

Wine Store

Terms and Conditions



June 2019

Update Summary

Date	Update Description (Click on blue link to jump to section)	Updated Pages
June 2019	<p>Providing Safe and Responsible Service</p> <p>Minors</p> <p>Your Store</p> <p>Wine Store Within a Grocery Store</p> <p>Wine on Grocery Store Shelves</p> <p>Buying Wine</p> <p>Selling Wine</p> <p>Temporary Offsite Sale Endorsement</p> <p>Glossary</p>	<p>6</p> <p>13</p> <p>13</p> <p>14</p> <p>16</p> <p>19</p> <p>26</p>
May 2019	<p>Your Store</p> <p>Wine Sales Location (including online sales)</p> <p>Delivery</p>	<p>17</p> <p>18</p>
January 2019	<p>Identification (ID) Requirements</p> <p>Primary ID</p> <p>Secondary ID</p> <p>Compliance and Enforcement</p>	<p>7</p> <p>7</p> <p>25</p>

Wine Store Terms and Conditions

TABLE OF CONTENTS

PROVIDING SAFE AND RESPONSIBLE SERVICE	5
Serving It Right™: B.C.'s Responsible Beverage Service Program.....	5
Display of Social Responsibility Materials	6
Controlling Your Store	6
Preventing Disturbances.....	6
Minors.....	6
Identification (ID) Requirements.....	7
Intoxicated Customers.....	7
Disorderly or Riotous Conduct	8
YOUR LIQUOR LICENCE	9
Renewing Your Licence	9
Making Changes to Your Licence	9
Selling your Business	11
Providing Information to the Branch	11
YOUR STORE	12
Associations with Other Businesses.....	12
Wine in Grocery Stores.....	12
What is an Eligible Grocery Store?.....	12
Wine Store Within a Grocery Store.....	13
Wine on Grocery Store Shelves	13
Floor Plans/Separation Requirements.....	13
Security Plan	14
Relocating Your Store.....	14
Buying Wine.....	14
Storing Wine	15
Unlawful or Private Liquor.....	15
Selling Wine.....	16
Who You Can Sell To.....	16
Hours of Sale	16
Pricing.....	16
Wine Sales Location (including online sales)	17
Consumer Tastings.....	18
Delivery	18
Temporary Offsite Sale Endorsement	19
Selling Non-Liquor Products	20
Games and Entertainment	20
ADVERTISING YOUR BUSINESS	21
What You May Advertise.....	21
Signs.....	21
Internet Group Discounts	21
Relationships with Wineries and Their Agents.....	21
Activities Not Permitted: Inducements	21

Activities Permitted With Approval: Tied Houses.....	22
Activities Permitted.....	22
Wine Supplier Branded Refrigerators.....	23
Value-added Promotional Items.....	23
Product Samples.....	23
Contests.....	23
Product Vouchers.....	24
Sponsorships.....	24
Educational Events and Activities.....	24
Hospitality.....	24
COMPLIANCE & ENFORCEMENT	25
GLOSSARY.....	26

Introduction

The purpose of the wine store licence is to sell wine in a retail store for customers to purchase and consume away from the store.

This handbook outlines the requirements of the *Liquor Control and Licensing Act*, Regulations and terms and conditions that relate to owners of wine stores. Onsite stores (stores located at the same site as a winery, distillery or brewery) are dealt with in the Manufacturer Terms and Conditions Handbook. 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 may 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 Tyee
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 over-service.

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). Regarding 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 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.

Training for Wine On Grocery Store Shelves Employees

There are some differences in the Serving it Right training requirements for grocery stores selling wine on shelves, since not all employees in the store are involved in the sale of liquor. The following table clarifies who is required to complete Serving it Right certification in this situation.

Role	Activity	Minimum Age	SIR Certificate Required? (Y/N)
Cashier	Processing customer wine sales Taking customer product returns	19	Yes
Receiver/Stocker	Receiving orders in storage room Stocking shelves in wine department Assembling wine orders for pick up Tidying up shelves	N/A	No
Empties/ Recycling	Staff refunding deposits for recycled wine bottles	N/A	No
Store Clerk	Working in Wine Department Answering Customer Questions Making Customer Recommendations Conducting sampling	19	Yes
Manager	Supervises sale and service of liquor	19	Yes

Grocery store staff processing only telephone or online customer orders, including wine, are not required to obtain Serving it Right training. However, staff overseeing the pick-up of wine ordered by phone or online must have Serving it Right certification. If the phone or online order is to be delivered, the delivery person is not required to obtain certification, but is still required to check identification and ensure that no liquor is delivered to minors or intoxicated customers.

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.

The course packages, exams and certificate numbers can be found online at www.servingitright.com, or by phoning 604-633-9798.

Display of Social Responsibility Materials

You are required to display at least one social responsibility poster or tent card. The 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 are available from your local liquor inspector or on the website.

Controlling Your Store

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

If there is an imminent threat to people's safety, the general manager has the power to 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. While rarely exercised, this power is in place for situations where there are concerns regarding safety or public interest. For example, when there has been violence or extensive criminal activity, when there is the risk of retaliatory gang violence or when there is a possibility of public unrest.

Preventing Disturbances

You must take reasonable measures to prevent disturbances. 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 store and in the parking lot;
- supervising your parking areas; and/or
- posting signs asking your customers not to disturb your neighbours.

Minors

Minors (those under the age of 19) are allowed in a wine store if accompanied by a parent or guardian. You may not employ minors to work in your wine store. The exceptions to this are a church supply store where sacramental wine is sold, or a wine store selling wine on grocery store shelves. Unaccompanied minors are allowed in these stores and may be employed in these stores, however they cannot be involved in the sale of wine. For more information on the roles minors may perform in your store, please see the Serving It Right section of this handbook, which provides full information on the age and training requirements for grocery store employees.

It is against the law to provide liquor to a minor. You and your staff must be proactive about meeting this objective. If you or an employee allows a minor to purchase liquor, your licensing privileges could be jeopardized and you risk prosecution.

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
- The Photo BC Services Card
- Citizenship card
- First Nations status card
- The 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.

Intoxicated Customers

You must not let a person who is intoxicated or apparently under the influence of alcohol or drugs enter or remain in your store. You must refuse the person service, have the person removed and ensure they depart safely.

You also must write down all incidents of intoxicated customers and the action you took in an incident log, and have the information available for the liquor inspector or police officers. Additionally, please note that, with the exception of consumer tastings, you must not permit alcohol consumption in your store.

Disorderly or Riotous Conduct

You must not allow violent or disorderly conduct or unlawful activities to take place in your store. 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, then you must **notify the police immediately**.

An individual who has been asked to leave or has been barred from entering your store must not return for at least 24 hours. If they return within 24 hours, notify police; they are committing an offence and may be arrested.

Your Liquor Licence

You must post your liquor licence in a prominent location in the licensed area of your store. Ensure it is immediately available for review by liquor inspectors and police. Your store’s floor plans must also be immediately accessible, but they do not need to be posted.

Renewing Your Licence

You must renew your liquor licence before the licence expiry date each year and pay an annual licence fee. The fee is calculated based on the amount of wine you purchased from the Liquor Distribution Branch during the 12-month period ending six months before your licence expiry date. For more information, please visit the [website](#).

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

Independent, special wine stores and tourist wine store purchases and sales are recorded by the Liquor Distribution Branch, whereas sacramental wine stores, offsite winery stores and VQA wine stores self-report their sales to the Liquor and Cannabis Regulation Branch.

Making 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 need prior 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 to hours of sale • Temporary offsite sale endorsement 	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
Temporary Change <ul style="list-style-type: none"> • Hours 	Application	Before temporary change occurs
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

Type of Change	How to Report	When Approval Required
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 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 (add/remove)	Application	At any time where a tied house has been identified
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

If you are making changes to the current approved service area, other than cosmetic changes, a structural alteration application is required. Some examples are:

- Physical expansion
- A change in the position of access and exit points leading to or from a service area
- Change in the position of a wall, floor or ceiling surrounding a service area

You do not need approval for cosmetic changes such as flooring, countertops, or painting.

**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 moving 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 restart 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 dormant status. If you cannot provide evidence of the incident and your efforts to rebuild, your licence will be cancelled after two years.

Selling your Business

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. If a new owner is acquiring your business by buying some or all of the shares in your company, you must submit the Application for Permanent Change to a Licensee form.

Note: BC VQA Wine Stores held by the BC Wine Institute cannot transfer the licence to a new owner. Winery operated stores cannot be transferred unless both the store and the winery are being transferred together to the same individual or corporate entity.

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, that shares have been transferred or that the lease on your property is about to run out, etc.) are licensing 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.

Your Store

Associations with Other Businesses

You may not be associated with another business, with the following exceptions.

You are permitted to be associated with any other wine store or winery you own, or an eligible grocery store (see next section for more details on grocery store eligibility).

A grocery store may be associated with a wine store where either:

- the owner of the grocery store and the wine store are legally affiliated and either the same legal entity or wholly owned subsidiaries of the same legal entity, regardless of where the wine store is located; or
- where the wine store is located within the grocery store, whether or not the two businesses are commonly owned.

You are also permitted to continue existing associations with other businesses which were approved by the Liquor Distribution Branch when your store was initially approved.

Where an association is permitted, you may use a common name and other visual identifiers of the associated business, and you may engage in joint advertising and promotions with the associated business.

Associations with any other business are prohibited and you may not:

- Use a name or other visual identifier of another business;
- Sell the trademarked or brand-name non-liquor products of another business unless those products are also available for wholesale purchase by other licensees;
- Jointly advertise with another business;
- Offer discounts in your store based on purchases in another business; or
- Operate a customer loyalty or gift card program in association with another business.

If you are associated with another business and you apply to relocate your business, transfer your licence, sell shares in your business, or change the layout or size of your store, the nature of that association may also be required to change.

Wine in Grocery Stores

This chapter highlights the rules for wine sales in grocery stores, either through a store within a store, or wine sales from dedicated grocery store shelf space. In regard to special wine stores, which must be located in a grocery store, the "Wine on Shelves" policy below applies.

What is an Eligible Grocery Store?

For a wine store to be located within a grocery store or on the shelf of a grocery store, a grocery store must have a minimum of 10,000 square feet of space, including storage space, and must be primarily engaged in retailing all types and brands of food. Convenience stores and multipurpose stores are not eligible to host liquor sales.

To maintain eligibility, the grocery store's sales revenue from food and non-liquor beverages:

- must total at least 70% of non-liquor sales, and
- must total more than 50% of all sales, including liquor sales from a retailer located in the grocery store.

Licensees must provide annual proof that the sales revenue requirements have been met.

Wine Store Within a Grocery Store

Wine store licences, other than winery-owned or sacramental wine stores, may be relocated to within a grocery store. This includes independent wine stores, special wine stores, tourist wine stores and BC VQA stores.

Wine stores within a grocery store must be physically separated from the rest of the grocery store with controlled access and separate cash tills placed within the wine store area. The same shopping cart may move from the grocery into the wine store and grocery merchandise can be paid for at the wine store tills.

The entire perimeter of the licensed area must be identifiable and the majority of the perimeter of the licensed area must be bounded by a fixed and immovable barrier. For the portion of the perimeter that is not fixed and immovable, the barrier must be sufficient to:

- monitor and control entrance to the licensed area,
- prevent unaccompanied minors from accessing the area,
- secure the retail area when required (i.e. when operating hours for the liquor retail area do not align with grocery store hours), and
- identify the main entrance (including what is considered to be the front door) to the licensed area.

The wine store within a grocery store may sell any type of wine that is permitted under the terms and conditions of their licence.

There is no distance restriction between other liquor retail or wine store outlets that prohibits the relocation of a wine store. Wine stores within a grocery store must follow all other applicable wine store rules found within this handbook.

Wine on Grocery Store Shelves

BC VQA stores and special wine stores may be located on dedicated shelf space within an eligible grocery store. In the case of VQA stores, the BC Wine Institute will continue to hold the licence but must apply to appoint the grocery store as the third-party operator. Special wine store licences must be issued to the grocery store owner.

These wine stores may sell both domestic and imported wine (including cider, mead and sake) on grocery store shelves.

Wine that is sold off the shelf may be purchased at tills designated for liquor sales only or tills where both grocery and liquor purchases may be made. Regardless of the type of till, the staff making the sale must have Serving it Right certification and be at least 19 years of age.

Floor Plans/Separation Requirements

The licensee is responsible for determining their product display area and the tasting area, if tastings are offered. The product display area does not need to be bounded and may encompass a variety of shelf configurations, such as a small corner of the store, a kiosk, multiple shelves on one or both sides of an aisle, etc. as long as the following conditions are met:

- All products to which the public has access must be within one contiguous product display area within the grocery store; separate "wine sections" are not permitted.
- The liquor cannot be sold outside of liquor service hours, even if the grocery store is still open for regular business.

The licensee may move the product display area within the grocery store without notifying the Branch, as long as it continues to meet the above-noted conditions.

One tasting area is permitted. It must be immediately adjacent to the product display area and must be defined by a physical barrier (e.g. ropes and stanchions). Only product sold off the shelves may be offered for tasting.

Security Plan

The following requirements must be met on an ongoing basis by wine stores selling B.C. wine from grocery store shelves.

The licensee must demonstrate that appropriate measures to ensure safe and responsible service to the public are in place through the development of a security plan that is approved by the Branch. A liquor inspector will review this plan prior to licensing and at any time afterwards.

This plan must show how the following will be met:

- Minors do not access wine on the shelf, e.g. through use of CCTV, staff supervision of the wine retail area, etc.;
- ID verification policies are in place and signage is displayed;
- The licensee will control the establishment by preventing disturbances and how they will deal with intoxicated persons, if required;
- Shoplifting will be prevented;
- Verification of Serving It Right requirements for staff is ensured and maintained; and
- A wine delivery service, if applicable, has measures in place to ensure wine is not delivered to minors or intoxicated persons.

The licensee must also demonstrate that staff training, including training manuals, is in place to ensure the objectives of the security plan are met on an ongoing basis. Staff should also be aware of and have ready access to these terms and conditions.

Relocating Your Store

You may apply to relocate your store anywhere within the province, subject to local government/First Nation zoning.

The application for relocating can be found here: https://www2.gov.bc.ca/assets/gov/employment-business-and-economic-development/business-management/liquor-regulation-licensing/forms/lcrb092b_wine_store_transfer_of_location.pdf.

Buying Wine

The type of wine store you own will determine where you purchase your stock.

- Independent wine stores, special wine stores, BC VQA stores and tourist wine stores must purchase wine from the Liquor Distribution Branch or from a licensed British Columbia winery
- Winery-operated stores must acquire wine from the associated winery
- Sacramental wine stores must acquire wine as authorized by the LCRB

It is a serious contravention to buy wine from an unauthorized source or to purchase wine that is not recorded against your licence number.

The exception to the above is that a licensee may occasionally transfer a small amount of wine to another licensee to balance stock if products run out unexpectedly. You cannot transfer or receive more than \$10,000 of liquor per year. Both the seller and the purchaser must keep records within the wine register indicating the quantity, brand and type (sku #) of wine transferred, its value, date of transfer, and the licence numbers of both parties.

Wine stores can only transfer to other wine stores within their own subcategories (for example, B.C. VQA stores may only transfer to each other but not to an independent wine store).

Storing Wine

Your wine stock must be stored at your establishment or at an offsite storage area if you have notified the Branch of the offsite storage location. Offsite storage areas must be located in British Columbia, and may not be located in a residence. You must advise the Branch if an offsite storage area is no longer being used.

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

You must keep a list of storage areas with your liquor licence and produce it upon request.

Unlawful or Private Liquor

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

- Liquor obtained from an unauthorized source
- Liquor not purchased under your licence
- Stolen or smuggled liquor
- Liquor intended for export
- 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
- Samples left behind by an agent or manufacturer (other than your own winery, if yours is a winery-operated store)

You are accountable for any unlawful liquor found anywhere on your premises. Private liquor owned by you or an employee or liquor you received as a gift cannot be kept in your store or liquor storage area.

If you recently purchased your wine store and acquired your licence through a transfer, you must conduct a thorough audit of all liquor on the premises to ensure none is unlawful.

Wine Register

A wine register is a record of all your purchases (i.e. receipts and invoices) for your wine inventory, including any wine transfers. You must keep a wine register and it must be available for inspection at all times. Wine 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 wine lawfully.

If an inspector is unable to verify that the wine on your premises was purchased legitimately, the wine 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 wine 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 wine register:

- Keep all your receipts and invoices for wine purchases in chronological order and separate from receipts and invoices for non-wine 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 wine lost due to spoilage and breakage.

Selling Wine

The term "wine" encompasses a variety of products, including:

- Table wine - red, rosé and white
- Sparkling wine and crackling wine
- Fortified wine, including sherry and port
- Mead
- Sake
- Cider and wine coolers

The wines you can sell depends on what type of wine store you own:

- Independent wine stores, special wine stores and BC VQA stores located in grocery stores can sell any kind of wine product, domestic or imported, including cider and wine coolers, mead and sake
- Tourist wine stores and BC VQA stores in standalone stores locations can sell only 100% B.C. wine
- Winery-operated stores can sell only wines that are made at that winery (or, with written permission, a group of wineries, if more than one winery co-owns the store), unless stated otherwise on the licence
- Sacramental wine stores can sell wine for use in religious ceremonies conducted by individuals authorized to preside at such ceremonies in a place of worship, such as a church, temple or synagogue
- No wine store is permitted to sell any other types of liquor, such as beer or spirits

In addition to wines you regularly stock, you may accept special orders from customers as long as you are authorized to sell that product under your licence.

Who You Can Sell To

You are restricted to selling wine to retail customers. You cannot sell wine to licensed establishments, such as restaurants or bars, or to other types of establishments that are authorized to sell liquor.

You can only sell to special event permit holders if it is stated on your licence that you are allowed to do so.

Sales from sacramental wine stores are restricted to members of the clergy or ministers of religion or as authorized by the Branch.

Hours of Sale

You may sell liquor at your store between the hours of 9 a.m. and 11 p.m., or as indicated on your licence. Customers cannot enter your store after 11 p.m.

If you have customers in your store at 11 p.m. who have not yet purchased wine, you should encourage these customers to make their purchases within as short a time as reasonably possible. Consider having a strategy in place to serve lingering customers as quickly as possible.

If you sell wine on the shelves of a grocery store that operates outside these hours, you are still required to have policies in place to ensure that sales are completed as close to 11 p.m. as possible.

Pricing

You cannot sell wine at a price lower than **either** of the following prices:

1. The price you paid to purchase the wine
2. 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

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

You may adjust your prices at any time throughout the day, but the price must never go below the minimum price as outlined above.

Loyalty Programs

You may offer reward, loyalty or other incentive programs to regular customers. These programs may be structured as a points system, a progressive scale of discounts, the awarding of gifts at predetermined purchasing thresholds, etc.

You must ensure that the value of any loyalty points earned from liquor purchases do not amount to a discount that would reduce the retail price of the liquor below the minimum price. For example, you purchase a bottle of wine from the Liquor Distribution Branch for \$7. Your loyalty program stipulates that 100 points = \$1. If you sell the bottle of wine for \$8, then you cannot offer more than 100 points for the purchase of this bottle of wine, because 100 points equals \$1 and means the customer effectively received the bottle for \$7.

Customers can redeem loyalty points to purchase liquor as long as the value of the loyalty points redeemed plus any money paid by the customer meets or exceeds the minimum price as defined above (i.e. is not lower than either the price the licensee paid to purchase the liquor or the minimum pricing specified in the table above).

Loyalty points can also be redeemed for gift cards that can be used towards purchasing liquor as long as the amount paid by the customer through the gift card meets or exceeds the minimum price as defined above.

Wine Sales Location (including online sales)

All of your business activities related directly or indirectly to the sale of wine must be conducted inside your licensed store. The only exception is that you may advertise your business in accordance with the "Advertising Your Business" section of this handbook.

You may sell your products to the public from your store, your online store or from an online website that is clearly identified with your store. 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; and
- 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.

Licensees who deliver must deliver their products to customers from their store. The online store, whether on the licensee website or on a third-party platform, is considered an extension of the wine store, so deliveries cannot be made from a registered offsite secondary storage site. (See the “Delivery” section of this handbook for more information.)

You must not take wine off your premises for sampling or sale unless you have a temporary offsite sale endorsement (outlined below).

You may set up a display table or booth offsite to display advertising materials, which may include posters, leaflets or trade newsletters and similar items.

Consumer Tastings

You and one or two wine manufacturers or agents may agree to conduct tastings of products that are available for sale in your store. If you have a manufacturer or agent providing the samples, they may bring in their own samples of products they make or sell and that are carried in your store for the tasting but must provide the samples free of charge.

You may have a maximum of two manufacturers or agents conducting consumer tastings in your store at any one time. If you conduct the consumer tasting yourself, you may sell the samples. When a consumer tasting event will take place, and how long it will run, is up to you and the manufacturer or agent. However, all tasting must end 30 minutes before your store closes.

- You and the wine manufacturer or agent may advertise the tasting within or outside the store, using promotional materials supplied by the wine manufacturer or agent.
- You cannot charge the manufacturer or agent a rental fee for demonstration space.
- Servers may not leave open containers unattended.
- Customers must consume samples in your store; they may not take samples away to consume offsite.
- If the manufacturer or agent purchases wine from you for the tasting, you must issue (and the liquor manufacturer or agent must retain) a countersigned receipt for the dollar value of sampled product.
- At the end of the consumer tasting conducted by a wine manufacturer with an onsite store, the manufacturer may take away any unfinished bottles.
- You may serve food samples that complement a particular alcoholic beverage. You can install kitchen equipment to accommodate these events, and you may charge an attendance fee. However, neither the food ingredients nor the final product may be offered for sale, the focus of your business must not shift to that of a restaurant or food store, and you must obtain approval from the local Environmental Health Officer before installing kitchen equipment and serving food samples.

Maximum quantities per patron at a consumer tasting

The maximum amount of wine per patron at a consumer tasting is 75 ml.

This amount can be divided as the licensee chooses. For example, if you present three kinds of wine, you may offer a maximum quantity of 25 ml of each wine to taste.

Delivery

Licensed wine stores can deliver wine to customers using their own employees or a third-party service under the following terms and conditions.

Wine can only be delivered to:

- A place where wine can legally be possessed or consumed
- Individuals 19 years of age or older (for information on verifying age, see the “ID Requirements” section of this handbook)
- Individuals who are not intoxicated or under the influence of drugs

In addition:

- You may deliver products ordered online from your store, but you may not make deliveries directly from your offsite storage, if you have one.
- Your charge for the wine must be your regular retail price of the wine plus a separate delivery charge, if any. You must inform customers of both charges when they place an order.
- You may deliver no later than one half hour after your store's closing time.
- You must keep delivery transaction records for at least six years. These must include the date, time and address of each delivery, the products purchased, the prices charged, delivery fees and total amount paid.
- You must not take orders for wine or arrange for payment and delivery of wine outside of your establishment.
- 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 making sure 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.

Temporary Offsite Sale Endorsement

You may apply for an endorsement that enables you to sell your products at a tasting-focused food and beverage festival with a special event permit. Once endorsed, you may accept invitations from special event permit holders to set up a temporary store at an event. You must notify the Branch prior to each event to obtain an event-specific authorization to set up the temporary store.

This is the only circumstance under which you may sell liquor outside of your wine store. Otherwise, all of your business activities related directly or indirectly to the sale of wine (with the exception of advertising) must be conducted inside your store. You must not take wine off your premises for sale unless you have a temporary offsite sale endorsement.

Eligible festivals must have a primary focus on tasting or introduction of wine products and/or accompanying food (i.e. a wine festival licensed under a special event permit would qualify, whereas a music festival would not).

Wine stores that set up a temporary store are limited to the types of products they are permitted to sell under the licence of the permanent store.

General terms and conditions of the authorization

- The authorization is valid during the hours and days of the festival, subject to regular retail hours of 9 a.m. to 11 p.m. This means that even if a festival ends at midnight, a wine vendor cannot sell after 11 p.m.
- All sales at the temporary location must be recorded as sales from the permanent store.
- You are responsible for confirming with the special event permit holder that the local government/First Nation permits the sale of packaged wine at the event.
- You must have a distinct sales area at the event and must post your authorization in a conspicuous location in that area during each event. All sales must be conducted within that area.
- Minors may be present in the sales area if they are permitted under the special event permit.
- The terms and conditions of the permanent store apply at the temporary store with regards to pricing, product limitations, promotions and staff training (Serving It Right) and age requirements.
- The products purchased at the temporary store are for consumption away from the event. No sampling is permitted.
- The general manager may place additional limits in the public interest.
- You cannot be the special event permit holder for the food and beverage festival

Selling Non-Liquor Products

In addition to wine, you may also sell these products in your wine store:

- Items specifically associated with storing or serving wine, such as wine racks and cabinets, ice buckets and chillers, wine glasses and corkscrews
- Printed materials such as books and pamphlets concerning wine in general or specific wines that are sold in your store
- Items that identify wine products for sale in your store, such as umbrellas, T-shirts and aprons
- Wine-related food items, such as cheese and crackers
- Wine-related soft drinks and juices, such as club soda for spritzers
- De-alcoholised wine
- Gift cards/certificates redeemable for liquor products.

You may sell gift cards or certificates, but only from your establishment. Gift cards must not be sold to minors and they cannot be used as prizes in contests unless the card or certificate is specifically meant for non-wine items. It is unlawful in B.C. to give away liquor as a prize.

You cannot sell:

- Confectionary items such as candy, gum, potato chips, etc., or
- Tobacco products

This section does not apply to sacramental wine stores and wine stores located inside grocery stores.

Games and Entertainment

Games and entertainment are not permitted in your wine store unless occurring within a grocery store.

Advertising Your Business

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*.

What You May Advertise

You may advertise information about your store, including your name, location, hours of sale, non-liquor products you are permitted to sell, and liquor products you sell that have been approved for sale by the Liquor Distribution Branch, as well as their prices. You may not advertise wine for free or at prices below the minimum price requirements. Your advertising may not depict packaging or labelling unless that labelling has been approved by the Liquor Distribution Branch.

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 not mislead the public as to the class of liquor licence you hold. Your signs must also comply with local government bylaws.

Internet Group Discounts

Third-party companies offering internet group discounts are not licensed to sell wine and may not legally include wine as part of a joint promotion with your store. You may not participate in internet discount promotions that include wine.

Relationships with Wineries and Their Agents

There are strict rules that govern how you can work with wineries and agents to promote their products. For more information regarding agents and their role, read the definition in the Glossary section of this handbook or refer to the agent terms and conditions.

Agents may hire employees to promote and market the manufacturer's liquor products that the agent is authorized to represent. The agent must also provide their employees with identification establishing them as the agent's marketing representative.

Activities Not Permitted: Inducements

The Act prohibits you from asking for or receiving benefits for selling a particular wine product. You cannot, for example, demand that a manufacturer or agent supply additional product at either no cost or at a reduced cost in return for purchasing their product.

You may accept information and ideas to help improve your business, but this information must come directly from the manufacturer or agent and not through an outside consultant. You cannot accept advice about borrowing money or locating financing.

You are also prohibited from accepting any items, products or services from a manufacturer or agent that are necessary for the operation of your business. This includes financial assistance as well as fixtures, furnishings or permanent display structures.

In addition:

- Manufacturers cannot buy shelf space, offer volume discounts, or offer discounted product in exchange for marketing benefits.
- You must always pay for your own advertising. A liquor manufacturer or agent cannot pay all or a portion of your advertising costs (or vice versa), nor are you permitted to have a joint marketing plan. With permission from a

manufacturer or agent, you can include the manufacturer's logo in your ads, but you cannot demand or receive financial compensation or other consideration in return.

- You must carry and make available to consumers a representative selection of products from a variety of suppliers that are not associated with or connected with each other. In the case of wine stores authorized for the sale of 100% B.C. wine, there is an expectation that wines from wineries of all sizes will be widely represented in your store.

Activities Permitted With Approval: Tied Houses

A tied house is a business that has an association (financial or otherwise) with a winery or its agent that is likely to lead to its products being favoured. A tied house relationship exists where:

You have any amount of ownership interest in a winery or licence (for example, a shareholder in your company also holds shares in a business that holds a winery licence), OR

- your proposed third-party operator has any amount of ownership interest in a winery/agent licence, OR
- you have an immediate family member with any amount of ownership interest in a winery/agent licence. Immediate family members include spouses, parents, siblings and children only.

If these circumstances exist, you are considered to be in a tied house relationship with a winery and you are prohibited from carrying or selling that winery's product in your store. There are two circumstances under which this prohibition does not apply (commonly known as tied house exemptions):

1. If you are owned by a winery and located at that winery's site or elsewhere, you may carry and sell that winery's product with no restrictions. In this case you aren't required to carry the wines of any other manufacturer, but you may choose to do so.
2. If you are in a tied house relationship with a small or medium-volume winery but are located elsewhere, you may apply to the Branch to allow you to carry and sell that winery's products. The number of exemptions you may apply for is not restricted, but the winery may only have ties with up to three offsite licensed establishments, and must agree to this arrangement during the application process. If approved, you may sell that winery's products but must also sell the products of other wineries.

The inducement restrictions do not apply to a licensee and winery where a tied house exemption has been granted.

Activities Permitted

Promotional items

You may accept promotional items of nominal value, such as posters, from a winery or agent, as long as it does not appear that you are promoting a particular wine or the wines of a particular manufacturer (brand-identified or corporately-identified items of a particular winery must not predominate).

You may buy clothing and novelties – such as shirts, caps, key chains, etc. – with the name or brand of a particular wine or wine manufacturer at fair market value and re-sell them to your customers or employees. These items may display the name of your wine store.

A winery may loan you more expensive promotional items with the winery's name or brand, such as signs or mirrors. The winery may also loan you temporary display structures and related promotional items (all displays and promotional items remain the property of the manufacturer).

You may also accept T-shirts, hats and other promotional clothing items with a winery's name or brand on them to give away to your customers. You cannot take any promotional items for personal use or future promotions and you cannot sell them.

Wine Supplier Branded Refrigerators

Wine suppliers may provide you with brand-identified refrigerators for use within your wine store under the following conditions:

- Ownership of the refrigerator is retained by the wine supplier;
- The supplier does not pay for any installation or maintenance costs;
- The supplier cannot provide more than two refrigerators to any one wine store;
- You cannot have more than four supplier-provided refrigerators in your wine store; and
- Any refrigerator provided by a supplier cannot be more than 19 cubic feet

Value-added Promotional Items

If a winery or agent has received approval from the Liquor Distribution Branch to offer value-added promotional items in B.C. government liquor stores, he or she may also provide those same promotional items to your store for the same promotion period.

You may accept value-added promotional items from a manufacturer/agent that they are not supplying to government liquor stores, provided you follow the rules set out in the Liquor Distribution Branch guidelines and provided the items do not contain wine. Under these guidelines, value-added promotional items must be of nominal value (they cannot exceed 20% of the retail price of the base product), and must be wine (only if approved for government liquor stores) or wine-related or branded.

Items may include:

- "On-packs," where a small bottle of wine or an item such as a corkscrew is attached to a bottle or case of wine
- "In-packs," where an item, such as a T-shirt, is included inside a case of wine
- "Near-packs," where an item, such as a bag of chips with a winery's brand, is placed near or alongside a product and is given away whenever that wine product is purchased

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

You may keep any leftover items at the end of the promotional period and continue to offer them to your customers until they are gone; however, you cannot take any promotional items for personal use or future promotions. Promotional items are not transferable. You cannot transfer items to another licensee or to another establishment, even if you own it.

The winery or agent must give you a copy of the Liquor Distribution Branch's letter of approval, and you must then keep the copy on-site. You and the winery or agent may advertise these promotions.

Product Samples

As a way of introducing their products, a winery or agent may give you product samples, but the amount you receive must not be more than one bottle of the smallest available size per product in any one year (must not exceed two litres). You must keep a record of all samples received in your wine register, including the date, name of the winery or agent, name of the product and volume of the product. Only you and your staff may consume this wine in a private place outside the licensed area. It is not intended for your customers and must not be served to them.

Contests

If a winery or agent is running a contest in government liquor stores, they may also hold that same contest in your store for the same period and with the same promotional materials on display.

You may hold contests in conjunction with a wine manufacturer or agent that are not running concurrently in government liquor stores, as long as the manufacturer/agent follows the Liquor Distribution Branch guidelines outlined in their booklet.

If you agree to hold a contest in your store, the wine manufacturer or agent must conduct the contest and install all promotional items. The manufacturer must remove all promotional items within 10 days after the contest has ended. The manufacturer/agent must also record the name of anyone who wins a prize valued at more than \$100.

You may include contest entry forms in your print ads and you may mention where entry forms are available in any of your advertising.

Product Vouchers

You may enter into an agreement with a wine manufacturer or agent to honour their product vouchers (i.e. certificates for a specific quantity of wine that customers can redeem at participating retail stores at no charge).

Only the manufacturer or agent may distribute vouchers.

Once a voucher is redeemed, the wine manufacturer or agent must pay you the full retail price for the quantity of wine specified on the voucher. You cannot ask for, or receive, an additional "redemption fee" for accepting a product voucher.

Size limits for product vouchers are the same as those for product samples.

Sponsorships

Manufacturers and agents cannot sponsor events or activities at your wine store. You may sponsor events, activities or organizations using your corporate name or the name of your licensed establishment.

The sponsored event may be held offsite at an unlicensed venue or catered event. You cannot sponsor minors' events, activities and organizations.

Educational Events and Activities

You may attend educational events or activities, such as a "wine school," put on by a winery or agent. You may accept payment from the wine manufacturer or agent for legitimate travel, meals, accommodation and entertainment expenses associated with the educational event, up to \$1,500 per licensee location per year.

If you have multiple licensed establishments – for example, a chain of wine stores – you may also accept expenses of \$1,500 per person to a maximum of \$4,500 per head office per year.

Hospitality

A wine manufacturer or agent may pay for your hospitality expenses not associated with an educational event, at a rate of up to \$1,000 per licensee location per year.

Compliance & 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.
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.

Revised
Jan. 2019

Glossary

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

“Agent” refers to a liquor manufacturer representing itself as an agent, a person hired by a liquor manufacturer to represent them as an agent, or a person who holds an agent’s licence who represents a manufacturer of liquor outside of British Columbia.

“B.C. wine” means wine (including cider and sake) made in B.C. in which the plants, honey or milk used in the fermentation process were produced or grown in B.C.

“The Branch” means 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, an authorized representative designated by the licensee 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.

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

“Marketing representative” refers to a person hired by a licensed agent to promote their products.

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“Special wine store” means a wine store that was issued following an auction subject to the Special Wine Store Licence Auction Act for the sale of wine on grocery store shelves.

“Third-party operator” refers to an individual or corporation contracted by the licensee to operate the establishment on a day-to-day basis.

