

Manufacturer Terms and Conditions



May 2020

Update Summary

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Manufacturer Licence Terms and Conditions

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Introduction

The purpose of the manufacturer licence is to make and sell liquor at a winery, brewery or distillery, and to promote and market these products offsite to licensees and the public.

This handbook outlines the requirements of the *Liquor Control and Licensing Act*, Regulations and terms and conditions that relate to B.C. manufacturers. It is the responsibility of the licensee to be aware of and to operate in compliance with these rules.

Licensees must follow B.C.'s liquor laws and these terms and conditions at all times (as well as any further terms and conditions that might be printed on your licence or in letters issued to you by the general manager of the Liquor and Cannabis Regulation Branch.

Throughout this handbook the term "general manager" refers to the general manager of the Liquor and Cannabis Regulation Branch, who has legislative authority to make decisions regarding liquor licensing in British Columbia.

Licence terms and conditions change from time to time. Stay up to date by referring to the online handbook and checking back on our policy directives page (<https://www2.gov.bc.ca/gov/content/employment-business/business/liquor-regulation-licensing/liquor-law-policy/liquor-policy-directives>).

Contact Information

If you have any concerns or questions, please contact your local liquor inspector or the Liquor and Cannabis Regulation Branch at:

Mailing address

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

Office address

400 – 645 Tye
Victoria, BC V9A 6X5

Email

LCRBLiquorPolicy@gov.bc.ca

Phone

250-952-5787 in Victoria

Toll-Free Phone

1 866 209-2111

A range of helpful information along with licensee handbooks, application forms and links to the *Liquor Control and Licensing Act* and Regulations are here: www.gov.bc.ca/liquorregulationandlicensing

Providing Safe and Responsible Service

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

Serving It Right 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 overservice.

Serving It Right must be completed by all licensees, managers (staff who supervise the sale or service of liquor) and servers (staff who sell or serve liquor). In regard to licensees, the following table shows who is required to complete Serving It Right.

Type of Licensee	Who Needs Serving It Right
Private or public corporation	Authorized signing officer of the corporation
Local government or First Nation	A person you identify as your representative
General partnership	At least one partner
Limited partnership	The general partner
Sole proprietor	The sole proprietor
Trust	Trustee
Non-profit corporation (e.g. a society)	Director or senior manager
Military mess	An officer in charge
Other (e.g. church, university, co-ops)	An officer, director, manager or other person satisfactory to the Liquor and Cannabis Regulation Branch

You are responsible for ensuring your employees take Serving It Right and you must keep records for at least six years that show the name of each employee, their Serving It Right certificate number and the expiry date, if applicable. You must produce this record to a liquor inspector or peace officer upon request.

Servers relocating to British Columbia with a valid certificate showing completion of a recognized responsible beverage service program in another Canadian jurisdiction are exempt from the Serving It Right requirement until the expiry of their certification. If you hire an employee with certification from another Canadian jurisdiction, you must keep the same information as for Serving It Right, along with the jurisdiction where the training occurred.

Effective September 15, 2020, servers holding certificates with no expiry date must obtain Serving It Right certification.

Revised September 2019 { The course packages, exams and certificate numbers can be found online at www.responsible-service-bc.ca.

Display of Social Responsibility Materials

You are required to display at least one social responsibility poster or tent card in your lounge endorsement area and your onsite retail store. The social responsibility materials will be mailed to you and must be displayed in a prominent location in your service area.

Updated materials will be provided to you at regular intervals, free of charge. Additional copies of the materials are available from your local liquor inspector or on the Liquor and Cannabis Regulation Branch's website.

Controlling Your Facility

You and your employees are responsible for ensuring that no one is harmed as a result of liquor misuse or criminal activity anywhere on your premises. If your staff, patrons, or members of the community have reason to be concerned that there is threat to their safety, you must act on these concerns.

An individual who has been asked to leave, or who has been barred from entering your facility, must not return for at least 24 hours. If a person does not comply, he or she is committing an offence and may be arrested.

If there is an imminent threat to people's safety, the general manager can suspend a liquor licence for 24 hours and order the immediate removal of customers. In this situation, you are required to take all reasonable steps to ensure that customers vacate the premises immediately.

In extraordinary circumstances, the general manager may suspend a licence or impose terms and conditions for up to 14 days without a hearing.

Preventing Disturbances

You must take reasonable measures to make sure your business is not operating contrary to the public interest and does not disturb people near your establishment (for example, noise). This means performing actions that are appropriate in the circumstances and within your capacity to do.

Examples of reasonable measures include:

- Installing adequate lighting outside your establishment and in the parking lot
- Supervising your parking areas
- Posting signs asking patrons not to disturb your neighbours
- Adding sound proofing
- Making approved structural changes to allow indoor line-up areas

Minors

It is against the law to sell, serve or supply liquor to a minor (those under the age of 19).

Minors are allowed in the picnic area of your facility without a parent or guardian. However, they must be accompanied by a parent or guardian to enter your sampling room(s), onsite retail store, lounge or special event area.

As a means to minimize unlawful entry by minors, it is recommended that you post signage outside the areas of your facility where minors' entry is restricted.

You can employ minors in your manufacturing facility and your endorsement areas, but you may not employ minors to sell or serve liquor. You may employ minors as entertainers but you must ensure they are supervised at all times. If they are working in a licensed lounge or special event area, they must leave the area whenever they are not entertaining, unless they are with a parent or guardian.

Identification (ID) Requirements

You are responsible for ensuring that minors are not served liquor. If there is any doubt whether a customer is 19 or over, you and your employees should verify age by asking for two pieces of ID, carefully examining both pieces, and acting on the authenticity of the identification. If you can't demonstrate that you have done this, you could be held responsible for serving a minor, if the person is under 19.

Primary ID

Must be issued by a government agency; and
Must include the holder's name, date of birth and picture.

Examples of primary ID include:

- State or provincial driver's licence
- Passport
- Photo BC Services Card
- Citizenship card
- First Nations status card
- Federal Firearms Possession and Acquisition licence

Note that the BC Driver's Licence and Services Card, which combines the BC Driver's Licence and Services cards (formerly CareCard), counts as only one piece of ID.

Secondary ID

Used to verify the authenticity of the first piece, and:

- Must include the holder's name; and
- Must include either the holder's signature OR picture.

Any acceptable piece of primary ID can be used as secondary ID. Examples of other acceptable secondary ID include:

- BC CareCard (which will be replaced by 2018 with the Non-Photo BC Services Card)
- Interim driver's licence (issued by ICBC)
- BC Transit ProPASS
- University or college student card
- Credit card
- Canadian Blood Services donor card
- Transport Canada's Pleasure Craft Operator's Card
- Many bank cards and rewards cards
- National Defence ID

You can accept expired and foreign ID, as long as it is readable and you can recognize the customer from the picture.

You and your staff must decide on a case-by-case basis if the ID presented proves that the person is not a minor. If the person cannot produce two pieces of acceptable identification, you should refuse service.

You must cooperate with a liquor inspector if asked to determine whether a person is a minor.

Overservice and Intoxicated Patrons

It is your responsibility to make sure patrons do not become intoxicated while on your premises.

You must not let a person who is apparently under the influence of alcohol or drugs enter or remain in the service area of your establishment. You must refuse the person service, have the person removed and see that they leave safely.

You also must write down all incidents of intoxicated patrons and the action you took in an incident log, and have the information available for the liquor inspector or police officers.

Overcrowding

Your liquor licence tells you the maximum number of people, including staff, who may be in your lounge, special event area or picnic area at one time. It is important that you know the capacity for these areas, and to make sure you stay within the limits. You may also have capacities designated by municipal authorities under building and fire regulations for areas where the Branch does not designate a patron capacity – you are also responsible for knowing and complying with these capacities.

Disorderly Conduct

You must not allow disorderly conduct or unlawful activities to take place at your facility. This includes behaviour that might cause a reasonable person to believe their safety is threatened.

If you know or suspect that this kind of behaviour has taken place, is currently taking place or may take place, you must notify police immediately

Weapons

A weapon is defined as anything used or intended for use:

- In causing death or injury to persons (whether designed for that purpose or not)
- In threatening or intimidating any person

You are responsible for ensuring a person with a weapon does not enter or remain on your premises. If you know or suspect that one of your customers has a weapon, you should notify police immediately.

Gaming

Gaming (also called gambling) is defined as playing or gaming, for money or other stakes, on an uncertain event; it involves chance and the hope of gaining something more than the amount paid to participate.

You cannot permit gaming on your premises, except those forms of gaming specified under the "Entertainment and Events" section of this handbook.

You cannot authorize gaming (such as by receiving a portion of the bets, collecting a fee from participants or providing tables or a room for games to take place). You are also responsible for exercising care and vigilance so gaming does not take place without your knowledge.

Your Facility

Manufacturer Licence

Once you have your manufacturer licence, you must maintain your equipment and continue to manufacture onsite each year in order to maintain the licence. You are required as part of the licensing process to own or have at least a one-year lease on your production equipment. You must maintain this equipment and continue to produce onsite.

If you are a winery, you are required to produce at least 4,500 litres of your own wine onsite each year. Production for this purpose is defined as “fermentation and at least one other significant winemaking step from the following list:

- blending
- crushing
- filtering
- aging the wine for at least three months
- secondary fermentation or carbonation (sparkling)
- packaging.”

Your basic licence permits you to:

- Sell your products to licensees as permitted through your manufacturing agreement with the Liquor Distribution Branch.
- Market and promote your products offsite to licensees and the public.
- Set aside one or more interior areas where you may sell or serve samples of your products to your patrons between 9 a.m. and 11 p.m.
- Take patrons on guided tours of your establishment between 9 a.m. and 11 p.m. While on a guided tour, your tour route is considered a service area which permits the service or sale of samples to persons on the tour. The tours are permitted in any area of your business but are only permitted outside if there are exterior features related to manufacturing, e.g. a vineyard.

Samples

Samples are a small amount intended to demonstrate what the product tastes like. Without a lounge or special event area endorsement you can only sell a limited volume of liquor for sampling purposes.

You must follow these limits when selling samples:

- **Winery:** a maximum individual serving size of 50 ml of wine. Multiple servings (e.g. flights) are permitted to a total maximum of 150 ml per person per day.
- **Brewery/Cidery:** a maximum individual serving size of 125 ml of beer or cider. Multiple servings (e.g. flights) are permitted to a total maximum of 375 ml per person per day.
- **Distillery:** a maximum individual serving size of 15 ml of spirits. Multiple servings (e.g. flights) are permitted to a total maximum of 45 ml per person per day. The volume limits for spirits do not include any mix added to the samples, e.g. tonic water.

Please note that “selling” includes any form of indirect sale, such as charging patrons for a tour that comes with a sample, offering liquor with the purchase of food, or charging for entertainment that includes liquor in the price. The maximum sample amounts per person per day apply regardless of where the liquor is provided, i.e. in a designated sampling area or on a guided tour or both.

If you provide free samples to your customers, the maximum individual serving sizes listed above still apply. There are no specified limits on the total volume of free samples you may provide, however you must never serve or sell samples to the point of intoxication.

You may also apply for the following endorsements, which grant you additional privileges if you are approved (See the “Endorsement” section for further detail on permissions):

- **Onsite store endorsement:** Allows you to sell products made under your licence (both at the onsite store and online)
- **Picnic area endorsement:** Allows you to set aside one or more picnic areas outdoors on your property where patrons can drink liquor they have purchased at your facility or received from the sampling area
- **Lounge endorsement:** Allows you to set aside a lounge area on your property (indoors and/or on a patio) where you may sell and serve liquor by the glass or bottle
- **Special event area endorsement:** Allows events at an indoor and/or outdoor special event area on your property

Your property must be adequately zoned for all activities conducted at your establishment.

Contract Manufacturing

Contract manufacturing is when a licensed manufacturer produces bulk liquor for another licensed manufacturer. This is permitted if the following conditions are met:

- The manufacturer purchasing the liquor is also manufacturing liquor at its site (if you are a winery you must meet the minimum onsite production requirements)
- The licensee that ultimately owns the product registers it with the Liquor Distribution Branch and keeps records showing the movement and source of bulk liquor.

Contract manufacturing also includes when you manufacture liquor in association with a person, who may be the owner of a liquor trademark, but does not hold a liquor licence. You may manufacture liquor in this situation as long as all of the following conditions are met:

- You own the liquor until you sell it to either the public, other establishments or to the Liquor Distribution Branch
- You register the liquor with the Liquor Distribution Branch and you conduct all sales to the public and licensees
- You store the liquor at your establishment or at your registered offsite storage location and it is under your care and control
- You conduct any advertising of the product (including websites)
- You may hire the person who has requested the liquor be manufactured as a marketing representative
- You must include your name and location on the label in a manner that clearly identifies you as the manufacturer

In any contracting situation, you can only manufacture the type of liquor you are licensed for (for example, breweries can only make beer). Prior to engaging in contract production agreements, you should ensure the agreements are permitted by the Liquor Distribution Branch.

Keeping and Producing Documents and Records

Please note that all of the records and documents listed within this section must be kept for a period of at least six years.

You must allow liquor inspectors to inspect documents and records associated with your business, including:

- Liquor product sales, invoices, purchase and disposal records
- Leases, management contracts and bank statements related to your manufacturing facility
- Employee records
- Records of any incidents or events that occurred on or near your establishment
- Any court orders or judgments against you
- Any agreements and contracts between you and another licensee

You must also maintain, and provide upon inspection, the following regarding your production:

- A general financial ledger, general production and inventory ledger and journal
- A record of the volume of harvested products used in the manufacturing process
- Invoices or receipts showing quantity and price paid for all ingredients purchased that were used in the manufacturing process, such as grain, mash, must, concentrates, sugar, juice, fruit, honey and milk, but not including ingredients containing liquor
- Invoices or receipts showing the quantity and price paid for all ingredients purchased that contain liquor that were used in the manufacturing process
- Records showing the quantity of bulk and packaged liquor manufactured
- Records showing the quantity and price charged for bulk and packaged liquor sold to other licensees who hold a manufacturer's licence
- Records showing the quantity and price charged for liquor sold and delivered to a purchaser outside of British Columbia
- Records showing the quantity of liquor lost by spillage and liquor used in sampling

Unlawful or Private Liquor

You cannot buy, keep, sell or give unlawful liquor to anyone. Unlawful liquor is defined as:

- Stolen or smuggled liquor
- Homemade or UBrew/UVin (Ferment-on-Premises) liquor
- Liquor purchased as a medicinal, confectionery or culinary product that is being used as beverage alcohol
- Liquor that has been adulterated, unless otherwise permitted below
- Samples that may have been left by an agent or another manufacturer
- Liquor for sale in your store, lounge or special event area that was obtained from an unauthorized source and/or not purchased under your licence
- Liquor you are not permitted to manufacture under your licence

You are accountable for any unlawful liquor found at your establishment or in your storage area. It is not acceptable to say that unlawful liquor made its way into your stock by accident, that it was a gift for personal use, or that an employee left it there.

Take the following steps to prevent unlawful liquor on your premises:

- If you recently purchased your establishment, conduct a thorough audit of all liquor on the premises to ensure none is unlawful
- Put safeguards in place to make sure no one waters down or otherwise unlawfully adulterates your liquor supply (the extent of the safeguards required will vary depending on the circumstances)
- Keep cooking alcohol (and culinary products containing alcohol) in the kitchen and separate from liquor kept for sale

Liquor Register

Manufacturers with a lounge or special event area endorsement must keep a liquor register.

A liquor register is a record of all your purchases (i.e. receipts and invoices) for your liquor inventory, including any liquor transfers. You must keep a liquor register and it must be available for inspection at all times. Liquor registers may be hardcopy or digital.

A liquor inspector or police officer may look at your register and compare it to your stock to make sure you have purchased your liquor lawfully.

If an inspector is unable to verify that the liquor on your premises was purchased legitimately, the liquor may be seized. It is therefore in your best interest to ensure your records are kept in a legible, orderly fashion so that an inspector can easily match your stock to your records.

You must also be able to account for any liquor that was lost due to spoilage and breakage. This can be done by either keeping a written record in a log book or by making a notation on the original receipt or invoice.

Best practices for keeping a liquor register:

- Keep all your receipts and invoices for liquor purchases in chronological order and separate from receipts and invoices for non-liquor purchases.
- Photocopy or scan receipts printed on thermal paper to protect the record from fading over time.
- Maintain a separate log book to record any liquor lost due to spoilage and breakage.

Storing Liquor

You must maintain a secure storage area on your manufacturing site where you store your liquor. You may also store it at an offsite storage area if you have notified the Branch of the offsite storage location using the Offsite Storage form.

Offsite storage areas must be located in British Columbia and cannot be located in a residence. You must advise the Branch if an offsite storage area is no longer being used.

If you store liquor for more than one licence in a common liquor storage area, the liquor that was purchased or manufactured under each licence must be clearly identified.

You must keep a list of storage areas with the liquor licence and produce it upon request by a liquor inspector or the police.

Complying With Your Liquor Distribution Branch Manufacturer's Agreement

The Liquor Distribution Act requires all B.C. manufacturers to enter into a Manufacturer's Agreement, which deals with issues such as registration of products, to whom the manufacturer can sell liquor, reporting sales and remitting moneys for those sales and record keeping. You must comply with the terms of this agreement as a condition of your manufacturer's licence. Non-compliance with the agreement may result in the cancellation or suspension of all or part of your licence or fines up to \$25,000.

Where Customers May Consume Liquor

Customers cannot bring their own bottles of wine or other liquor to consume at your facility, but customers may take away unfinished bottles of wine (only), as long as the bottles are re-sealed. You may only sell and serve in the licensed area(s) and sampling area of your facility, or on a guided tour, and self-service is not permitted.

- If you have an additional licence on your manufacturer site, a patron may purchase a drink in one licensed establishment (for example, a restaurant) and then take it into an adjoining establishment (for example, a lounge) if you own both establishments
- Customers may take their drinks to the picnic area, but you cannot serve in the picnic area
- Patrons may take liquor into the washroom, as long as they are not walking through an unlicensed area (such as a lobby) and you are properly supervising the washrooms
- Professional entertainers may consume liquor while on stage, as long as they do not become intoxicated

It is recommended that you post signage informing your patrons of areas where they may not take their liquor.

Employee Conduct

Liquor Consumption

With the exception of staff who have to sample product as part of the liquor-making process, you and your employees cannot consume liquor during working hours. This includes breaks, meal periods and between shifts on the same day.

After work, you and your employees may consume liquor, as long as:

- You do not offer liquor to employees in lieu of wages or as a bonus
- Your employees are of legal drinking age
- You are serving and consuming the liquor during the hours of sale indicated on your licence

Staff Parties

You may hold a staff party in your lounge or special event area, as long as you are able to comply with the Regulations and the terms and conditions of your licence for the duration of the party. Staff, for example, cannot consume liquor while on duty. If you cannot meet these conditions, you must apply for a special event permit.

Promoting Cannabis

It is the responsibility of all licensees and permittees to be aware of and comply with all federal and provincial laws in respect of the promotion and advertising of cannabis, cannabis accessories and services related to cannabis.

The federal *Cannabis Act* has strict rules in respect of the promotion of cannabis, cannabis accessories and services related to cannabis. In particular, the *Cannabis Act* restricts the types of promotions that are permitted in a place where young persons may be or are permitted.

Further, the *Cannabis Control and Licensing Act* regulates who is authorized to promote cannabis for the purpose of selling it. Persons authorized to promote cannabis for the purpose of selling cannabis under the Act include persons who hold a marketing licence or a retail store licence under that Act.

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Your Liquor Licence

You must post each of your liquor licences in prominent locations within the licensed area. They must be immediately available for review by liquor inspectors and police. Floor plans must be readily accessible, although they do not need to be posted.

Renewing Your Licence

You must renew your licence and endorsements and pay the applicable annual licence fees by March 31st each year.

For brewery and winery licences, the renewal fees are calculated based on the volume of liquor made each year and whether you have a store, lounge or special event area (distillery production does not factor into renewal fees). If you hold a winery licence and your liquor production for the year was less than the legislated minimum for reasons beyond your control, you must include a letter with your renewal notice explaining why you were not able to meet the minimum production requirement. The Branch has authority to cancel your licence if you do not meet the minimum production requirement.

Note: The licence renewal fee must be paid each year, regardless of any other applications that may be in progress at the time (for example, transfer of ownership).

Transferring Your Licence

If you are selling your business and transferring your liquor licence to a new owner, the new owner must apply to transfer your licence to their name using the Transfer of Liquor Licence Application form.

Please note that your manufacturing facility and all your endorsements must be owned by the same person or company; you cannot sell one separately from the other.

Changes to Your Licence

The details of your liquor licence application were the basis for granting you the licence. You must advise the Branch of any changes that alter the original information you provided, or of a change in circumstance related to your licence. Some changes require the Branch's prior approval, while others require you to report the change within 10 days. This is important because failure to do so is a licensing contravention and subject to penalty.

Below is a table of changes that require prior branch approval and those that require reporting. These are in addition to any items that are addressed elsewhere in this handbook.

Type of Change	How to Report	When Approval Required
Transfer of Location	Application	Before relocation occurs
Structural Change*	Application	Before structural change occurs
Permanent Change to Liquor Licence: <ul style="list-style-type: none">• Establishment/business or licence name change• Request for change in terms and conditions• Change of hours of sale	Application	Before permanent change to liquor licence occurs
Permanent Change to Licensee: <ul style="list-style-type: none">• Change of directors or officers (corporation, society)• Name change of licensee• Addition of receiver or trustee• Addition of executor or administrator	Application	Within 10 days of permanent change to licensee occurring

Type of Change	How to Report	When Approval Required
Temporary Change <ul style="list-style-type: none"> Hours Extension of service area Ability to hold a special event in the establishment 	Application	Before temporary change occurs
Manufacturer Endorsements (onsite store, picnic area, lounge, special event area)	Application	Before construction
Third-Party Operator (add, change)	Application	Before third-party operator begins operating
Third-Party Operator (remove)	Letter	Before third-party operator is removed
Transfer of Ownership (including sale of liquor business and its assets)	Application	Within 10 days of the sale
Share Transfers or Changes <ul style="list-style-type: none"> Internal transfer of shares ** External transfer of shares Amalgamation of corporate licensee, holding company or subsidiary 	Application	Within 10 days of share transfers or changes
Loss of Valid Interest <ul style="list-style-type: none"> Licensee no longer owns and runs establishment Licensee does not have certificate of title or lease for establishment location 	Letter	Within 10 days of loss of interest
Tied House Association with another licence, other than a manufacturer or agent, based on common ownership, an immediate family member or a third party operator	Letter, if not submitting an application in relation to the tied house	Before tied house association occurs
Tied House exemption (remove)	Application	At any time where a tied house exemption has been approved
Court Action Involving Disposition of Liquor Licence	Letter	Within 10 days of notice received
Convictions (applicable to any individual licensee, or partner, shareholder, director, or officer of the licensee) <ul style="list-style-type: none"> Criminal Code offence Alcohol-related offence under Motor Vehicle Act or similar legislation elsewhere (in or outside of Canada) 	Letter	Within 10 days of conviction and confirmation at renewal
Offsite storage of liquor (begin storing liquor offsite, change location of storage, or stop storing liquor offsite)	Form	Within 10 days
Dormancy***	Form	Within 10 days of dormancy occurring

Note: If there is enforcement action pending on your licence, change applications in progress will not be considered until it is concluded.

*Structural Change

To promote public health and safety in response to the COVID-19 pandemic and following the Province's March 2020 declaration of a state of emergency and the Provincial Health Officer's (PHO) March 2020 declaration of a public health emergency, Manufacturer licensees may apply for a Temporary Extended Service Area Authorization to support the PHO's physical distancing requirements and industry recovery (visit the Liquor and Cannabis Regulation Branch [website](#) to apply).

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There is no fee associated with applying for this authorization that will permit a licensee to temporarily expand their service areas **until October 31, 2020**. The increased service area will allow licensees to serve patrons while complying with the PHO's guidelines.

Note: Licensees will not be permitted to increase or exceed their currently approved person/patron capacities or occupant loads under this authorization. All terms and conditions of an existing service area are also in effect where service areas have been expanded. All means of access to the service area must be supervised to the satisfaction of the GM. Licensees must also comply with all local bylaws and health and fire regulations.

You must receive branch approval before you make any changes to your establishment's service area. Some examples are:

- A change in the position of a wall or partial height divider (pony wall) or fixed planters used as separation between/within a service area
- A change to the area where manufacturing is taking place

You do not need approval for cosmetic changes such as flooring, countertops, painting, re-configuring table and chairs, or changing the type of material used in the perimeter bounding of an outdoor patio.

**Internal Transfer of Shares

A licensee must report an internal transfer of shares respecting the licence or the licensee, other than:

- the removal of shareholders or
- the redemption or dissolution of shares

Unless:

- the licence has been identified as having an association with another licence (a tied house), OR
- the removal of the shareholder or redemption or dissolution of shares results in any of the remaining shareholders transitioning from owning less than 10% of voting shares to owning 10% or more of voting shares in the licensee.

***Dormancy

If you are planning to close your establishment for an extended period of time, for example for extensive renovations, you must report this closure to the Branch and you must also notify the Branch when you plan to resume regular operations (this notification requirement does not apply to seasonal closures). All licences are permitted to be dormant for a period of two years. If your establishment is dormant because of extensive renovations caused by a fire, flood or other event beyond your control, you may apply for an extension to dormancy status. If you cannot provide evidence of the incident or of your efforts to rebuild, your licence will be cancelled after two years.

Note: If you stop manufacturing, your licence is considered dormant and you cannot continue to operate any endorsement areas. No public sales of any type are permitted during dormancy. However, your licence is not considered dormant if you cease to operate one of the endorsement areas but continue to manufacture. If you are a winery licensee, please note that you are required to produce a minimum of 4,500 litres of wine annually, and your licence may be cancelled if you fail to do so.

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 licence, or that the lease on your property has run out, etc.) are contraventions.

A licensee must keep the following records, as applicable, for a period of at least six years from the date the records were created:

- a. liquor purchase records;
- b. liquor sales records, including quantity of liquor sold and prices charged;

- c. liquor disposal records;
- d. food sales records;
- e. sales records respecting other goods sold or services provided by the licensee in the establishment;
- f. contracts with other licensees;
- g. invoices and purchase receipts for all equipment and other inventory that is used in the operation of the establishment;
- h. management contracts and leases that are related to the establishment;
- i. records of incidents, such as fights or other disturbances and accidents, that adversely affect patrons or staff, people who live or work in buildings adjacent to the establishment or event site and the operation of the establishment or event site;
- j. records of court orders and judgments against a licensee respecting the sale, service or manufacture of liquor; and
- k. employee records including names, addresses, salaries, primary job responsibilities, shift schedules and dates of employment.

A licensee must prepare and maintain a register of liquor purchased and received and must keep the register for a period of at least six years from the date each entry was made.

Endorsements

You can apply for four additional endorsements – a store, lounge, special event area and picnic area. If you do not have any endorsements on your manufacturing licence, you may only manufacture and permit guided tours and sampling at your site.

Onsite Store Endorsement Selling Retail Liquor

The onsite store endorsement allows you to stock and sell liquor registered to your licence and permitted for sale under your Liquor Distribution Branch agreement.

You may sell liquor to the public from your store or you may sell your products online and your online store is subject to the same product sales restrictions as the onsite store. Online stores must be clearly associated with the manufacturing licence. A licensee who owns multiple licences cannot sell products from one at the store of another.

You may share a website with other licensees if the following conditions are met:

- The website design clearly indicates the store location from which the customer is ordering;
- Each store manages its own sales;
- Each store’s licence number is posted in a prominent place on the website.

You may advertise on a website owned and operated by an unlicensed third party, as long as the website serves as a “portal” with links that direct customers to either:

- Websites independently owned and operated by licensees where the sales are processed; or
- Space on the third-party website that is equivalent to a licensee’s own website.

Space on a third-party website is considered to be equivalent to a licensee’s own website when the following conditions are met:

- The licensee’s store name, licence number and store address are displayed prominently on the page;
- The licensee has exclusive control over the product selection and the price being advertised;
- The product selection is reflective of the licensee’s in-store offerings; and

- Liquor orders made on the website are processed and prepared by the licensee.

You are also permitted to sell to special event permit holders.

Hours of Sale

To promote public health and safety in response to the COVID-19 pandemic following the Province's March 2020 declaration of a state of emergency, and the Provincial Health Officer's March 2020 declaration of a public health emergency, the General Manager is authorizing a time limited term and condition.

Effective until July 15, 2020, you may sell your liquor and approved non-liquor products (see below) at your onsite retail store between the hours of 7 a.m. and 11 p.m. These extended hours are intended to assist retailers in implementing the Provincial Health Officer's recommendations, including in relation to social/physical distancing and protecting vulnerable populations.

Note: This temporary authorization does not override any additional requirements or limitations placed on a business's hours of liquor service by a local government or First Nation.

As noted above, this term and condition is time limited and is being imposed due to the exceptional circumstances presented by the COVID-19 pandemic. After July 15, 2020, you may sell liquor at your store between the hours of 9 a.m. and 11 p.m.

Pricing

You are responsible for setting your own store prices, and you may adjust your prices at any time throughout the day, as long as you do not sell liquor **for less** than the price set out in the table below:

Liquor Category	Minimum Price Per Litre (not including all sales taxes)
Wine	\$6.44
Cider and Coolers	\$3.75
Spirits	\$27.88
Liqueurs	\$20.39
Packaged beer (bottles and cans)	\$3.19
Draught beer (kegs 18 litres or greater)	\$1.97

An interactive Excel spreadsheet is available on our website allowing you to enter different product sizes to determine the minimum price. Follow the link here: http://www2.gov.bc.ca/assets/gov/employment-business-and-economic-development/business-management/liquor-regulation-licensing/policy-directives/16-04_minimum_price_calculator.xlsx

Selling Non-liquor Products

You may sell non-liquor products in your store, as long as they are liquor-related:

- Items specifically identified with storing or serving the type of liquor you sell, such as wine racks, ice buckets and chillers, glasses, corkscrews, bottle openers, decanters, etc. Printed materials such as books and pamphlets concerning liquor in general or specific liquors that are sold in your store.
- Items that identify liquor products sold in your store, such as umbrellas, T-shirts and aprons.
- Liquor-related food items, such as cheese and crackers.
- Liquor-related soft drinks and juices, such as club soda for spritzers or cola for spirits.
- De-alcoholized liquor products.

You cannot sell:

- Confectionary items such as candy and gum
- Tobacco products

Recording and Delivering Your Products to the Public

You may deliver liquor to customers using your own employees or a third-party service under the following terms and conditions:

- You must ensure deliveries are made by and to people legally able to drink liquor, and only to places where liquor may be legally possessed and consumed (i.e. private homes).
- You must ask customers to show proof of age at the time of delivery.
- You cannot deliver to a person who is intoxicated or under the influence of drugs.
- Your charge for the liquor must be the price of the liquor plus a separate delivery charge. You must inform customers of both charges when they place their order.
- You may deliver from your retail store only. You cannot deliver from your registered offsite storage.
- You must keep delivery transaction records for at least six 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 or your staff must process and prepare the order to be delivered by you, your staff or a third-party delivery service.
- You are responsible for ensuring that anyone delivering for you follows these rules, including a person who is not your employee. As the licensee, you will be held accountable for any contravention that takes place while liquor is delivered from your store.

If you are permitted to deliver directly to other licensees under your licence, you may deliver your product from either your store or a registered offsite storage facility.

Games and Entertainment

Games and entertainment are not permitted in your store.

Selling Your Product at Markets

If you wish to sell your products at a market, you must have an onsite store endorsement and apply for an authorization online at the OneStop website. Go to <http://onestop.gov.bc.ca/lclb.htm> to find the forms. You must also ensure that the market you wish to sell at is eligible. An eligible market must be comprised of at least six vendors that do not sell or serve liquor, and must be composed entirely of vendors who sell artisanal goods of their own making and/or agricultural goods that they produce, grow or raise themselves.

The market may occur regularly (up to three times a week) or annually (up to 35 consecutive days at the same location). The market must be managed by an organization incorporated under the Business Corporations Act, Society Act, Canada Business Corporations Act, Canada Not-for-profit Corporations Act, or managed by a municipality, regional district or the Canada Mortgage and Housing Corporation.

You must confirm that the market meets the above criteria and confirm with market operators that the market is permitted by local bylaws to sell packaged liquor for offsite consumption. The market authorization is only valid during the market hours and liquor can only be sold from 9 a.m. to 11 p.m. This means that even if a market begins at 8 a.m., you cannot sell until 9 a.m.

You may only sell the products registered to your licence. All market sales must be reported as sales from the onsite store. All staff selling liquor at the market must have Serving It Right certification and must not be minors.

Just like for any vendor, market organizers will provide you with a defined sales area for your products. You must post your authorization in a prominent location in your area during each market. All sales must occur within the sales area provided for you. Sampling must also take place within the sales area and patrons cannot remove samples from the sales area and walk around the market.

Samples must not be sold and sizes are restricted as follows (per person, per day):

Type of Liquor	Single Product	Multiple product
Wine	20ml	30ml
Sprits	10ml	20ml
Beer/Cider/Coolers	30ml	45ml

Picnic Area Endorsement

You may apply to the Branch for a picnic area endorsement. The endorsement permits patrons to bring samples or drinks purchased from your other endorsement areas outside to consume (there is no sale or service in the picnic area). The picnic area:

- May be open from 9 a.m. until half an hour after sunset. Liquor may not be consumed past this time and all patrons must be cleared within a further half an hour.
- Must have sufficient line of sight from the interior to manage the area, or you must have other strategies in place to supervise patrons.
- Must have signage to indicate the person capacity and to indicate that the area is for consumption only (not a service area).
- Must be open to the elements (no roofs, walls or heaters) and have a clearly defined boundary.
- Has a total person capacity of 30 persons, unless otherwise noted on your licence.
- Is not permitted to have amplified sound in or adjacent to the picnic area.

Although patrons may consume drinks purchased from your endorsement areas in the picnic area, the picnic area must not be used as an overflow area of a lounge.

Lounge and Special Event Area Endorsements

Lounge endorsement

You may apply to the Branch for a lounge endorsement. This endorsement is subject to local government/First Nation and public consultation. The lounge permits the sale and service of liquor for onsite consumption. The lounge may be located indoors or on a patio or both. Food must be available to patrons in the lounge.

Special event area endorsement

You may apply to the Branch for a special event area endorsement. This endorsement is subject to local government/First Nation and public consultation. The special event area endorsement permits the sale and service of liquor for onsite consumption in an event-based space. Food must be available during events where liquor is served.

The area designated for special events under this endorsement may be indoors and/or outdoors, and may overlap with your picnic area or other designated areas of your floor plan. When you are hosting an event, the conditions of the special event area endorsement are in effect. When you are not hosting an event, the conditions of the special event area endorsement are not in effect.

Hours of Sale

Hours for special event areas and lounges are 9 a.m. to 4 a.m. the following day, subject to limitation by the Branch. Patrons must leave within a half hour of liquor service ending in your service endorsement areas.

If you have a special event area or lounge, you may serve liquor until 4 a.m. on January 1, regardless of your normal closing hour (as long as food is available to customers), unless local bylaws prohibit it.

On the night of a time change (spring or fall), you must operate according to the hours in effect at the start of the

Saturday business day, and wait to change your clocks (forward or back) until after your liquor service hours have ended for that business day.

Selling Liquor

You may sell any kind of liquor for onsite consumption in your approved lounge or special event area, as long as the cost to purchase liquor from another manufacturer/s does not exceed 20% of the total value of liquor purchased for the lounge or special event area in any given quarter.

Drink Sizes

You must encourage moderate consumption at all times and not serve a customer a single serving larger than the maximum serving sizes specified below.

Distilled liquor:

- Single servings of no more than 3 fl oz (85 ml) per person at a time
- Drinks that two or more patrons intend to share may be served in pitchers or similar, but the maximum of 3 fl oz per person must be maintained
- You cannot sell or serve whole bottles of distilled liquor ("bottle service")

Draught beer and cider:

- Single servings of no more than 24 oz (682 ml)
- Smaller servings of multiple brands, as long as the total served at one time is no more than 24 oz (682 ml)
- Pitchers or other multiple serving containers, as long as it is shared by two or more patrons and contains no more than 60 oz (1.7 litres)

Bottled beer:

- Maximum two standard-sized or one large-sized (up to 24 oz or 682 ml) bottle of beer per patron at a time.

Wine:

- Single servings of 10 oz (284 ml) or smaller servings of multiple brands, as long as the total served at one time is no more than 10 oz (284 ml)
- The standard 750 ml bottle if it is to be consumed by at least two people and with food
- Non-refillable containers of 0.75 litres to 1.5 litres, or in refillable containers of no more than 1.5 litres

The maximum single serving size can be divided into two or more different types of drinks, as long as the total does not exceed two standard drinks. For example, you may serve a patron a 12 oz sleeve of beer and a 5 oz glass of wine (or alternately 1.5 oz spirits) at the same time. You may not serve a patron more than this amount even if the patron claims to be ordering for the entire table (for example the order is taken at the service bar).

Buying Liquor

You must purchase any product you sell from the Liquor Distribution Branch or an individual authorized by the Liquor Distribution Branch, such as an authorized manufacturer. You must keep separate records of the origin of all liquor sold in your special event area and lounge.

Price Lists

You must have a list available showing the types of liquor you offer, the size of each drink (in fluid ounces or millilitres) and its price. Your price lists must indicate whether the price includes taxes and what the applicable taxes are.

You may post the price list or it can be placed at all tables. At a minimum, it must be available on request.

Drink Prices

You may vary the price of liquor at any time during the business day (for example, have happy hours), as long as the price of liquor in each category does not fall below the minimum pricing specified in the following table. Minimum pricing applies to all liquor served in your lounge or special event area.

Minimum Drink Price Table

Product Category	Minimum Price Per Ounce (not including sales tax)	Price per drink (common sizes, not including sales tax)
Draught cider/beer <i>(if serving is less than 50 oz/1.42 L)</i>	\$0.25/oz (28.4 ml)	\$3 per 12 oz sleeve (341 ml) \$5 per 20 oz pint (568 ml)
Draught cider/beer <i>(if serving size is 50 oz/1.42 L or greater)</i>	\$0.20/oz (28.4 ml)	\$12 per 60 oz jug (1.7 L)
Packaged beer, cider and coolers	\$0.25/oz (28.4 ml)	\$3 per 12 oz bottle (341 ml) or 355 ml can
Wine/fortified wine <i>(including sake)</i>	\$0.60/oz (28.4 ml)	\$3 per 5 oz glass (142 ml) \$3.60 per 6 oz glass (170 ml) \$5.40 per 9 oz glass (256 ml) \$15.85 per 750 ml bottle (26 oz)
Liqueurs/spirits	\$3/oz (28.4 ml)	\$3/oz (28 ml)

Additionally:

- You may vary the price of liquor for certain groups (for example, "team night" price reductions for players in uniform).
- You may offer an all-inclusive package that includes liquor in the price (for example, a champagne brunch or a Mother's Day or New Year's Eve special). The amount of liquor provided must be specified and not unlimited.
- You must **not** provide unlimited or unspecified quantities of liquor for a single price or use a sales strategy that is likely to promote or encourage overconsumption. For example, you cannot:
 - Sell drinks "two for one"
 - Allow staff to circulate with trays of drinks that are not pre-ordered

Serving Liquor

Dispensing liquor and mixing drinks

You are permitted to pre-mix drinks by hand or by using devices, such as a Bellini machine, in anticipation of patrons ordering drinks, as long as the liquor used comes from the original containers purchased from the Liquor Distribution Branch.

You cannot refill original containers purchased from the Liquor Distribution Branch with anything. Doing so would make monitoring unlawful liquor difficult.

You are permitted to infuse liquor and age cocktails at your establishment, as long as it is done in a container other than the original container the liquor was in when legally purchased. In the case of infusion, you may infuse liquor with spices, herbs, fruits, vegetables, candy or other substances intended for human consumption. In the case of aging cocktails, licensees may prepare a cocktail with any substance intended for human consumption.

You must clearly label each container used for infusing or aging of a cocktail with the following information:

- The date the infusion was prepared or the date the cocktail was placed in the container for aging
- The type, brand and quantity of liquor used
- The non-liquor ingredients used

- The name of the person who infused the liquor or prepared the cocktail for aging

You must infuse liquor and age cocktails at your establishment and you must not remove the liquor from your establishment.

Hotel Special Privileges

Establishments with a lounge endorsement located in hotels or motels or similar types of facilities providing overnight accommodation to registered guests may also, without application:

- Provide a minibar service in the guest rooms, as long as the minibars are locked and a key is given only to guests who are at least 19 years of age; and
- Provide liquor room service to registered guests in their rooms at all hours regardless of the liquor service hours on the liquor primary or food primary licence. Room service meals must also be available to guests any time liquor room service is provided.

Entertainment and Events

Live or recorded music, radio, television and dancing are permitted in your lounge and special event area, unless it is otherwise restricted by the Branch or unsuitable for minors. Entertainment is permitted in the picnic area as long as there is no amplified sound.

You may also:

- Host a live radio, television or web broadcast from your establishment
- Provide games of skill (such as darts, pool and video games) and games of chance (including card games), but for amusement only – no payoffs or prizes of any kind are permitted
- Hold tournaments of skill and contests, and include information about these in any advertising, and offer prizes that may include money or the winner's name being entered into a draw, as long as:
 - Patrons may enter without making a purchase or ordering a drink
 - You do not offer or give liquor as a prize and your event does not involve the consumption of liquor
 - You do not require the winners to be present to collect their prize
 - Your event does not involve a contact sport
 - Neither you, your immediate family or your staff may enter
 - You do not charge an entry fee for contests (although you can for tournaments)
- Show movies, as long as the primary focus of your lounge does not shift to that of a movie theatre, and all movies are shown in accordance with the Motion Picture Act and its regulations. You cannot show movies that are unrated, restricted or adult rated.
- Apply to the Branch to host contact sport events on your premises. Such events must be approved in advance, must not involve patrons and you must take steps to protect both patrons and staff.
- Allow a licensed social occasion casino or licensed bingo events for charitable purposes, as long as:
 - The events are held in an area covered by a special event area or lounge endorsement
 - They are hosted by a charitable organization licensed by the Gaming Policy and Enforcement Branch
 - The charitable organization's gaming licence is posted in a prominent location in the endorsement area
 - Prizes do not include liquor or tokens redeemable for liquor
 - The endorsement area where liquor service and consumption takes place is sufficiently enclosed to ensure the gaming area is clearly defined and to prevent patrons from taking liquor outside the area
 - Liquor is served to the patrons of the charitable event under the regular terms and conditions of the licensed area
 - Minors are not permitted in the area where the social occasion casino or bingo is held

Entertainer Conduct

Professional entertainers may consume liquor in the establishment; employees who provide entertainment cannot do so during working hours.

As with patrons, it is the responsibility of the licensee to ensure that professional entertainers do not become intoxicated. If an entertainer becomes intoxicated, they must be refused service, removed from the premises and the licensee must ensure they leave the establishment safely. An intoxicated entertainer must not be allowed into the licensed establishment.

Special Event Permits

What You Can Do With a Special Event Permit

A special event permit (formerly special occasion licence) is issued for one event. This is different from the special event area endorsement, which authorizes manufacturers to hold events regularly (see “Endorsements”).

For information on applying for a special event permit, and details on maximum serving sizes and drink prices under this permit, please visit <https://www2.gov.bc.ca/gov/content/employment-business/business/liquor-regulation-licensing/liquor-licences-permits/applying-for-a-liquor-licence-or-permit/special-event-liquor-permit>.

Third-Party Events

Groups may host events at your facility (such as weddings, parties, concerts, etc.) under a special event permit.

The group hosting the event at your facility must:

- Apply for the special event permit
- Ensure a representative of their group has completed the Serving It Right program for licensees and is at the event the whole time
- Purchase all liquor to be served at the event from a store authorized to sell liquor to a special event permit holder
- Take away all leftover liquor after the event (you must not store, use or sell any leftover product)

If you, or a group want to hold an SEP in the lounge endorsement area, special event endorsement area, or picnic area of your establishment, you must apply to the Branch to temporarily suspend the service area(s) under your licence where the event will be held. When an event under a SEP is held in a manufacturer’s onsite store, the licensee is not required to temporarily suspend the service area but must only sell packaged liquor for off-site consumption for the duration of the event.

During the special event in any service area of the establishment, opened liquor, including samples, must not be sold or served where the special event is held. Only liquor purchased under the SEP may be served for on-site consumption.

Donated Liquor

A liquor manufacturer or agent may donate liquor to an event if the permittee is a non-profit organization or non-profit corporation and the purpose of the event is to raise funds for a charitable purpose. Family events and businesses may not receive donated liquor.

Agents and manufacturers may be eligible to purchase liquor from the LDB at the wholesale price if donating the liquor for a charitable event, or tasting event organized by an industry organization that is not available to the general public. Most types of manufacturers may purchase the liquor for donation from their on-site store. Further information is available from the LDB wholesale website at: <https://wholesale.bcldb.com/resources/vendors>.

You must keep records of charitable donations, including:

- The name of the special event permit holder
- The charitable purpose that received the proceeds
- Location and date of the charitable event
- Number of people attending the event
- Amount of liquor donated

Liquor Removal

If a permitted event or industry tasting event is longer than one day, liquor may be stored onsite to use the following days, as long as the storage is secure (no unauthorized access or illegal consumption).

You are not required to return liquor left over after the event. However, any leftover liquor, whether it has been opened or not, cannot be resold, used for another event, or used under a different licence or permit except as noted below:

Liquor donated by a liquor manufacturer or agent as outlined above may be removed from the event by the agent or manufacturer to donate to another charitable special event or industry-only tasting event, that is approved by the LDB for the donation of liquor purchased at the wholesale price. The following conditions also apply:

- The agent or manufacturer provides both the original permittee and any subsequent permittee with records demonstrating the liquor was purchased through LDB-approved processes, has purchase invoices from the LDB or their manufacturer's on-site store and these documents are available for inspection at the event.

Advertising Your Products

Advertising means any public notice, announcement or display, including liquor packaging, through any means of communication that is intended to promote:

- Liquor products,
- The brand name of liquor,
- The name of a premises where liquor is available or the opportunity to make liquor is available, or
- The name under which the holder of the licence or permit carries on business

References to liquor products, manufacturers, licensed establishments, etc. in journalism articles or in scientific or academic research reports not paid for by the licensee are not considered advertising.

All of 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 Regulation*. (Please see the Appendix for more on the broadcast code.)

What You May Advertise

You may advertise your products, as long as the products are registered with the Liquor Distribution Branch and their labelling and packaging have been approved. The Liquor Distribution Branch may also require your ads to be pre-approved before they are placed in a government liquor store or rural agency store.

You are liable for all advertising (including merchandise) that bears your corporate name or brand.

Your ads may indicate:

- Your brands of liquor
- The name and location of your facility
- How much you charge for liquor
- Your hours of sale

Signs

The name of your business and exterior signage must be approved by the Branch. All business names and signage must comply with the advertising terms and conditions and cannot mislead the public as to the class of liquor licence you hold. Your signs must also comply with local government bylaws.

Joint Advertising

You may advertise your products in conjunction with non-liquor manufacturers or non-liquor products (such as recipes, glasses or umbrellas), but the ads must comply with the advertising terms and conditions outlined here.

Internet Group Discounts

Third-party companies cannot legally include liquor as part of a joint promotion with your business. You may not participate in internet discount promotions that include liquor.

Complaints About Advertisements

The Liquor and Cannabis Regulation Branch investigates complaints from the public about advertisements by liquor manufacturers. If we receive a complaint about one of your ads, we will ask you for a copy of the ad. You or your advertising agency must supply the ad upon request. If the ad violates our terms and conditions, you may be asked to withdraw the ad and enforcement action may be taken.

Take-Home Sampling Events

You may hand out sealed product samples from the manufacturer you represent in public for home consumption. When you wish to run a take-home sampling event you must obtain approval from the Branch by submitting your event plan to lclb.lclb@gov.bc.ca, although no special provincial licence or permit is required to run such an event. Provincial law does not prohibit adults carrying unopened liquor in a public place and there is no requirement that the unopened liquor be taken directly home by the person receiving it.

In addition, the event organizer should contact the municipality, regional district or First Nation with jurisdiction over the area in which they wish to run their sampling event. Local governments have their own bylaws, community standard practices and may wish to allow, modify, restrict or limit such events.

Take-home sampling should not be confused with public tastings, which is where the public consumes liquor at an event. For rules on public tastings, see "Promotions at Establishments"

The following terms and conditions apply to take-home sampling events:

- The maximum liquid volume of take-home samples are one standard sized beer, cider or cooler bottle or can (typically either 355 or 341 ml), single serving wine bottle (typically 200 ml) or a small spirits bottle (typically 50 ml).
- Any person providing sample to the public must be Serving It Right certified.
- Samples must not be given to an intoxicated person or a person showing signs of intoxication.
- During take-home sampling events the liquor must not be opened by either those handing out samples or those receiving a sample.
- The samples must not be cooled and must only be handed out one per adult.
- You must stamp the hand of each adult receiving a take-home sample to prevent them from attempting to return for additional samples.
- Those receiving samples must be told that the sample is for home consumption.
- A sticker or similar device over the cap must be included on each sample, printed with a phrase indicating it must be consumed at home. For example "Please enjoy responsibly at home" or "Chill and enjoy later at home".

Conducting Market Research

General Conditions

You may conduct market research, such as surveys and taste tests, as long as:

- 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)
- You do not display liquor 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, as long as:

- 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
- 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 liquor 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, as long as:

- The staff member conducting the tests has the Serving It Right certificate and remains present throughout the taste tests
- Respondents participating in taste tests are not permitted to consume samples to the point of intoxication
- 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

The Liquor Control and Licensing Act and its Regulations set out strict rules regarding how you can promote your products with other licensees, including bars and pubs, restaurants and retail stores.

Note: Prior to 2017, you were required to have a separate agent licence to market your products. This is no longer the case. You may now solicit and take orders from licensees for your own products as part of your basic manufacturing licence. If you want to promote products manufactured outside B.C., you need a separate agent licence.

You may hire employees as marketing representatives to solicit and take orders. You are responsible for ensuring they follow B.C.'s liquor laws and the terms and conditions of your manufacturer licence. You are also responsible for providing them with identification to establish that they are your representatives.

Activities Not Permitted

Inducements

You cannot, at any time:

- Offer or give any kind of money, reward or discount to licensees who carry your products.
- Provide any items, products or services to other licensees that are necessary to the operation of their businesses. This includes financial assistance as well as fixtures or furnishings.
- Pay any portion of a licensee's advertising costs, or advertise a licensee's entertainment lineup, 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.
- Provide or pay for entertainment in an establishment.

If you have an approved tied house relationship (see below), these actions are not prohibited.

Activities Permitted With Approval

Tied houses

A tied house is an association between a liquor retailer or on-premises consumption establishment and a liquor manufacturer or its agent that is likely to lead to that manufacturer's products being favoured.

The associated offsite establishments may be any type of establishment (liquor primary, food primary, private liquor/wine store, or the business location of a caterer).

A tied house relationship exists where:

1. You have any amount of ownership interest in a liquor retailer or on-premises consumption establishment (for example, a shareholder in your company also holds shares in a business that has a licensee retail store licence),
OR
2. Your proposed third-party operator has any amount of ownership interest in a retail or on-premises consumption establishment,
OR
3. You have an immediate family member with any amount of ownership interest in a retail or on-premises consumption establishment licence. Immediate family members include spouses, parents, siblings and children only.

If any of these circumstances exist, you are considered to be in a tied house relationship and you are prohibited from carrying or selling your product in that establishment.

There are two circumstances under which this prohibition does not apply (commonly known as tied house exemptions):

1. If you are selling your own liquor products at your own manufacturing site or, if you are a winery, at an offsite wine store that you own.
2. If you are a small or medium-volume manufacturer and you are in a tied house relationship with an establishment that is located elsewhere, the licensee of that establishment may apply to the Branch to request approval to carry and sell your products, and you must agree. You may only have ties with up to three offsite licensed establishments. If approved, they may sell your products but they must also sell products from other manufacturers in that product category.

The inducement restrictions do not apply to a licensee and manufacturer in an approved tied house exemption.

To qualify for this exemption, manufacturer annual production volumes must not exceed:

- 100,000 litres for a distillery
- 750,000 litres for a winery
- 300,000 hectolitres for a brewery

Manufacturers who qualify under these limits but expand future production beyond these limits will no longer be eligible for additional offsite tied house exemptions, but may keep previously approved exemptions.

Licensees with an approved tied house relationship are exempt from the inducement restrictions with regard to each other.

All offsite exempted establishments where the manufacturer's liquor may be sold are required to sell a range of products from a variety of manufacturers that are not associated with or connected with each other.

A manufacturer granted an exemption for a tied house relationship with an offsite establishment may not provide a particular liquor product exclusively to that establishment unless the manufacturer is making a reasonable quantity of comparable product available to all licensees at a comparable price, or it is a limited-run specialty product.

Activities Permitted

Promotional items

You may **give** promotional items of nominal value, such as coasters, tent cards and posters:

- To establishments such as bars, pubs and restaurants to promote your products, as long as:
 - They are not delivered to anyone under age 19
 - The establishment already lists the brand of liquor identified in the promotional materials
- To licensee retail stores, wine stores and special wine stores for a specific promotion, as long as the materials are returned to you at the end of the promotion

You may **sell or give** clothing and novelties (shirts, caps, key chains, etc.) with your name or brand to licensees, which they may then give or 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 to licensees at fair market value.

You may **loan** more expensive promotional items or temporary display structures with your name or brand (signs, patio umbrellas, mirrors, menu boards, etc.) to licensees. These displays and items remain your property.

Liquor Supplier Branded Refrigerators

You may provide branded refrigerators to retail stores (up to two per store) under the following conditions:

- You retain ownership of the refrigerator
- You do not pay for any installation or maintenance costs
- The refrigerator(s) cannot be more than 19 cubic feet

Value-added promotional items

You may offer a licensee retail store, wine store, special wine store, BC Liquor Store, rural agency store and licenced grocery store (retailers) value-added promotional items subject to the following:

Liquor value-added promotional item

- Liquor promotional items are limited to five times/SKU/per calendar year and must not be the same product as the host product.
- The liquor promotional item must be a product that is registered to be sold in British Columbia
- The liquor promotional item, if an on-pack, must be attached to the host product that is being promoted prior to shipment to the retailer

On Pack Sizing	
On Pack	Host Product
≤50ml spirit	≥750 ml spirit
≤100ml spirit (2 x 50ml)	=1.75 liter spirit
≤200ml wine	=750ml or 1litre or 1.14litre wine

Non-liquor value-added promotional item

- Non-liquor promotional items are limited to five times/SKU/per calendar year.
- The promotional item must be liquor-related or branded. Examples of acceptable items include a branded baseball cap, drink mix such as cola or tonic, a branded t-shirt, etc.
- Third-party coupons attached to a liquor product by a neck tag or back label, or placed inside a case are permitted. However, these coupons cannot be for a rebate or reduction on the purchase price of a liquor product, for a free liquor product of any kind, or for cash.

The value of both liquor and non-liquor promotional items must not be of a value greater than 25% of the wholesale price of the host product.

Exclusivity is not permitted, however value-added promotions may be used in a targeted campaign to specific retailers based on regional location, or other criteria that involves more than one retailer.

You are required to keep a record of the value-added promotions that you offer, and be able to produce it upon request by an inspector.

You and the retailer may advertise these promotions.

The stores may keep any leftover items at the end of the promotional period and may continue to offer them to their customers until they are gone. However, they cannot take any promotional items for personal use or future promotions.

Product vouchers for retail stores

You may provide product vouchers directly to members of the general public, which they can redeem at participating retail stores at no charge. You cannot 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 cannot direct your vouchers to one store or one chain of stores; your vouchers must be redeemable at more than one store or chain of stores.
- Your vouchers must specify how much liquor is redeemable. For wine, it must be no more than the smallest available size per product, per vintage (not exceeding two litres), for beer/cider/coolers it must be no more than 12 of the smallest available bottles or cans (total not exceeding four litres), and for spirits it must be no more than the smallest available size, not exceeding 750ml.
- You may specify only one type of liquor per voucher.
- Only you (not retail stores or other licensees) may distribute vouchers.
- You may use any method to distribute your vouchers.
- You cannot give away product vouchers as prizes.
- Once a voucher is redeemed, you must pay the retail store the full retail price for the quantity of liquor specified on the voucher. You cannot pay an additional "redemption fee" to the store for accepting a product voucher.
- You must maintain records of all voucher reimbursements paid to retail stores and make them available for viewing by a liquor inspector at any time.

Product samples for licensed establishments

You may give product samples to licensees, to be consumed by the licensee and staff only.

You may provide a maximum of one bottle (or one dozen bottles or cans of beer, cider or coolers) per product, per establishment in any one year, and you must keep a record of all samples provided to establishments. This record must include, for each sample:

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

You may also want to give the establishment a receipt to prove that the sample product is allowed on site, but it is not required.

Promotions at establishments

You may visit establishments to promote your products, but there are strict requirements concerning what you must do while you are there. If you visit an establishment to conduct tastings, theme nights or joint promotions you must:

- Be present the entire time.
- Purchase all liquor products used at the event from the licensee at the hospitality price. The price you pay for the liquor served must be no less than the price the licensee normally pays for the product and no more than the price the licensee normally charges its customers.
- You cannot subsidize the price of the products in any way, such as by paying the difference between the normal selling price of a product and a special price.
- If you are pouring, ensure that sample sizes do not exceed the maximum quantity per person, per day, which is

Maximum sample quantities per patron:	
Beer	½ standard drink 175ml
Wine	75ml
Spirits	20ml
This amount can be divided as the licensee chooses.	

- If you are at a food primary, you must ensure the event does not shift the focus away from food in the service area.
- Ensure open containers of liquor are not left unattended at any time.

The licensee must:

- Ensure there is food available for patrons
- Ensure that any samples they sell comply with the minimum price for that category of liquor in the minimum drink price table
- Issue you (and you must retain) a countersigned receipt for the dollar value of the total amount of liquor and/or food purchased
- Refund you for the cost of any unopened liquor, which they may then return to stock

Other conditions

You cannot charge or accept a fee from the licensee (or pay the licensee) for conducting the event. You may pay the licensee a gratuity, as long as it does not exceed 15% 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.

You and/or the licensee may advertise the event outside the establishment if you wish.

If you are providing samples, you must serve them. If the promotional event involves other sizes or other types of liquor sales, they must be served by the licensee's staff.

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

- You buy the drinks from the licensed establishment
- You pay for each order at the time it is served (you may put the order on a tab, as long as you settle the account before you leave the establishment), and drink prices are the same as the establishment would charge regular patrons at the time of the purchase.
- 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

If you are supporting a promotional event, such as a theme night at a bar or pub, you may also do the following:

- 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
- Provide inexpensive forms of entertainment during the theme night, such as games and contests that may include prizes, as long as:
 - You record the name of anyone who wins a prize valued at over \$100
 - Prizes are not liquor
 - Patrons are not required to buy or drink an alcoholic beverage to participate
 - Licensees, their employees and their immediate family members are not eligible to enter or win a contest

Consumer tastings at a retail store

You and a retail store may agree to host a consumer tasting together. All tastings must end 30 minutes before the store closes. In the event of a consumer tasting at a retail store, you must:

- Provide a server (or you may be the server) and ensure they are familiar with the rules
- Ensure the maximum sample sizes below

Maximum quantities per patron at a consumer tasting:	
	½ standard drink
Beer	175ml
Wine	75ml
Spirits	20ml
This amount can be divided as the licensee chooses.	

- Ensure open containers are not left unattended
- Purchase all products to be tasted from the licensee hosting the event or other approved source at a previous tasting, for no less than what the store paid and no more than what the store normally charges customers
- Ensure no minors or intoxicated individuals are served liquor

You and the licensee may advertise the tasting within or outside the store using promotional materials supplied by you. The store cannot charge you a rental fee for demonstration space and must issue you (and you must retain) a countersigned receipt for the dollar value of sampled product.

At the end of the consumer tasting:

- You cannot receive a refund for unused product but you may remove it from the store to use at a future event
- You may receive a refund for unopened product

Contests

You may hold contests in conjunction with licensees and 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 establishments over the same period of time, and with the same promotional materials on display, as long as you follow the Liquor Distribution Branch's guidelines outlined in their booklet, *In-Store Marketing Programs*.

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

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 cannot include liquor as a prize
- Licensees, their employees, employees of the Liquor Distribution Branch and the Liquor and Cannabis Regulation Branch, 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

Sponsorship

Where Sponsorships Are Permitted

You may sponsor a wide range of 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. You may sponsor university or college-related events, as long as you have prior approval from the college or university.

You cannot sponsor events that primarily involve minors as either participants or audience. You may, however, ask the Branch for permission to sponsor a major national or international event where a majority of the participants are minors, but which does not predominantly appeal to minors, such as a junior championship event.

A licensee and manufacturer may jointly sponsor an event in an establishment, as long as the event is time-limited and the licensee does not have an ongoing relationship with the manufacturer.

Manufacturers may also sponsor an activity or event at licensed stadiums, recreational centres, concert halls and university or cultural centres or at a catered event.

Requirements for sponsorships:

- 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 cannot offer liquor as a prize to participants in a sponsored event or activity. If liquor is being served onsite during the event, you cannot demand that only your products be served.
- You may advertise the sponsored event or activity, both onsite and offsite, and inside or outside other establishments. If the event is at an establishment, you may name the establishment in your advertising (please see the chapter on *Advertising Your Products* for more information).

Educational events and activities

You may invite other licensees to educational events or activities – such as an all-day "wine school" – 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 \$1,500 per licensee location, per year. Where a licensee has multiple establishments – for example, a chain of restaurants – you may also pay expenses of \$1,500 per person to a maximum of \$4,500 per licensee head office, per year.

Hospitality

You may reimburse a licensee for costs not associated with an educational event, up to \$1,500 per licensee location, per year, in addition to any in-province travel costs related to an event. You must keep a record of the reason for the reimbursement and the amount.

Compliance and Enforcement

As a licensee, you are required to:

1. Comply with the Liquor Control and Licensing Act, its Regulations and the terms and conditions in this publication as well as your manufacturers' agreement with the Liquor Distribution Branch.
2. Always allow Liquor and Cannabis Regulation Branch inspectors and/or police officers to enter your establishment. Never impede their entry in any way.
3. Upon request, provide inspectors with any documents and/or records as outlined in this handbook.
4. Never draw attention to inspectors inside your establishment. This can affect the inspectors' safety.

Drawing the attention of patrons to the fact that inspectors, minor agents contracted to the branch, and/or police are present in your establishment may put the safety of the inspectors, minor agents contracted to the branch, and police at risk. Accordingly, your actions must not cause the attention or focus of patrons to shift towards inspectors, minor agents contracted to the branch, or police at any time; including at the time of entry, during an inspection, or when exiting your establishment. Actions such as announcing the arrival of inspectors, raising or flashing lights, turning down music, playing particular soundtracks (e.g. "Bad Boys" or "Hawaii Five O"), using spotlights, or any other similar actions are not permitted. You may not take, save or distribute photographs or video of inspectors or minor agents contracted to the branch in any manner (e.g. on a staff bulletin board, print media, social media or the internet).

If your licence is suspended, you are not permitted to sell, serve or permit consumption of liquor in your establishment.

For more information on Compliance & Enforcement, please visit our [website](#).

Other ministries also have terms and conditions that licensees and employees must follow. Please refer to [this page](#) on the LCRB website for more information.

Posting Signs Relating to Suspensions or Monetary Penalties

If a suspension or monetary penalty is imposed on your licence, the Branch may post a sign in a prominent location in the interior or on the exterior of your establishment. You must ensure the signs are posted for the entire period of the suspension or, for monetary penalties, the period specified on the sign. During the period that the signs must remain posted, you must ensure the signs are not defaced, obstructed or moved.

Glossary

“The Act” refers to *The Liquor Control and Licensing Act*, the provincial legislation that guides the licensing of establishments that manufacture, store or sell liquor in B.C.

“The Branch” refers to the Liquor and Cannabis Regulation Branch, the government agency that administers the Act.

“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 an establishment in the licensee’s absence.

“Licensee retail store” or **“liquor store”** means an establishment that is permitted to sell all types of packaged liquor.

“Lounge” means an indoor lounge, an outdoor patio or both on the site of a manufacturing facility where a manufacturer may sell and serve liquor by the glass. The lounge is subject to local government/First Nations input.

“Manufacturer” means a manufacturer of liquor products (beer, wine, spirits, cider, coolers) or the corporate official of a liquor manufacturer.

“Agent” refers to a person who represents a manufacturer who produces liquor outside of British Columbia as their agent to promote and market their products within B.C.

“Marketing Representative” refers to a person hired by a licensed agent or manufacturer (either in B.C. or outside of B.C.) to promote their products. Marketing representatives do not need to be registered with the Liquor and Cannabis Regulation Branch. Agents and manufacturers must provide their marketing representatives with identification to establish them as representatives, and they must also ensure that they comply with provincial liquor laws.

“Onsite retail store” means a retail store on the site of a manufacturing facility.

“Picnic area” means an outdoor area on the site of a manufacturing facility where patrons may consume liquor purchased from the lounge, special event area or onsite retail store, or samples provided from the sampling area(s).

“Product voucher” means 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 specified on the voucher (for example, a bottle of wine or a case of cider, for example).

“Retail store” means a licensee retail store, wine store or special wine store.

“Special event area” means an indoor and/or outdoor area on the site of a manufacturing facility where a manufacturer may hold special events, such as concerts or weddings. The special event area is subject to local government/First Nations input.

“Service area” refers to the area within a licensed establishment where liquor may be sold, served and consumed.

APPENDIX

CRTC CODE FOR ADVERTISING 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.

