



INDUSTRY ADVISORY

“Bar Night” Promotions

Effective immediately, the Department will no longer approve supplier-sponsored promotions involving the furnishing of free entertainment for customers of retail-licensed businesses. Any consumer entertainment provided by suppliers must occur pursuant to and comply with the provisions of Section 25600.5 of the Business and Professions Code.

Suppliers of alcoholic beverages (including manufacturers, importers and wholesalers) may visit licensed premises to discuss the merits of their product(s) and/or give away consumer advertising specialties subject to the cost limitations contained in Section 25600 of the Business and Professions Code and Rule 106, Title 4, California Code of Regulations. Neither suppliers nor retailers may pre-advertise such visits.

Suppliers may offer coupons that provide a cash discount to consumers when they purchase a drink, provided it is not a full purchase refund. A retailer may offer a price reduction for the product being promoted if it is the sole decision of the retailer. Suppliers may compensate a retailer for the value of coupons given to consumers if those coupons have, in fact, been redeemed during the promotion. Suppliers cannot give anything of value or otherwise pay money or compensate a retailer for visiting the retail premises or for the retailer agreeing to promote the supplier’s product(s). Retailers are not permitted to solicit or accept money or anything of value from suppliers, whether or not it is in conjunction with a specific alcohol promotion.

This advisory does not restrict activities expressly authorized by the ABC Act.

If you have any questions regarding this advisory, please contact the Department’s Trade Enforcement Unit at (916) 419-2500.

January 2009