



Washington State
Liquor and Cannabis Board



WINERIES 101

DECEMBER 3, 2018 THE DALLES

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MICHAEL SHIVNEN – LICENSING SPECIALIST

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DECEMBER 10, 2018

SPOKANE

MARCY WILSIE – LICENSING SUPERVISOR NON-RETAIL

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PURPOSE

Opportunity for LCB & Licensees to network
and Discuss Liquor Laws, Rules & Regulations

Our goal is to help all licensees be successful

- Remember, the laws and rules we discuss today pertain to Washington State.
- TTB, L & I, Health Department and other agencies have their own set of laws and rules

AGENDA

- Allowed activities under a liquor license
- On-premise Vs. Off-premise activities
- Discuss different licenses, permits & alterations
- Marketing and Advertisement
- Special Occasion Licenses
- Q & A

THREETIER SYSTEM

TIER 1- MANUFACTURERS

winery- brewery - distillery

TIER 2- DISTRIBUTORS

beer & wine distributor- spirits distributor

TIER 3- RETAILERS

restaurants- grocery stores-taverns-SEF's

WHAT CAN A WINERY DO?

- Manufacturing
- Retail Sales
- Self Distributing
- Distributor Appointments
- Exportation
- Special Wine Permits (Private)
- Warehousing
- Farmers Markets
- Work with Non-Profits
- Up to 4 Additional Locations

LICENSES FOR WINERIES

- Restaurant Spirits, Beer & Wine – Individual Servings On-premise
Specific Food Service, Kitchen Equipment, & Floor Space Requirement
- Beer / Wine Specialty Shop – Off-premise by Bottle or Can
\$3000 Minimum Wholesale Inventory
Alcohol Gross Sales Exceed 50% of ALL Business Sales
Sampling 2oz Pours / 10oz Maximum
- Snack Bar – Sell Beer for On-premise by open Can or Bottle



ON-PREMISE

Winery / Additional Locations

- Sample or Sell “own production” (*Free / For Charge / Waive with purchase*)
- Winemaker’s Dinner / Private Events
- Promotional Items
- Distribution (*NOT allowed at Additional Location*)
- Liquor at Additional Location must be tax paid

OFF-PREMISE SALES

A Winery may **ONLY** sell their wine at:

- Special Occasion Event
 - Take orders & payment at event
 - Must deliver on a later date at an authorized location
- Special Wine Permit

OFF-PREMISE POURING

The Wine must be **Pre-sold** to the Retail Licensee under the following licensed events:

- Special Occasion Event
- Beer/wine specialty shops
- Private clubs
- Restaurants
- Grocery store sampling event



WINERY DONATIONS

Wineries may donate tax paid wine to:

- Special Occasion Licensee IRS 501(c)3 or 6 status
- Non-profit Enology & Viticulture groups in existence for over 6 months
- Washington Wine Commission

SPECIAL OCCASION EVENT

- Can donate product to a 501(c)(3) or 501(c)(6) nonprofit corporation or association holding a special occasion license
- Can pour and educate the public about their wine
- May pay booth fees
- May accept returns and refunds of unused product
- May accept payment from nonprofit for product immediately following event
- May provide branded promotional items (nominal value). Must sell to NP if for the consumer



SPECIAL OCCASION EVENT

- Reminder: the event is operated by the special occasion licensee, not the manufacturer
- Can NOT sell wine by the taste or glass to the public during these events
- Can NOT donate money of any kind to the nonprofit holding the SOL
- With an invitation from the nonprofit you may sell bottles to special occasion attendees to be delivered on another day at a different location



PERMITS FOR WINERIES

- Class 5 Permit – Allows Manufacturer to Import or Purchase within the State, Alcohol or Malt used in the Production of Liquor
- Class 8 Permit – Donate or Serve Liquor without Charge to Licensed WSLCB Delegates and Guests or Trade Association Convention
- Special Wine Permit – Sample/Sell Own Production
 - Private Invite Only Event
 - Submitted 10-Days Before Event
 - No Advertising To Public via Printed Material, Social Media Postings or Public Websites



WHERE CAN I OBTAIN LICENSE APPLICATIONS

- Once you have a location and your approved TTB permit in Hand you will need to complete a Business License Application and a Liquor Control Board Addendum Non-Retail & Interstate Common Carrier Licenses form.
- You can access the Business application at <http://bls.dor.wa.gov/liquor.asp>
- Be sure to follow Business License Services directions for applying online or by mail.
- Permit Applications can be found at: <http://lcb.wa.gov/licensing/licensing-forms-and-applications>

ALTERATIONS TO YOUR EXISTING WINERY?

Permanent: Patio, Deck or Wine Garden

42” barrier requirement

Licensing Approval Required

Applications can be found at:

<https://lcb.wa.gov/licensing/licensing-forms-and-applications>

Return completed applications and floor/site plans to:

liquornonretailsupervisors@lcb.wa.gov



CONTACT US

Licensing (360) 664-1600

Tax Division (360) 664-1721

ON-PREMISE PROMOTIONAL ITEMS

- Promotional items such as hats, t-shirts, glassware etc may be given to your customers provided it does NOT appeal to youth



WEBSITE AND OTHER SOCIAL MEDIA

Promotions or events hosted by the retailer such as:

- Tastings
 - Restaurants having a wine tasting.
 - The winery may place on its web site the name and location of the restaurant, the time of the event and link to the restaurant for more information.
 - Grocery Stores having an in-store tasting.
 - The winery cannot provide information on this event because the grocery store cannot advertise the event.

WEBSITE AND OTHER SOCIAL MEDIA

Promotions or events hosted by the retailer such as:

- Signings
 - The winery can state when and where they will be for the signings of their product
- Winemaker Dinners at a Restaurant
 - The winery may state on its site the date, time and location along with what products of the winery will be featured.
 - It's the restaurant's function. The winery cannot advertise it as the winery's dinner or sell tickets. They may direct a person to the retailer's web site for more information.

WEBSITE AND OTHER SOCIAL MEDIA

Not allowed:

- Advertising that is false or misleading
- Promotes over-consumption
- Depicts a child or is appealing to youth
- Using the words “free” or “complimentary” alcohol or tastings
- Special Wine Permit events

QUESTIONS?

Can we pay in bottles of wine?

- Employees may **not** be paid in wine.
- Please contact Employment Security, Labor & Industries, and DOR for assistance.

What can we post on social media and on our websites?

- You can post just about anything about your wineries activities and products except Special Wine Permits

Can we post tastings and dinners at our winery on social media?

- You can post winemaker dinners, tastings or other events about your winery and product. You can **NOT** advertise “free” or “complimentary” tastings publicly

QUESTIONS?

Can we list places to purchase our wines on our websites? Social media?

- Yes with Name, Address, Phone and Digital Website Links

Can we use volunteers?

- Persons working on behalf of a winery are considered by the Board as employees.
- Please contact Employment Security, Labor & Industries, and DOR for assistance.

How much wine can we give away?

- To the public at your winery or tasting room; you may pour tastings with or without charge with no limit*
- You may NOT give away free bottles of wine to the public

QUESTIONS?

Can we list places to purchase our wines on our websites? Social media?

- Yes with Name, Address, Phone and Digital Website Links

Can we pour our wines in wine shops that are hosting us for tastings? Or does it have to be an employee of the shop?

- Winery staff can pour at a SOL, Beer/Wine Specialty Shops, Private Clubs, Restaurants w/On-Premise privileges, Grocery Store sampling events provided the wine is Pre-Sold to licensee before the event

QUESTIONS?

Can we have a private “members/club only area”?

- **At your winery site, yes**

What is the best permit to pour off-premise (not your tasting room) at an event open to the public?

- **None**

Are wineries required to provide invoices to a 501 (C) 3 for a pouring event that shows the wines and quantity with a note for a donation?

- **Wineries are required to invoice donated product at the end of an SOL event**

CONTACT US

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On behalf of the WSLCB Thank You!

CONTACT US

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On behalf of the WSLCB Thank You!