, you must be registered as an extra-provincial company doing business in B.C. You must also appoint a resident manager, who will manage the day-to-day operations.

You may also:

- set aside areas within your manufacturing facility where you serve free samples to the public for tasting, and
- operate one on-site retail store at your manufacturing site, provided you have a Certificate of Appointment (see Part 2 of this Guide)
- sell gift cards/certificates redeemable for liquor products but only from your licensed premises. The cards/certificates may be redeemed at another licensed establishment. This would allow your gift cards/certificates to be redeemed at any of your licensed outlets or at places where you have an agreement to accept each other's gift cards. Gift cards/certificates must not be sold to minors. You may use a gift/certificate business to administer your card/certificate program.

## Agent's Licence

There are three kinds of liquor agents in British Columbia:

- liquor manufacturers representing themselves in marketing and promoting the manufacturer's products off the manufacturer's site (an agent's licence is not required for liquor manufacturers who promote their products on-site only within a retail store or sampling room)
- agents hired by liquor manufacturers to represent the manufacturer inside British Columbia in marketing and promoting the manufacturer's products off the manufacturer's site, and\*
- agents who market and promote imported products from outside British Columbia.\*

\*These two categories of agents use the same LCLB application form.

To clarify the difference surrounding "sales" and "marketing", agents can only sell product to licensees with the permission of the General Manager of the Liquor Distribution Branch and can never sell to the public. The primary role of the agent is in promoting product.

For our purposes “marketing” is the process through which goods and services move from concept to the customer through identification of market, selection of product and the implementation of a promotional strategy.

All agents must be licensed by the Liquor Control and Licensing Branch and must comply with the Act, its Regulations and the terms and conditions of their licence when promoting liquor products that they are authorised to represent.

An Agent may hire employees to market, promote, conduct tastings and take orders of the manufacturer’s products. Agents are responsible for making sure their employees follow B.C.’s liquor laws and the terms and conditions of the agent’s licence. Agents are also responsible for providing identification to these employees establishing them as representatives.

Agents may solicit and receive orders for manufacturer’s products only from liquor primary, food primary, licensee retail stores and appointment stores.

Agents and their employees may not sell liquor products directly to the public, nor may they import liquor products directly. (Liquor products may only be imported through the LDB.) Agents and their employees cannot sell liquor directly to licensees, unless authorized to do so by the General Manager of the Liquor Distribution Branch. .

Advertising (including on the Internet) by agents may only be directed to licensed establishments or appointment stores to inform them that the agent may take orders for products produced by manufacturer the agent represents. Agents may also promote and advertise their products by name and advise the public that the products are available for purchase at authorized liquor outlets.

## Minors

It is against the law to sell, serve, or supply liquor to a minor. You and your staff are expected to put in place effective systems to meet this obligation. If you or an employee allows a minor to obtain liquor, your licensing privileges could be jeopardized, and you risk prosecution.

You may not direct any promotional activities or materials to minors.

Minors are allowed in your sampling room, facility, or store (if you have one) only if accompanied by a parent or guardian.

You may not employ minors to sell or serve liquor in these areas.

### Important!

There is an ongoing obligation on the part of a licensee to ensure that minors are not served or sold liquor.

## Donations

You may donate your products that have been purchased from the Liquor Distribution Branch to any organization, agency or group which is registered as a charity with the Canada Revenue Agency that is holding a charitable special occasion and is licensed by a special occasion licence.

You must keep a record of the:

- name of the special occasion licensee
- name of the charitable organization which received the proceeds
- location and date of the charitable event

- number of people attending the event, and
- amount of liquor donated.

Manufacturers and agents must keep strict records of charitable donations.

## Maintaining a Liquor Registry

You must keep a detailed, written record of every liquor purchase made under your licence – by date and by storage location (if you are permitted to store any liquor offsite) in a liquor register. (A liquor register is usually a book or binder where you keep your copies of the documentation you receive every time you buy liquor.)

You must also keep a record in your liquor register of all faulty or damaged kegs of product or kegs containing spoiled product that you receive and replace.

## Keeping and Producing Documents and Records

If you have a brewer or distiller licence and/or an agent's licence, you must allow the general manager (or a designated person such as a liquor inspector) to inspect documents and records associated with your business, including:

- liquor product sales invoices, purchase and disposal records
- lease and management contracts related to your manufacturing facility
- employee records
- any court orders or judgments against you, and
- any agreements and contracts between you and another licensee, such as a buy-sell agreement.

If you have a brewer or distiller licence, you must also maintain and update regularly a number of additional documents, including:

- a general financial ledger
- a general production and inventory ledger, and
- a brewmaster's or distiller's journal.

These documents, too, must be open for inspection and must include records (as applicable) of the:

- all raw materials purchased, indicating the type, source and volumes of the products
- amount of product bottled and packaged
- records of all movement and disposition, and
- how much of your liquor was lost through spillage or used in sampling and tasting

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# Managing Your Business

## Posting Your Licence

You must post your manufacturing liquor licence and/or on-site retail store certificate in a prominent location at your manufacturing facility or your agent's office to ensure it is immediately available for review by liquor inspectors and police.

## Storing Your Floor Plans

When you first applied for a manufacturer's licence, you submitted your establishment's floor plans for approval. Once they were approved by the general manager, these floor plans, which detail where you manufacture, store, sample and sell your product, became part of your liquor licence. Liquor inspectors and the police must have quick and easy access to your approved floor plans.

## Licensing Fees

The application fee for a brewery or distillery licence is \$550. The annual licence renewal fee thereafter varies by type of manufacturer and/or volume of liquor produced. By March 31st of each year distilleries pay \$1,100 per year; breweries pay a minimum of \$1,100 per year, based on \$0.12 a hectolitre, multiplied by the total number of hectolitres of malt liquor shipped each year. Please note that for the first year you must pay a prorated licence fee:

1 month	\$92	4 months	\$367	7 months	\$642	10 months	\$917
2 months	\$183	5 months	\$458	8 months	\$733	11 months	\$1008
3 months	\$ 275	6 months	\$550	9 months	\$825	12 months	\$1100

The application fee for an independent agent's licence is \$220 if you do not hold a winery, brewery, or distillery licence. The annual renewal fee for an independent agent's licence is \$200 if you do not hold a winery, brewery, or distillery licence.

## Providing Information to the Branch

You must be forthright in providing information to the branch. Making a misleading statement or failing to disclose a material fact (such as the fact that a third party is using your brewery/distillery licence, or that the lease on your property has run out) are licensing contraventions.

## Storing liquor

Your beer or spirits must be stored on-site at your brewery/distillery. However, if you intend to store product off-site you must apply to the Branch for approval of the storage location using form LCLB027, Manufacturer Off-Site Storage, which can be found at our website at [http://www.pssg.gov.bc.ca/lclb/forms\\_fees](http://www.pssg.gov.bc.ca/lclb/forms_fees).

## Making Changes to Your Liquor Licence

The details of your liquor licence application – who you are, the name and location of your establishment, etc. – were critical factors in the decision to grant you a licence.

Any changes you make after receiving your licence – including changes to business partners or physical layout – require the approval of the branch *before* you make the changes. (Please see *Appendix 2* for detailed information about making changes to your licence.)

## Selling Your Business and Transferring Your Licence to a New Owner

To transfer your brewery/distillery licence to a new owner, the new owner must apply to transfer the licence using the application form (available on the LCLB website listed on page 9). As the current licensee, you will need to sign the Agreement to Transfer Licence(s) (LCLB001D) – this is where you officially agree that when the general manager approves the transfer application you will relinquish all claims to your licence(s). You also acknowledge that you will continue to be held responsible for any contraventions that occur until the transfer is approved. The new owner may request a change in the name of the business at the same time with no additional fee. If applicable, you must give the new owner all production records.

The general manager may decide not to approve a licence transfer if the branch is in the process of taking enforcement action against you as the current licensee, or if you have not paid a monetary penalty or served a suspension notice.

If you are applying for a new distillery manufacturing licence or making changes to an existing distillery, please be aware that a permit, issued by the Office of the Fire Commissioner (OFC), is required in order to do so. The OFC requires that you obtain local government approval and that your plans have been accepted in writing by the OFC before construction can commence. For further information and prior to making application to LCLB, please contact OFC toll-free at 1-888-988-9488.

# Advertising Your Business

## What You May Advertise

You may advertise:

- the name and location of your store
- that you are a retail brewery or distillery store
- your hours of sale
- the type of beer or spirits you sell and/or
- your brand names and prices.

Your ads cannot:

- encourage liquor consumption or irresponsible drinking
- use pictures of minors, or personalities, images or activities that may appeal to minors
- show people drinking or anyone who is either intoxicated or behaving irresponsibly or illegally
- suggest that customers will be provided with free bottles of liquor.

## Where You May Advertise

You may advertise your store in newspapers, television, radio or the Internet. You can put up signs, and print pamphlets or brochures, including graphics and pictures of your store.

## Store Names and Signs

To avoid confusion with Liquor Distribution Branch stores, you may not call your store a "B.C. Liquor Store," "Government Liquor Store" or just "Liquor Store." You may call yourself a "Brewery Store," "Retail Store" or a "Distillery Store."

Any signs, including a sign bearing the name of your store, must comply with local government bylaws. Signs are considered to be advertisements and must comply with the advertising terms and conditions outlined in the preceding section on advertising. All signs, whether inside or outside your store, must be approved by the Liquor Control and Licensing Branch before you put them up.

### Your signs may display:

- the name of your establishment
- the kind of beer or spirits you offer (including brand names)
- your prices
- your hours of sale.

# Advertising Your Products

All your advertising must comply with the Canadian Radio-television and Telecommunications Commission's *Code for Broadcast Advertising of Alcoholic Beverages* and Liquor Control and Licensing Regulations. (Please see *Appendix 3* for more on the broadcast code.)

## What You May Advertise

You may advertise your products, provided the products are registered with the Liquor Distribution Branch, and the LDB has approved their labeling and packaging. (The Liquor Control and Licensing Branch does not require pre-approval of advertising; however, the LDB may require your ads to be pre-approved before they are placed in a government liquor store or rural agency store.)

You, as a liquor manufacturer or agent, are liable for all advertising – including merchandise – that bears your corporate name or brand, whether done by you or by someone else on your behalf, and no matter where it is displayed or distributed.

Your ads **may** indicate:

- your brands of beer, spirits or spirit-based coolers
- the name of your brewery or distillery
- how much you charge for liquor (your liquor prices, including specials. If you are an agent you may inform the public what price the manufacturer you represent sells their product for if marketing their product off the manufacturer's site)
- your hours of sale
- where your products may be found – at a particular bar or restaurant, for example (you may not, however, advertise the bar or restaurant's entertainment line-up, drink specials, or menu items)

Your ads **may not**:

- encourage people to drink liquor or to drink irresponsibly (you must take this into account if you mention price in your advertising; if your price advertising encourages or results in patrons drinking to excess, we can prevent you from including liquor prices in future advertising)
- show people drinking liquor, or anyone who is either intoxicated or behaving irresponsibly or illegally
- associate liquor with driving
- use pictures of minors (in B.C., that's anyone under the age of 19), or of personalities, images or activities that may appeal to minors
- be directed at minors or placed in locations used or visited mostly by minors, such as video arcades, playgrounds or stadiums that are used primarily for minor sports, such as PeeWee hockey
- depict liquor as:
  - one of life's necessities
  - key to social acceptance or personal success

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- central to the enjoyment of an activity, or
  - a status symbol
- be shown on a theatre screen before a movie, if the movie being presented is primarily for a young audience

# Sponsoring Events and Activities

## Where Sponsorships Are Permitted

You may sponsor a wide range of sports and cultural events, activities and organizations. This includes sporting events, such as golf tournaments and sports teams. Licensees and their staff may play on the team, participate in or help out at the event.

Sponsorships are not generally permitted in bars, pubs or restaurants. However, you may sponsor events and activities at licensed:

- sports stadiums
- recreational centres (including ski hills, racquet clubs and bowling alleys)
- concert halls, or
- university or cultural centres

These events must be time limited and not part of an ongoing relationship with the licensed establishment. They must also be covered under a buy-sell agreement (please see the chapter on *Promoting Your Products with Other Licensees* for more on the buy-sell agreement).

## Requirements

You must notify the branch, in writing, at least 14 days before any sponsored activity or event takes place if the sponsorship is for more than \$1,500 or it involves a licensed establishment.

Your letter/ e-mail/ fax must:

- describe the nature of the activity or event and the purpose of the sponsorship
- state where and when the event or activity is to take place, and
- provide the name of the licensee, if the event or activity is to be held in connection with a licensed establishment.

In addition:

- You must keep a record of all sponsorship events and activities, including the terms of any agreements related to the sponsorship that you enter into, for at least two years
- You may not offer liquor as a prize to participants in a sponsored event or activity. If liquor is being served on-site during the event, you may not demand that your products only be served
- You may advertise the sponsored event or activity, both on-site and offsite, and inside or outside other licensed establishments. If the event is at a licensed establishment, you

### Important!

You may not sponsor events or activities that primarily involve minors as either participants or audience, or that primarily appeal to minors. This includes junior or minor sports events.

You may, however, ask the branch for permission to sponsor a major national or international event where a majority of the participants are under age 19, but which does not predominantly appeal to minors, such as a national or international junior championship event.

And you may sponsor university or college-related events or activities (either on- or off-campus), provided you have prior approval from the college or university.

may name the establishment in your advertising. (Please see the chapter on *Advertising Your Products*, for more information.), and

- If you put up signs identifying your brewery or distillery, or products at the event, and liquor is being served on-site, you must also put up signs advocating the responsible use of alcohol at a rate of one responsible-use sign for every three brand/corporate signs. (If you put up only one or two brand/corporate signs, you must put up at least one responsible-use sign.) The responsible-use signs must be as big, as visible and as prominent as your brand/corporate signs, easily seen by both on-site and off-site (television, for example) audiences.

# Conducting Market Research

## General Conditions

You may conduct market research yourself or appoint an independent market research agency to conduct market research – such as surveys and taste tests – on your behalf, provided:

- All participants are of legal drinking age (an exception may be made for a survey related to a non-liquor topic, such as responsible-use messaging), and
- You do not display brand or corporate advertising at the site of the research, unless a piece of advertising is the subject of the research.

## Surveys

You or an agency hired by you may survey members of a target group about your products, provided:

- The survey is not a promotional scheme designed to obtain direct or indirect advertising for your products, or used to convey potentially disparaging information about another company or product, and
- The survey takes place in a market research office, hotel, meeting room, or other location closed to the general public, with one exception: if the survey is limited to a one-on-one question and answer situation, it may be conducted by telephone, or in either a private or public area, such as a shopping mall or on the street.

You or the agency conducting the survey may compensate the respondents for participating in the survey. This may include spirits or beer given as a gift, such as a bottle of the product featured in the survey.

## Taste Tests

You or an agency hired by you may conduct taste tests of both existing products and products not yet available in this province, provided:

- You or the agency supply a staff member to conduct the tests who has completed the Serving It Right course for servers, and that staff member is present throughout the taste tests
- Respondents participating in taste tests are not permitted to consume samples to the point of intoxication, and
- The research takes place in a market research office, hotel, meeting room, or other location closed to the general public.

# Promoting Your Products With Other Licensees

## What You May and May Not Do

The Liquor Control and Licensing Act and its Regulations set out strict rules regarding how you can promote your products with other licensees, including liquor-primary establishments (bars and pubs), food primary establishments (restaurants) and licensee retail stores.

Some promotional activities are prohibited outright; others are permitted at any time; still others are permitted only if you document them in a "buy-sell agreement" - a contract between you and another licensee to promote your products.

A buy-sell agreement spells out what you and the other licensee have agreed to and for how long that agreement is to remain in place (it may not exceed 36 months). For example, you and a pub enter into a three-month buy-sell agreement where the pub agrees to purchase a specified number of cases of your beer or spirits in exchange for you running a contest in the pub, with the prize of a weekend ski getaway for two.

A buy-sell agreement must not exclude, restrict or otherwise prohibit a licensed establishment from carrying or selling the products of your competitors.

## Activities Not Permitted

You may not, at any time:

- Offer or give money, gifts, rewards or remuneration to licensees who carry your products. You may not, for example, supply licensees with additional bottles of beer or spirits at either no cost or at a reduced cost
- Provide any items, products or services to other licensees that are necessary to the operation of their businesses. This includes money, credit or other forms of financial assistance, as well as fixtures, furnishings, products, repair costs, draught lines, glassware, games, refrigerators, shelving or permanent display structures. You also may not rent rooms from another licensee (at a hotel or resort unoccupied for the licensee to rent again)
- Pay any portion of a licensee's advertising costs, or advertise a licensee's entertainment line-up, drink specials, or menu items. With the licensee's permission, you can include the licensee's logo in your ads, but you can't demand or receive financial compensation or other consideration in return, or
- Provide or pay for entertainment in a licensed establishment.

## Activities Permitted At Any Time, Without A Buy-Sell Agreement

### Promotional items

You may give promotional items of nominal value, such as coasters, tent cards and posters, to bars, pubs and restaurants to promote your products, provided:

- you do not deliver them (or permit them to be delivered) to anyone under age 19, and
- the licensed establishment already lists the brand of liquor identified in the promotional materials.

You may give promotional items of nominal value, such as shelf-talkers, ceiling danglers, and product display structures, etc., to licensee retail stores for a specific promotion. These materials must be returned to you at the end of the promotion.

You may sell clothing and novelties – such as shirts, caps, key chains, etc. - with your name or brand to licensees at fair market value at any time, which they may then resell to their customers and staff. These items may also display the name or brand of the licensee's establishment.

You may also sell branded glassware (i.e., beer glasses) to licensees at fair market value.

### Value-added promotional items approved for government liquor stores

If you have received approval from the Liquor Distribution Branch (LDB) to offer value-added promotional items in BC government liquor stores, you may also provide those same promotional items to licensee retail stores for the same promotion period.

All value added-promotions must follow the Liquor Distribution Branch guidelines outlined in their booklet, *In-Store Marketing Programs*.

Under LDB guidelines, value-added promotional items must be of nominal value (they may not exceed 20 per cent of the retail price of the base product), and must be liquor or liquor-related or branded. Items may include:

- "on-packs," where a small bottle of another of your products or an item such as a bottle opener is attached to a bottle of your product
- "in-packs," where an item, such as a Tshirt, is included inside a case of your product, and
- "near-packs," where an item, such as a bag of chips with your brand on it, is placed near or alongside your product and is given away whenever your product is purchased.

Value-added promotions may also include third-party coupons attached to your products by a neck tag or back label, or placed inside a case. These coupons may not be for a rebate or reduction on the purchase price of one of your products, for a free liquor product of any kind, or for cash.

The stores may keep any leftover items at the end of the promotional period and continue to

offer them to their customers until they are gone; however, they may not take any promotional items for personal use or future promotions.

You and the licensee retail store may advertise these promotions.

### Product vouchers for licensee retail stores

You may provide product vouchers directly to members of the general public, which they can redeem at participating licensee retail stores at no charge. You may not provide vouchers or coupons redeemable at bars, pubs or restaurants.

- You must have the store's approval before you hand out a voucher redeemable at that store. (You may not, however, direct your vouchers to just one store or chain of stores; you must arrange to have your vouchers redeemed at more than one store or chain of stores.)
- Your vouchers must specify how much liquor is redeemable (a bottle of spirits, for example, or a dozen bottles of cider)
- You may specify only one type of liquor (beer or spirits) per voucher
- You only (not licensee retail stores or other licensees) may distribute vouchers
- You may use any method – in person, by mail, etc. – to distribute your vouchers
- You may not give away product vouchers as prizes
- Once a voucher is redeemed, you must pay the licensee retail store the full retail price for the quantity of liquor specified on the voucher. You may not pay an additional "redemption fee" to the store for accepting a product voucher, and
- You must maintain records of all voucher reimbursements paid to licensee retail stores and make them available for viewing by a liquor inspector at any time

#### Size limits for product vouchers or product samples:

**Distilled spirits:** One bottle of the smallest available size per product (750 ml or greater).

**Beer, Cider, Spirit-based Coolers:** One dozen of the smallest available size bottles or cans (total not exceeding four litres).

### Product samples for licensed establishments

You may give product samples to bars, pubs, restaurants and licensee retail stores, to be consumed by the licensee and staff only (not patrons), away from the licensed area of the establishment.

You may provide a maximum of one bottle (or one dozen bottles or cans of beer, cider or spirit-based coolers) per product per establishment in any one year, and you must keep a record of all samples provided to licensed establishments.

#### Maximum quantities per patron at a consumer tasting:

	SINGLE PRODUCT	MULTIPLE PRODUCT
<b>Restaurant:</b>		
Spirits.....	10 ml.	20 ml.
Cider/Beer/Spirit-based Coolers.....	30 ml.	45 ml.
<b>Licensee Retail Store:</b>		
Spirits.....	10 ml.	20 ml.
Beer/Cider/Spirit-based Coolers.....	30 ml.	45 ml.

The quantities for multiple product tasting apply only where you are presenting more than one product at a single tasting. The quantity for multiple products is a total of all products offered. For example, if you present three kinds of beer, you may offer a maximum quantity of 15 ml. of each per patron.

This record must include, for each sample, the:

- name of person who received the sample
- name of his/her establishment
- amount of product supplied, and
- date the product was supplied.

Licensed establishments must enter the product samples in their liquor register. (You may also want to give the establishment a receipt to prove that the sample product is allowed on site, but this is not required.)

### Consumer tastings at a restaurant

You and a restaurant may agree to put on a consumer tasting (also called a taste trial) together, but you must ensure the event does not shift the focus away from food. In addition:

- You and/or the restaurant may advertise the event outside the restaurant
- You may not charge or accept a fee from the restaurant (or pay the licensee) for conducting the consumer tasting
- You must purchase all liquor products used in the tasting from the restaurant. The price you pay for the liquor served must be no less than the price the restaurant normally pays for the product and no more than the price the restaurant normally charges its customers
- The restaurant must issue you (and you must retain) a countersigned receipt for the dollar value of the total amount of liquor and/or food purchased
- You must be present during the entire period of the consumer tasting, and the restaurant staff must dispense all liquor product
- You must not leave open containers of liquor unattended at any time
- You must not serve drinks by the tray load
- You may not serve minors or anyone who is apparently under the influence of alcohol, and
- At the end of the consumer tasting, the restaurant must refund you or your agent for the cost of any beer, cider or spirits left unopened. The restaurant may return any leftover liquor (opened or unopened) to stock.

### Consumer tastings at a licensee retail store

You and a licensee retail store may agree to put on a consumer tasting (also called a taste trial) together. It is up to you and the licensee retail store (LRS) to decide when a consumer tasting will take place, and how long it will run. However, all tasting must end 30 minutes before the store closes.

- You and the LRS may advertise the tasting within or outside the store, using promotional materials supplied by you. (Please see the chapter on *Advertising Your Products* for more information.)
- The store may not charge you a rental fee for demonstration space
- You must provide a server or servers for the consumer tasting; these servers may be you or servers hired by you. (You must make sure hired servers are familiar with the rules governing consumer tastings at liquor stores.)

- Servers must not leave open containers unattended
- You must purchase all products to be tasted from the LRS hosting the event. The price you pay must be no less than what the store paid for the product and no more than the price the store normally charges customers
- The LRS must issue you (and you must retain) a countersigned receipt for the dollar value of sampled product, and
- You may not serve minors or anyone who is apparently under the influence of alcohol

#### Please Note:

This section outlines rules for consumer tastings in brewer/distiller/ agent retail stores (LRS) only. The rules for promotions in government liquor stores or other private liquor retail stores are similar, but please contact the Promotions Department of the Liquor Distribution Branch for more specific information.

At the end of the consumer tasting:

- You or the LRS must destroy any poured samples, and empty any unfinished bottles
- You may not remove any opened bottles, or receive a refund for unused product, and
- You may receive a refund for unopened product

#### Visits to licensed establishments

You may visit bars, pubs and restaurants to promote your products, but there are strict limits on how you must act while you are there.

Mass treating or "buying drinks for the house" is not allowed, and you may not leave money for this purpose. You may, however, join customers at a table and buy a drink for everyone at that table, provided:

- You buy the drinks from the licensed establishment
- The liquor serving given to each adult customer at one time is not greater than the normal serving for the licensed establishment
- You pay for each order at the time it is served (you may put the order on a "tab" provided you settle the account before you leave the establishment), and drink prices are the same as the establishment would charge regular patrons
- You do not treat more than one table at a time, except where the treat involves a bona fide organization, such as a sporting team, arts or cultural club
- The licensed establishment issues you (and you retain) a countersigned receipt for the dollar value of the product you purchased, and
- You do not bring liquor products into the licensed establishment for patrons to sample

#### Hospitality

You may provide hospitality to licensees without a buy-sell agreement, if the cost of the hospitality is less than \$25. Your receipts must be available for review by a liquor inspector on request.

#### Contests (running in government liquor stores)

If you have applied for and received approval from the Liquor Distribution Branch to run a contest in government liquor stores, you may also run the same contest at bars, pubs, restaurants and licensee retail stores over the same period of time and with the same

promotional materials on display.

You must conduct all contests, install all promotional items, and remove all promotional items within 10 days after the contest has ended. You may include contest entry forms in your print ads, and may mention where entry forms are available in any of your advertising.

#### Please Note:

This section outlines rules for contests that the Liquor Distribution Branch has approved to run in government liquor stores, that you also want to run in bars, pubs, restaurants and licensee retail stores. There are separate rules if your contest is only running in bars, pubs, restaurants and licensee retail stores, or through the media.

### Contests (through the media)

You may also hold contests through the media (such as phone-in radio contests). However, with media contests:

- You must inform potential entrants that they are not required to purchase your product to enter, and they must be of legal drinking age.
- You may not include liquor as a prize.
- Liquor licensees, their employees, the Liquor Distribution Branch and the Liquor Control and Licensing Branch employees and immediate family members of anyone in these groups are not eligible to enter or win a contest.
- Your employees and their immediate families are also not eligible to enter or win a contest.

## Activities Permitted With a Buy-Sell Agreement Only

### More expensive promotional materials

You may loan more expensive promotional items with your name or brand, such as signs, patio umbrellas, mirrors, menu boards, etc., to bars, pubs, restaurants and licensee retail stores for a specific time identified in a buy-sell agreement. (You may sell glassware with your name or brand to a licensed establishment at fair market value at any time, without a buy-sell agreement.)

You may also provide bars, pubs, restaurants and licensee retail stores with temporary display structures and related promotional displays or items. (These displays and items remain your property.) And you may give T-shirts, hats and other promotional clothing items with your name or brand on them to bars, pubs, restaurants and licensee retail stores to give away to their customers.

All displays and promotional items must be individually listed in your buy-sell agreement. The agreement must also identify a specific time for the loan or promotion (six months, for example), and you must remove all promotional materials at the end of the identified time period.

### Value-added promotional materials for licensee retail stores (that you are not also supplying to government liquor stores)

#### IMPORTANT!

Please see Appendix 4 for a sample buy-sell agreement. You must follow this format or similar, and both you and the licensee must keep a copy of the buy-sell agreement at your place of business for two years after the agreement expires. All buy-sell agreements must include:

- your name and licence number
- the licensee's name and licence number
- start and end dates of your agreement (may not exceed 36 months)
- the terms of the agreement – what you and the licensee have agreed to, including the type, number and retail value of any promotional activities or items conducted or supplied by the manufacturer or agent.

The buy-sell agreement may be signed by you, your agent or sales staff, and by the licensee or the licensee's manager or other person in charge.

You may provide value-added promotional items to licensee retail stores that you are *not* also supplying to government liquor stores, without Liquor Distribution Branch approval (but with a buy-sell agreement), provided the items do not contain liquor. (Please see earlier section on *Value-added promotional materials approved for government liquor stores* for further rules about value-added promotional materials.)

### Theme nights at a bar or pub

A theme night is an opportunity for you to work in collaboration with a liquor-primary establishment (a bar or a pub) to promote the sale of a particular kind of alcohol. Theme nights are not allowed at food-primary establishments, or on college or university campuses.

There are no limits on the number of theme nights you can hold, and you may include festive activities, such as games or prizes, in your theme nights.

#### Maximum sample quantities per patron at a theme night:

	SINGLE PRODUCT	MULTIPLE PRODUCT
Spirits.....	10 ml.	20 ml.
Cider/Beer/Spirit-based Coolers.....	30 ml.	45 ml.

The quantities for multiple product tasting apply only where you are presenting more than one product at a single tasting. The quantity for multiple products is a total of all products offered. For example, if you present three kinds of beer, you may offer a maximum quantity of 15 ml. of each to.

If you and a licensed establishment agree to put on a theme night:

- You must ensure the event has an educational component, such as messages on the consequences of drinking and driving
- The bar or pub must have food available for its patrons at all times during the theme night
- If samples are provided, you must:
  - be present in the bar or pub during at least part of the event to make the offer or invitation to taste
  - purchase all sample products from the bar or pub
  - do the dispensing, if a special service area is set up specifically for the event (if the samples are served using the establishment's usual facilities, the establishment's staff must dispense the product)
  - serve the samples individually (you may not serve them by the tray load)
- The bar or pub must issue (and you must retain) a countersigned receipt for the dollar value of the total amount of liquor and/or food purchased
- The liquor manufacturer or agent may provide inexpensive forms of entertainment during the theme night, such as games. (Payment for more expensive forms of entertainment – live performers or DJs, for example – is prohibited unless approved by the general manager.)
- If you provide games, contests and prizes as part of the theme night:
  - you must record the name of anyone who wins a prize valued at over \$100.00
  - prizes may have your name or brand on them (unless the general manager directs otherwise)
  - prizes may not be liquor or drinks, and
  - patrons must not be required to buy or drink an alcoholic beverage to participate
- Liquor licensees, their employees and their immediate family members are not eligible to enter or win a contest

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- The licensed establishment may not charge you a fee for conducting the theme night event, but you may pay the licensed establishment a tip or gratuity – provided it does not exceed 15 per cent of the total amount of liquor and/or food purchases noted on the countersigned receipt issued by the licensee at the end of the event
- The bar or pub may offer "special" theme night prices on your liquor products, provided the prices are not lower than Liquor Distribution Branch prices and do not encourage overconsumption. You may not subsidize the price of the products in any way, such as by paying the difference between the normal selling price of a product and its special price
- You may advertise the theme night both on-site and off-site, provided you follow the advertising rules (see the chapter on *Advertising Your Products* for more information), and
- For a theme night only, you may provide clothing such as T-shirts or other novelty items identifying your liquor brand(s) or company to be worn by the licensed establishment's staff

### Joint promotions/brewmaster's dinners

You may enter into a joint promotion with a food-primary or liquor-primary establishment to feature your products during a special event, provided the event includes a full meal and the licensed establishment purchases the liquor served at the event from its regular Liquor Distribution Branch liquor store or other designated outlet.

You and the licensed establishment may advertise the event. There are no limits to the number of joint promotions you may hold.

### Contests (that are not running in government liquor stores)

You may hold contests in conjunction with bars, pubs, restaurants and licensee retail stores that are not running in government liquor stores, provided you document them in a buy-sell agreement and follow the Liquor Distribution Branch guidelines outlined in their booklet, *In-Store Marketing Programs*.

You must conduct all contests, install all promotional items, and remove all promotional items within 10 days after the contest has ended. You may include contest entry forms in your print ads, and may mention where entry forms are available in any of your advertising.

### Sponsorships

You may sponsor licensee-associated sports teams, tournaments, or events at:

- unlicensed venues, or:
- licensed:
  - sports stadiums
  - recreational centres (including ski hills, racquet clubs and bowling alleys)
  - concert halls
  - university or cultural centres.

These events must be time-limited and not part of an on-going relationship with the licensed establishment. You must notify the branch, in writing, at least 14 days before any sponsored activity or event takes place if the sponsorship is for more than \$1,500 or it involves a licensed establishment.

These events must be covered under a buy-sell agreement. If you are sponsoring an event at a licensed venue (a concert hall for example), you and the licensee must sign the buy-sell. If the event also involves a licensed establishment (a local restaurant), you and the licensed establishment must sign a separate buy-sell agreement.

### Educational events and activities

You may invite other licensees to educational events or activities designed to improve their knowledge of your products or their ability to sell your products.

You may pay for legitimate travel, meal, accommodation, and entertainment expenses associated with the educational event, up to \$1,000 per licensee location per year. Where a licensee has multiple licensed establishments – a chain of restaurants, for example – you may also pay expenses of \$1,000 per person to a maximum of \$3,000 per licensee head office per year.

### Hospitality

You may pay a licensee for costs not associated with an educational event, up to \$1,000 per licensee location per year, in addition to any in-province travel costs related to the event. (You may provide nominal hospitality without a buy-sell agreement, if it doesn't exceed \$25.)

## Promoting Your Products With Other Licensees: A Summary

(Please review chapter for exact details)

### Activities not permitted

You may not:

- Offer a benefit, including money, items, products or services that are necessary for the operation of a bar, pub, restaurant or licensee retail store, for selling your liquor products.

### Activities permitted at any time, without a buy-sell agreement:

Without a buy-sell agreement you may:

- Provide another licensee with promotional items of nominal value, such as coasters or tent cards.
- Sell promotional items, such as shirts, caps or key chains with your brand or logo, to licensees at fair market value for them to re-sell to their customers.
- Offer value-added promotions in licensee retail stores that are running concurrently in government liquor stores
- Provide product vouchers that are redeemable at licensee retail stores.
- Visit a bar, pub or restaurant and purchase drinks for patrons.
- Offer product samples to a bar, pub, restaurant or licensee retail store.
- Conduct consumer tastings at a restaurant or licensee retail store.
- Cover the cost of nominal hospitality worth up to \$25, at any one time, per licensee.
- Conduct a contest with a bar, pub, restaurant or licensee retail store, provided you are also running the same contest at the same time in government liquor stores.

### Activities permitted with a buy-sell agreement only:

With a buy-sell agreement you may:

- Loan licensees more expensive promotional items, such as signs, umbrellas, mirrors or menu boards, and temporary display structures and related promotional items.
- Offer licensees T-shirts, hats and other promotional clothing items that they may give away to their customers.
- Hold a joint promotion (such as a brewmaster's dinner) with a bar, pub or restaurant.
- Hold theme nights at a bar or pub.
- Conduct a contest with a bar, pub, restaurant or licensee retail store that is not also running in government liquor stores (provided you follow Liquor Distribution Branch guidelines).
- Sponsor events or activities at licensed sports stadiums, recreational centres, concert halls, university or cultural centres.
- Put on educational events and activities for other licensees, and pay travel and other costs.
- Pay a licensee for hospitality costs not associated with an educational event or activity.

# Inspections

## Why We Inspect Breweries and Distilleries

Branch liquor inspectors conduct unannounced inspections of manufacturing facilities to make sure licensees are following the Act and Regulations and their licence terms and conditions, and to make sure there are timely consequences when they don't.

In addition, a liquor inspector may conduct an inspection:

- in response to a complaint from a member of the public, another licensee, a local government/First Nation, police or any other agency, or
- to follow-up on a Licensed Premises Check (LPC) issued by a police officer.

## Entry of Liquor Inspectors and Police Officers

You must give liquor inspectors and police officers immediate access to all areas of your business on request. A liquor inspector or police officer will show you their official identification if you request; however, you must not do anything to impede a liquor inspector's or police officer's entry into your establishment. You must not request personal identification, scan identification, photograph, wand, pat down, or search inspectors or police. It is a serious contravention to refuse or delay in any way providing access to an inspector or police officer, and may result in your liquor licence being cancelled.

## Keeping and Producing Documents and Records

If you have a brewer or distiller licence and/or an agent's licence, you must allow the general manager (or a designated person such as a liquor inspector) to inspect documents and records associated with your business, including:

- liquor product sales invoices, purchase and disposal records
- lease and management contracts related to your manufacturing facility
- employee records
- any court orders or judgments against you, and
- any agreements and contracts between you and another licensee, such as a buy-sell agreement.

## Liquor Seizures and Sampling

Both liquor inspectors and the police have the authority to seize liquor that they believe might be unlawfully possessed or kept at a licensed establishment. They will either destroy the liquor immediately or hold it in storage for 30 days.

If you believe your liquor was wrongly seized, you must apply in writing to the General Manager of the Liquor Control and Licensing Branch for either the return of the liquor or monetary compensation within 30 days from the date of seizure. The claim must demonstrate to the General's Manager's satisfaction that the liquor was lawfully possessed or kept for lawful purposes.

If the General Manager is satisfied that the liquor was lawfully possessed, the liquor will either

be returned to you or you will be compensated for the LDB retail list price of the destroyed liquor.

If no application is made within 30 days, or if the General Manager is not satisfied on a claim for return of seized liquor that the liquor was lawfully possessed or kept, the liquor and packages containing it will be forfeited to the government.

Liquor inspectors may also take reasonable samples of liquor found in a licensed establishment or liquor storage area to determine whether the liquor is illegal, unauthorized, adulterated or contaminated. An inspector does not need evidence that the Act or Regulations have been breached to take a sample.

# Enforcement

## Contravention Notice

If a liquor inspector believes that you or your staff are contravening the Act, its Regulations or the terms and conditions of your licence, the inspector must issue a Contravention Notice to you, that identifies the alleged contravention.

The inspector will then review the evidence and circumstances of the contravention in conjunction with the Liquor Control and Licensing Branch's file for your establishment. Based on that review, the inspector will decide whether to recommend that the general manager take enforcement action against you, as the licensee.

If the inspector does not recommend enforcement action, he or she will keep the Contravention Notice in the branch's file on your establishment, and may require you to attend a Compliance Meeting.

## Compliance Meeting

A compliance meeting is a meeting between you and the inspector – and possibly others, such as members of your staff, local police, government and fire officials.

The purpose of the meeting is to promote voluntary compliance with the liquor licensing rules and to assist you in anticipating, and creating solutions for, potential problems. The inspector will prepare a written record of what is discussed including any procedures you intend to put in place to deal with the problem, and when they will come into effect. Once you and the inspector have signed it, you will receive a copy, and a second copy will be placed in your establishment's file.

Compliance meetings are not a required step before the branch takes enforcement action.

## Notice of Enforcement Action

If a liquor inspector recommends enforcement action, and his or her regional manager concurs, you will receive a Notice of Enforcement Action. The Notice of Enforcement Action will include the details of the allegation, the proposed penalty, why the branch is recommending enforcement action, and the reasons for recommending this particular penalty.

You have the option of disputing the branch's allegations at an enforcement hearing or signing a waiver notice.

### Please Note:

As a licensee, you are legally responsible for understanding and complying with the requirements of the Act, its Regulations and the terms and conditions of your licence, and for any contraventions committed against your licence.

You are also responsible for making sure your employees follow B.C.'s liquor laws and the terms and conditions of your licence, even when you are not on site.

As the licensee, you are responsible for any contraventions against your licence.

## Waiver

Signing a waiver means that you

- agree that the contravention occurred
- accept the penalty proposed in the Notice of Enforcement Action
- waive the opportunity for an enforcement hearing, and
- agree that the contravention and penalty will form part of the compliance history of the licence and the licensee.

You may sign a waiver at any time prior to the hearing.

## Pre-hearing Conference

After receiving the Notice of Enforcement Action, you will be asked to participate in a pre-hearing telephone conference conducted by the branch's registrar of enforcement hearings. At the pre-hearing conference, the registrar will:

- obtain your response to the allegations and determine if an enforcement hearing is required
- clarify the issues that will be addressed at the enforcement hearing
- identify and discuss the evidence that both you and the branch plan to present at the enforcement hearing (this includes the names of any witnesses who will testify on your or the branch's behalf)
- arrange for the branch and you to exchange copies of any documents or other evidence that will be introduced at the hearing
- explain the enforcement hearing process, and
- set a date for the enforcement hearing.

### Note:

You may represent yourself at a hearing, be represented by a lawyer or you may be represented by someone with written authority to act on your behalf.

If you do not participate in the pre-hearing conference, you may lose the opportunity for an oral hearing, and the general manager may make a decision based on the written submissions only.

## Enforcement Hearing

Enforcement hearings may be conducted in-person, via teleconference, written submission, or any combination of these.

At an enforcement hearing, an adjudicator, who is a delegate of the general manager, will consider the evidence and argument presented by you and the branch. The adjudicator will decide whether the alleged contravention(s) occurred and what enforcement action, if any, is warranted. The adjudicator issues a written decision several weeks after the hearing.

## Possible Enforcement Action

If the adjudicator decides the contravention occurred, they may

- suspend the liquor licence for a period of time
- impose a monetary penalty
- cancel a liquor licence

- impose, rescind or amend the terms and conditions of a licence, and/or
- order a licensee to transfer a licence.

If the adjudicator finds that either a licence suspension or monetary penalty is warranted, they may not impose a penalty less than the minimums set out in Schedule 4 of the Regulation. They may impose higher penalties when it is in the public interest to do so. They are not bound by the penalties proposed in the Notice of Enforcement Action.

The type of enforcement action imposed will depend on a number of factors, including the nature of the contravention, the circumstances of the contravention, your establishment's compliance history, and your compliance history as a licensee.

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Suspensions and monetary penalties will include the requirement to post signs demonstrating the enforcement action. Signs will be posted by either police or Branch staff in a prominent location in the establishment. You must not remove, alter, obscure or otherwise diminish the prominence of these signs during the period they are required to be posted. Doing so may result in further enforcement action.

Any enforcement action imposed will form part of the compliance history of the licence and the licensee.

## Judicial Review

If you are dissatisfied with an enforcement hearing decision, you may apply to the B.C. Supreme Court.

# Managing Your On-Site Retail Store

## Posting Your Certificate of Appointment

You must receive from the branch a certificate of appointment and post it in a prominent location in your on-site retail store to ensure it is immediately available for review by liquor inspectors and police.

## Providing Information to the Branch

You must be forthright in providing information to the branch. Making a misleading statement or failing to disclose a material fact (such as the fact that a third party is using your winery licence, or that the lease on your property has run out) are licensing contraventions.

## Producing Documents and Records

You must allow the general manager (or a designated person such as a liquor inspector) to inspect documents and records associated with your brewery or distillery, including:

- liquor sales, purchase and disposal records,
- store sales records for non-liquor products, lease and management contracts related to your on-site retail store,
- employee records,
- records of any incidents or events that occurred on or near your store, and
- any court orders or judgments against you.

## Renewing Your Appointment

Your certificate of appointment will be automatically renewed each year, at the same time as your licence (March 31st). There is no annual renewal fee for the on-site appointment.

## Making Changes to Your Appointment

The details of your application for a certificate of appointment - who you are, the name and layout of your store - were critical factors in the government's decision to grant you a certificate of appointment.

Now that you hold a certificate of appointment, you must apply to the Liquor Control and Licensing Branch for approval before you make any changes to your onsite retail store.

Please see Appendix 2 for more information about making changes to your appointment

## Selling Your Brewery or Distillery Store and Transferring Your Appointment to a New Owner

Your brewery/distillery and your on-site retail store(s), if located on the same site, must be owned by the same person or company. You cannot sell one separately from the other.

# Operating Your On-Site Retail Store

## What Liquor You May Sell in Your Store

You may stock and sell beer or spirits made on-site at your brewery/distillery only. You may not sell any other types of liquor, such as wine.

## Who You May Sell Your Liquor To

You may sell your products to the general public from your on-site retail store area.

### Samples

Distilleries may not sell samples of spirits, but may provide complimentary samples of your products to the general public in a tasting area and/or in an on-site retail store. Breweries may sell up to a total volume of 375 ml per person per day or provide unlimited free samples.

You must never serve samples to the point of intoxication.

### Sample Size

The maximum quantities per patron at a consumer tasting are as follows:

	SINGLE PRODUCT	MULTIPLE PRODUCT
Spirits	10 ml.	20 ml.
Beer/Spirit-based Coolers	30 ml.	45 ml.

The quantities for multiple product tasting apply only where you are presenting more than one product at a single tasting. The quantity for multiple products is a total of all products offered. For example, if you present two kinds of spirits, you may offer a maximum quantity of 10 ml. of each spirit to taste.

### Hours of sale

You may sell your beer or spirits and other approved products (see below) at your brewery/distillery store between the hours of 9:00 a.m. and 11:00 p.m., or as indicated on the face of your Certificate of Appointment.

### Pricing

You are responsible for setting your own store prices, and you may adjust your prices at any time throughout the day.

### Selling non-liquor products

You may sell non-liquor products in your brewery/distillery store including:

- items specifically identified with storing or serving beer or spirits, such as bottle openers, jiggers and drinking glasses

- printed materials such as books and pamphlets concerning beer or spirits in general or specific liquor products that are sold in your store
- items that identify liquor products for sale in your store, such as umbrellas, T-shirts and aprons
- liquor-related soft drinks and juices , such as cocktail mixers, and/or
- non-alcoholic beer.

You may not sell:

- confectionary items such as candy, gum, potato chips, etc.
- tobacco products, or
- lottery tickets.

### Selling illicit or private liquor

You may not buy, keep, sell or give illicit liquor to anyone. Illicit liquor is defined as:

- liquor purchased or otherwise obtained from a source other than your brewery or distillery
- stolen liquor
- smuggled liquor
- liquor intended for export
- home manufactured or UBrew/UVin
- liquor purchased as a medicinal, confectionery or culinary product that is being used as beverage alcohol, and
- liquor that has been adulterated or watered down.

#### Liquor seizures and sampling:

Both liquor inspectors and the police have the authority to seize liquor they believe might be illicit. They will either destroy the liquor immediately or hold it in storage for 30 days.

Liquor inspectors may also take reasonable samples of liquor found in your store to determine whether the liquor is illegal, unauthorized, adulterated or contaminated.

You are accountable for any illicit liquor found anywhere on your premises (service or storage area). It is not acceptable to say that illicit liquor made its way into your stock by accident, that it was a gift for personal use, or that an employee left it there.

### Delivering Your Products to the Public

Appointed brewery/distiller on-site stores may deliver liquor to customers under the following terms and conditions:

- Deliveries must be made by and to people legally able to consume liquor, and only to a place where liquor may be legally possessed or consumed .
- Liquor can only be sold and delivered to individuals 19 years of age or older. When proof of age is required, customers must show two pieces of identification at the time of delivery. One of those pieces must be a government issued identification card such as a driver's licence with photo, name and birth date. The other piece must contain the person's name along with a signature or picture.
- You may not deliver to an intoxicated person or someone under the influence of drugs
- The products that you deliver must be products that you regularly stock and have available for purchase by walk-in customers
- Your charge for the liquor must be your regular price of the liquor plus a separate delivery charge if any. You must inform customers of both charges when they place an order.

- You must keep delivery transaction records for at least three years. These records must include the date, time and address of each delivery, the products purchased, the prices charged, delivery fees and total amount paid
- You liquor must be delivered from your store location only, and
- You are responsible for making sure that anyone delivering for you follows these rules.

## Empty Container Returns and Refunds

You must - under B.C. environmental regulations - accept up to 24 empty container returns per person per day for the product brands and sizes you sell, and refund the full amount of the applicable container deposits.

## Games and Entertainment

Games and entertainment are not permitted in your store.

## Prohibited Activities

Your appointed on-site retail store is prohibited from having an association, financial or otherwise, with a UVin/UBrew.

# Providing a Safe and Responsible Service

## Serving It Right™: B.C.'s Responsible Beverage Service Program

Serving It Right (SIR) is a self-study course that educates licensees, managers and servers about their legal responsibilities when serving liquor, and provides effective techniques to prevent problems related to over service.

Serving It Right (SIR) must be completed by all licensees and managers. If you are licensed as a public or private corporation, the licensee portion of this requirement is met if any director, officer or employee responsible for controlling the sale of liquor completes the Serving It Right program. If you have a sampling room, all servers must have Serving It Right.

You are responsible for making sure your sampling room servers take Serving It Right. You must keep photocopies of their Serving It Right (SIR) certificates, ready for inspection by a liquor inspector or police officer at all times.

### Serving it Right:

The course packages, exams and certificate numbers may be obtained from the program:

Phone:  
604-633-9798

Fax:  
604-633-9796

E-mail: [info@servingitright.com](mailto:info@servingitright.com)  
or downloaded from website:  
[www.servingitright.com](http://www.servingitright.com)

The *Serving it Right* program is administered by go2 — B.C.'s tourism industry human resources association.

## Controlling Disturbances

You and your employees are responsible for ensuring that your customers, your staff and members of the community at large are not harmed as a result of liquor misuse or criminal activity in your on-site retail store. You are also required to take steps to ensure your on-site retail store does not disturb the surrounding community.

## Preventing disturbances

You must take reasonable measures to prevent disturbances in your on-site appointed store. Examples of reasonable measures include:

- installing adequate lighting outside your store and in the parking lot
- supervising your parking areas, and/or
- posting signs asking your patrons not to disturb your neighbours.

### Physical signs of intoxication:

- red or bloodshot eyes
- dishevelled appearance
- odour of liquor
- unsteadiness on feet
- staggering
- exaggerated care in walking
- slurred speech
- fumbling with small objects such as money

### Mental signs of intoxication:

- lack of alertness
- exaggerated emotions
- aggression
- irrationality

## Intoxicated patrons

You may not sell your product to someone who is intoxicated. If an intoxicated person enters your store, write down the details - time, date, what action you took - in an incident log, so that you have the information available for a liquor inspector or police officer on request.

## Minors

Minors are allowed in your on-site store only when accompanied by a parent or guardian. You may not employ minors to work in your store. It is against the law to sell, serve, or supply liquor to a minor.

## ID requirements

When you verify a customer's age, you or your employees must ask for two pieces of identification.

The first piece of identification must:

- be issued by a government agency (e.g. a passport or driver's licence), and
- include the person's name, signature, birth date and picture.

The second piece must:

- include an imprint of the holder's name (e.g. a credit card or Care Card), and
- include the person's signature and/or picture.

If the person cannot produce two pieces of acceptable identification that proves they are 19 or older, you must refuse entry.

You must cooperate with a liquor inspector if the inspector asks you or your staff to determine whether a person is a minor.

You are encouraged (but not required) to retain identification that is clearly false and to turn it over to your liquor inspector. If you suspect that a passport is fake please provide details to police, but do not take possession of it from the customer. Holding back a valid passport is a federal offence. Where possible, the inspector will return the identification to the agency that issued it. (If the patron insists you return the ID, you should do so, but we encourage you to take a photocopy of it first to give to your liquor inspector.)

### To verify identification, ask the person for:

- A sample signature to compare to the signature on the photo identification.
- His or her zodiac sign – people with false identification often will be unable to answer quickly.
- His or her middle name and how to spell it.
- Information that is on the identification, such as the person's address or postal code.

# APPENDIX 1: Penalty Schedule

## Schedule 4 Enforcement Actions

### Interpretation

1 (1) For the purposes of this Schedule,

(a) a contravention is of the same type as another contravention if each contravention is described by the same Item of this Schedule, and

(b) a contravention by a licensee is

(i) a first contravention if the contravention was committed at or in respect of an establishment and the licensee has not committed a contravention of the same type at or in respect of that establishment within the 12 month period preceding the commission of the contravention,

(ii) a second contravention if the contravention was committed at or in respect of an establishment and the licensee has committed one contravention of the same type at or in respect of that establishment within the 12 month period preceding the commission of the contravention, and

(iii) a subsequent contravention if the contravention was committed at or in respect of an establishment and the licensee has committed a second contravention of the same type at or in respect of that establishment within the 12 month period preceding the commission of the contravention.

2) In section 20 (1) (c.1) of the Act and in Item 13 of this Schedule, "**reasonable measures**" means, in respect of a licensee, measures that are

(a) reasonable in the circumstances, and

(b) reasonably within the capacity of the licensee to effect.

Item	Contravention	Period of Suspension (Days)			Monetary Penalty
		First Contravention	Second Contravention	Subsequent Contravention	
<b>OPERATING OUTSIDE OF LICENCE PURPOSE</b>					
1	Operation of a licensed establishment in a manner that is contrary to the primary purpose of the licence	10-15	20-30	30-60	\$7,500-\$10,000
<b>MINORS</b>					
2	A breach of section 33 of the Act <i>[Selling liquor to minors]</i>	10-15	20-30	30-60	\$7,500-\$10,000
3	A breach of section 35 of the Act <i>[Minors on licensed premises]</i>	4-7	10-14	18-20	\$5,000-\$7,500
4	Rescinded (February 2007) <i>A breach of section 45(2) of this regulation [Failure to request identification from person appearing to be under 25]</i>	N/A	N/A	N/A	N/A
<b>GAMBLING</b>					
5	A breach of section 36(2)(a) of the Act by authorizing or permitting gambling in the licensed establishment	4-7	10-14	18-20	\$5,000-\$7,000
6	A breach of section 36(2)(c) of the Act by authorizing or permitting a device used for gambling to be placed, kept or maintained in the licensed establishment	10-15	20-30	30-60	\$7,500-\$10,000
<b>DISORDERLY OR RIOTOUS CONDUCT</b>					
7	A breach of section 36(2)(c) of the Act by authorizing or permitting, in a licensed establishment, drunkenness or violent, quarrelsome, riotous or disorderly conduct	10-15	20-30	30-60	\$7,500-\$10,000
8	A breach of section 36(2)(b) of the Act by authorizing or permitting, in the licensed establishment, any unlawful activities or conduct	10-15	20-30	30-60	\$7,500-\$10,000
<b>INTOXICATED PERSONS</b>					
9	A breach of section 43(1) of the Act by selling or giving liquor to an intoxicated person or a person apparently under the influence of liquor	4-7	10-14	18-20	\$5,000-\$7,000

Item	Contravention	Period of Suspension (Days)			Monetary Penalty
		First Contravention	Second Contravention	Subsequent Contravention	
10	A breach of section 43(2)(a) of the Act by permitting a person to become intoxicated	4-7	10-14	18-20	\$5,000-\$7,000
11	A breach of section 43(2)(b) of the Act by permitting an intoxicated person to remain in that part of the licensed establishment where liquor is sold or served	4-7	10-14	18-20	\$5,000-\$7,000
<b>WEAPONS</b>					
12	A breach of section 47 of the Act [ <i>Licensee's duty - dangerous weapons</i> ]	4-7	10-14	18-20	\$5,000-\$7,000
<b>LICENSEE RESPONSIBLE FOR DISTURBANCE OF PERSONS IN THE VICINITY</b>					
13	A failure to take reasonable measures to ensure that the operation of the licensed establishment is not contrary to the public interest and does not disturb persons in the vicinity of the establishment	10-15	20-30	30-60	\$7,500-\$10,000
<b>OVERCROWDING</b>					
14	Permitting more persons in the licensed establishment than the patron or person capacity set by the general manager and the number of persons in the licensed establishment in less than or equal to the occupant load	1-3	3-6	6-9	\$1,000-\$3,000
15	Permitting more persons in the licensed establishment than the patron or person capacity set by the general manager and the number of persons in the licensed establishment is more than the occupant load	4-7	10-14	18-20	\$5,000-\$7,000
<b>ILLICIT LIQUOR</b>					
16	A breach of section 38 of the Act [ <i>Unlawful sale of liquor</i> ]	10-15	20-30	30-60	\$7,500-\$10,000
17	A breach of section 38.1 of the Act [ <i>Unlawful to dilute or adulterate liquor</i> ]	4-7	10-14	18-20	\$5,000-\$7,000

Item	Contravention	Period of Suspension (Days)			Monetary Penalty
		First Contravention	Second Contravention	Subsequent Contravention	
18	A breach of section 39 of the Act [ <i>Unlawful purchase of liquor</i> ]	10-15	20-30	30-60	\$7,500-\$10,000
19	A breach of section 35(3) of this regulation by failing to keep and maintain a register of all liquor purchased and received	1-3	3-6	6-9	1,000-\$3,000
20	A breach of section 35(1) of the regulation by purchasing liquor other than from a liquor store designated in writing by the general manager or designated by the Liquor Distribution Branch, or without identifying the licensee as a licensee	1-3	3-6	6-9	\$1,000-\$3,000
21	A breach of section 36 of this regulation by selling or providing under one licence liquor that is purchased under another licence without authorization of the general manager	10-15	20-30	30-60	\$7,500-\$10,000
<b>LIQUOR SERVICE</b>					
22	A breach of section 43 of this regulation by the licensee failing to complete the required training program	4-7	10-14	18-20	\$5,000-\$7,000
23	A breach of section 43 of this regulation by a manager or server failing to complete the required training program	1-3	3-6	6-9	\$1,000-\$3,000
24	A breach of section 44 (1)(a) of this regulation by a licensee with a liquor primary licence or liquor primary club licence failing to clear the licensed establishment of patrons within ½ hour after the time stated on the licence for the hours of liquor service, or other time authorized by the general manager	1-3	3-6	6-9	\$1,000-\$3,000
25	A breach of section 44(1)(b) of this regulation by a licensee with a food primary licence failing to ensure that liquor is taken from patrons within ½ hour after the time stated on the licence for the hours of liquor service, or other time authorized by the general manager	4-7	10-14	18-20	\$5,000-\$7,000
26	A breach of section 44(3) of this regulation by allowing a person to consume liquor in the licensed establishment beyond ½ hour after the time stated on the licence for the hours of liquor service, or other time authorized by the general manager	4-7	10-14	18-20	\$5,000-\$7,000

Item	Contravention	Period of Suspension (Days)			Monetary Penalty
		First Contravention	Second Contravention	Subsequent Contravention	
28	A breach of section 42(2) of this regulation by permitting liquor not purchased from the licensee to be consumed in the licensed establishment	4-7	10-14	18-20	\$5,000-\$7,000
29	A breach of section 42(4) of this regulation by permitting liquor sold in the licensed establishment to be taken from the establishment	1-3	3-6	6-9	\$1,000-\$3,000
30	A breach of section 41(2) of this regulation by providing unlimited or unspecified quantities of liquor for a single price, using a sales strategy that is likely to promote or encourage intoxication, or altering the price of liquor during a day after it has been set for that day	4-7	10-14	18-20	\$5,000-\$7,000
<b>PRODUCTION OF RECORDS</b>					
31	A breach of section 73 (1) (a), 73 (2) (a) or 73 (2) (b) of the Act <i>[Failure to produce a document or record or thing]</i>	10-15	20-30	30-60	\$7,500-\$10,000
<b>ADVERTISING</b>					
32	A breach of section 49 of the Act <i>[Display of signs]</i>	1-3	3-6	6-9	\$1,000-\$3,000
33	A breach of section 51.1 of the Act <i>[Advertising liquor]</i> or section 58 of this regulation	1-3	3-6	6-9	\$1,000-\$3,000
<b>ENTERTAINMENT</b>					
34	Permitting in the licensed establishment entertainment by one or more exotic dancers or strippers that is prohibited or restricted under section 50 of the Act	4-7	10-14	18-20	\$5,000-\$7,000
35	Permitting in the licensed establishment any other entertainment that is prohibited or restricted under section 50 of the Act	1-3	3-6	6-9	\$1,000-\$3,000

Item	Contravention	Period of Suspension (Days)			Monetary Penalty
		First Contravention	Second Contravention	Subsequent Contravention	
<b>LICENSING CONTRAVENTION</b>					
36	A breach of section 15 (2) of the Act [ <i>Failure to disclose a material fact or false or misleading statement in application</i> ]	10-15	20-30	30-60	\$7,500-\$10,000
37	A breach of section 18 of the Act [ <i>Tied houses</i> ] by failing to disclose to the general manager the information that must be disclosed under that section	10-15	20-30	30-60	\$7,500-\$10,000
38	A breach of section 19 (3) of the Act by transferring shares of the licensee's capital stock without first receiving the general manager's approval for that transfer	1-3	3-6	6-9	\$1,000-\$3,000
39	A breach of section 7 of this regulation by making structural alteration of or change to the size of any area of the licensed establishment without first receiving the written permission of the general manager	1-3	3-6	6-9	\$1,000-\$3,000
<b>INDUCEMENTS</b>					
40	A breach by the licensee or an employee of the licensee of section 45 of the Act [ <i>Licensee not to give or accept gifts for promoting liquor</i> ]	10-15	20-30	30-60	\$7,500-\$10,000
<b>PROMOTIONAL ACTIVITY</b>					
40.1	A breach of section 50.1 (3)(d) of this regulation by engaging in promotional activity if that promotional activity is required to be, but is not, documented in a appropriate buy-sell agreement	1-3	3-6	6-9	\$1,000-\$3,000
<b>U-BREW / U-VIN</b>					
41	A breach of section 23 of this regulation by failing to ensure that the customer performs the listed tasks	4-7	10-14	18-20	\$5,000-\$7,000
42	A breach of section 22 [ <i>Payment, acknowledgment and invoice required</i> ], 24 [ <i>Licensee or employee production</i> ], 25 [ <i>Storage requirements</i> ], 26 [ <i>No consumption other than tasting</i> ], 27 [ <i>Customer required to bottle own product</i> ], 28 [ <i>Removal of finished product required</i> ], 30 [ <i>Minors</i> ], 31 [ <i>Record keeping and reporting requirements</i> ], 32 [ <i>Advertisements</i> ] or 33 [ <i>Hours of operation</i> ] of this regulation	1-3	3-6	6-9	\$1,000-\$3,000

Item	Contravention	Period of Suspension (Days)			Monetary Penalty
		First Contravention	Second Contravention	Subsequent Contravention	
43	A breach of section 29 of this regulation by failing to ensure that beer or cider is not kept, offered or produced for sale at a U-Brew or U-Vin	10-15	20-30	30-60	\$7,500-\$10,000
<b>DEFAULT IN MONETARY PENALTIES</b>					
44	A breach of section 20 (2.6) of the Act [ <i>Failure to pay monetary penalty within 30 days or period specified by the general manager</i> ]	10-15	20-30	30-60	
<b>OTHER</b>					
45	A breach of section 20 of the Act by permitting the sale, service or consumption of liquor while the licensee's licence is under suspension, <u>or</u> A breach of section 67 (3) of the Act, by (a) obstruction or attempting to obstruct an entry or search by a peace officer under section 67 of the Act, or (b) refusing or failing to admit immediately a peace officer demanding entry anywhere under section 67 of the Act, <u>or</u> A breach of section 73 (1) (b) (ii) or (iii) of the Act by neglecting or refusing to allow storage premises or an establishment licensed under the Act to be inspected, <u>or</u> A breach of section 73 (2) (b) of the Act by neglecting or refusing to allow premises to be inspected	If the licence is not cancelled or transferred in accordance with section 69 of this regulation, at least 15 days			
<b>GENERAL</b>					
46	Any breach of any provision of the Act, the regulations or the terms and conditions of the licence not specifically referred to in Items 1 to 45	1-3	3-6	6-9	\$1,000-\$3,000

# APPENDIX 2: Making Changes to Your Licence or Appointment

## Changes that Require Approval from the General Manager

### Permanent change

You must apply for a permanent change if you want to:

- change the name of your business
- change anyone or any company – owners, directors, officers, partners, shareholders, corporations or holding companies
- transfer shares either externally to new shareholders, or internally between current shareholders, if you are a private corporation
- add a receiver or executor.

### Structural change

You must apply for a structural change if you want to change the layout of your manufacturing facility.

### Transfer of location

You must apply for a transfer of location if you want to:

- re-locate your business.

### Third-party or resident manager change

You must apply for a third-party operator or resident manager change if you want to:

- change (or add) a third-party lessee or management firm operating within your licensed establishment
- change your resident manager, if you are a non-resident private corporation.

### Temporary change

You must apply for a temporary change if you want to:

- make a change or changes for a relatively short period. These changes may include temporarily moving your business to another location entirely.
- host a special event at your manufacturing facility which may require de-licensing specific areas. (We encourage you to contact the branch for more information.)

## Application Forms, Documentation and Other Required Approvals

The application form, documentation and approvals you will need depend on the type of change you are asking for. For example:

- To alter the structure or layout of your building, you will need an Application for a Structural Change, and to supply large-scale floor plans.
- To change or add a third-party lessee or management firm, you will need an Application for a Third-Party Operator or Resident Manager, and to supply a range of company documents and a completed criminal record search form for applicable person(s).
- To transfer shares, you will need an application for a Permanent Change to a Liquor Licence, and all new shareholders will need to agree to a criminal record check.

### Application Forms:

Forms are available from the Liquor Control and Licensing branch:

#### WEB:

[www.pssg.gov.bc.ca/lclb](http://www.pssg.gov.bc.ca/lclb)

#### PHONE (toll-free in BC):

1 866 209-2111

#### Email:

[lclb.lclb@gov.bc.ca](mailto:lclb.lclb@gov.bc.ca)

The individual application forms explain the documentation and/or approvals required for each type of change. The Fee Schedule for Licence Changes lists the fee charged for each type of change.

### Criminal Record Checks

Some changes will require that you consent to a criminal record check. To do so, you must complete both the Personal History Summary and Consent to Criminal Record Search form and the RCMP's Consent for Disclosure of Criminal Record Information.

Applicants who have applied for a liquor licence and consented to a criminal record search within the previous 12 months are exempt, unless requested to consent to another search by the general manager.

Applicants living outside of Canada, refugees and landed immigrants who have been in Canada for less than five years and anyone who has been charged or convicted of a crime must also provide a statutory declaration – signed by a lawyer, Notary Public, or Commissioner for Taking Affidavits – stating either that they have not been charged or convicted of a crime, or providing details of any past charges, convictions or sentences. In addition, landed immigrants who have been in Canada less than five years must attach a copy of their “Record of Landing” (Form IM1000, Permanent Resident Card or equivalent documentation) as provided by Citizenship and Immigration Canada when they entered the country..

Once we have the required documents, we will send them on to the RCMP. They will check the person's name and birth date and other information against criminal records across Canada, and report back to us with the final results:

- If the search reveals no criminal record, we will continue to process your change request.
- If the RCMP are unable to confirm the information you provided on the statutory declaration, and the search reveals a possible relevant criminal record, we will ask you to go to the local police or RCMP station to provide fingerprints. (The police may charge

a fee for this service.) Specially trained analysts will compare these fingerprints to the prints associated with the criminal record.

Even if it turns out that an applicant does have a criminal record, however, it does not mean we will automatically turn down the application. We will look carefully at the circumstances of the individual case – the severity of the crime and when it was committed, for example, and what the applicant has done to change his or her behaviour since then – and how the type of crime committed relates to the responsibilities that go with holding a liquor licence.

# APPENDIX 3: CRTC Code For Broadcast Advertising of Alcoholic Beverages

Commercial messages for alcoholic beverages shall not:

- attempt to influence non-drinkers of any age to drink or purchase alcoholic beverages;
- be directed at persons under the legal drinking age, associate any such product with youth or youth symbols, or portray persons under the legal drinking age or person who could reasonably be mistaken for such persons in a context where any such product is being shown or promoted;
- portray the product in the context of, or in relation to, an activity attractive primarily to people under the legal drinking age;
- contain an endorsement of the product, personally or by implication, either directly or indirectly, by any person, character, or group who is or is likely to be a role model for minors because of a past or present position of public trust, special achievement in any field of endeavour, association with charities and/or advocacy activities benefiting children, reputation or exposure in the mass media;
- attempt to establish the product as a status symbol, a necessity for the enjoyment of life or an escape from life's problems, or attempt to establish that consumption of the product should take precedence over other activities;
- imply directly or indirectly that social acceptance, social status, personal success, or business or athletic achievement may be acquired, enhanced, or reinforced through consumption of this product;
- imply directly or indirectly that the presence or consumption of alcohol is, in any way, essential to the enjoyment of an activity or an event;
- portray any such product, or its consumption, in an immoderate way;
- exaggerate the importance or effect of any aspect of the product or its packaging;
- show or use language that suggests, in any way, product misuse or product dependency, compulsive behaviour, urgency of need or urgency of use;
- use imperative language to urge people to purchase or consume the product;

- introduce the product in such a way or at such a time that it may be associated with the operation of any vehicle or conveyance requiring skill;
- introduce the product in such a way or at such a time as may associate the product with any activity requiring a significant degree of skill, care or mental alertness or involving an obvious element of danger;
- contain inducements to prefer an alcoholic beverage because of its higher alcoholic content;
- refer to the feeling and effect caused by alcohol consumption or show or convey the impression, by behaviour or comportment, that the people depicted in the message are under the influence of alcohol;
- portray persons with any such product in situations in which the consumption of alcohol is prohibited; or
- contain scenes in which any such product is consumed, or that give the impression, visually or in sound, that it is being or has been consumed.

# APPENDIX 4: Sample Buy-Sell Agreement

Liquor Control and Licensing Form LCLB 300



Ministry of  
Housing and  
Social Development

## Buy-Sell Agreement BETWEEN

**Parties:** \_\_\_\_\_ and \_\_\_\_\_  
 Liquor Manufacturer/Agent Licensee  
*(licence name as shown on face of licence)* *(licence name as shown on face of licence)*

\_\_\_\_\_ and \_\_\_\_\_  
 Liquor Manufacturer/Agent Licence Number Licensee Licence Number

**Purpose:** The contractual obligations stated below are agreed to and will be adhered to by both Parties throughout the duration of this agreement.

**Duration** *(must not exceed 36 months):*

Start Date: \_\_\_\_\_ End Date: \_\_\_\_\_

**Terms Agreed to by Licensee:**

1. \_\_\_\_\_ hereby agrees to:  
 Licensee

A. Purchase or order over the duration period:

Product Name	UPC	Size	Quantity/Volume

B. Placement of promotional items, product displays, point-of-sale or similar material:

\_\_\_\_\_ over the duration period.

**Terms Agreed to by Liquor Manufacturer/Agent:**

2. In return for the considerations noted above \_\_\_\_\_ agrees to:  
 Liquor Manufacturer/Agent

A. Provide (promotional items such as mirrors, ceramic draft beer towers, menu boards, patio umbrellas, or T-shirts, hats, etc):

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_ RETAIL VALUE: \$ \_\_\_\_\_

B. Conduct (theme night, manufacturer's dinner, or non-LDB approved contest):

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_ RETAIL VALUE: \$ \_\_\_\_\_

C. Implement Value-Added Promotions (on-packs, in-packs, near-packs, or coupons):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
RETAIL VALUE: \$ \_\_\_\_\_

D. Other (educational events or activities):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
RETAIL VALUE: \$ \_\_\_\_\_

**Conditions and Understanding:**

Promotional activities must be directed to the consumer and promotional items must be provided to or be for the principal benefit of patrons.

This Agreement shall not exclude, restrict or otherwise prohibit the licensee from carrying, selling, or displaying the products of any other liquor manufacturer/agent.

Both Parties agree to maintain, on site, certifiable copies of this Buy-Sell Agreement and any related documents for two years after their expiry date. All such documents must be available and provided, without delay, when requested by the general manager of the Liquor Control and Licensing Branch.

Buy-Sell Agreements must not exceed 36 months in duration.

Value-added items may not exceed 20% of the retail price of the liquor item being promoted.

The names of recipients of prizes over \$100 must be recorded and retained with this agreement.

Despite any provision in this agreement to the contrary, the Parties agree not to engage in any promotional activity that is not, or that ceases to be, authorized under one or more of:

- (a) The Liquor Control and Licensing Act
- (b) The Liquor Control and Licensing Regulation
- (c) The terms and conditions to which one or more of the parties are subject to under licence from the Liquor Control and
- (d) Licensing Branch.

**This Agreement and its contents have been read and are fully understood.**

**Authorized Signatory:**

	and	
Liquor Manufacturer/Agent Name		Licensee (or manager)
Position or Title		Position or Title

Dated this \_\_\_\_ day of \_\_\_\_\_ 2\_\_ \_\_ at \_\_\_\_\_, British Columbia.





PSSG-07007 BDA  
LCLB200BDA