## Virginia Alcoholic Beverage Control Authority

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Circular Letter 19-02

**To**: Wine and Beer Wholesalers

**Subject:** Tastings

**Purpose:** The purpose of this Circular Letter is to communicate to wholesale licensees regarding

the tasting events that are available to those industry members in regard to interacting

with retail licensees.

**Background:** Currently there are only a few situations that are available through Virginia Code and Regulation that allow a wholesaler to participate in tastings.

The first is a tasting that is authorized through COV §4.1-201.1 a wholesaler may spend up to \$100 not including a 20 percent tip within a 24 hour period at a retail license establishment that is a hotel, restaurant or club licensed for on-premises consumption. This is a wholesaler sponsored tasting by which the wholesaler is paying for the tastings the consumer is sampling, the wholesaler may provide education to the consumer of what is being sampled, however the Code specifically dictates that the tasting be served by the employees of the retail establishment. All other provisions of that code section are also applicable while conducting these types of tastings.

The next would be at a licensed Gourmet Shop. This is a licensee sponsored tasting which allows the giving to any person to whom wine or beer may be lawfully sold, (i) a sample of wine, not to exceed two ounces by volume or (ii) a sample of beer not to exceed four ounces by volume, for on-premises consumption.

The licensee may also give samples of wine and beer in designated areas at events held by the licensee for the purpose of featuring and educating the consuming public about the alcoholic beverages being tasted. Additionally, with the consent of the licensee, farm wineries, wineries, breweries, and wholesale licensees may participate in tastings held by licensees authorized to conduct tastings, including the pouring of samples to any person to whom alcoholic beverages may be lawfully sold.

Under COV §4.1-209 is where the Code dictates this practice to allow wholesalers to participate in a tasting by which they can pour a tasting, which is limited to Gourmet Shop types of licenses only and is also outlined within Virginia Regulation 3 VAC5-70-100.



The third would be what is traditionally known as a "Wine Dinner" conducted by a retail licensee. COV §4.1-201, which was amended in 2014 to allow this practice, dictates that nothing in this title or any Board regulation adopted pursuant thereto shall prohibit: any winery, farm winery, wine importer, or wine wholesaler licensee from providing to adult customers of licensed retail establishments information about wine being consumed on such premises. However, this section does not allow the wholesaler or wine manufacturer to pour as a function of the event. All wine products must be poured by employees of the retail establishment only. This practice is limited to Wine Wholesalers only and does not include holders of Beer Wholesale licenses.

Held:

Circumstances of the actual tasting will dictate the actual level of involvement of the wholesaler through Virginia Code or Regulations.

Anything outside of the parameters laid out by Virginia Code or Regulation may potentially cause a violation of COV §4.1-216(C.) which states, Subject to such exceptions as may be provided by statute or Board regulations, no manufacturer, bottler, importer, broker or wholesaler of alcoholic beverages, whether licensed in the Commonwealth or not, shall sell, rent, lend, buy for or give to any retail licensee, or to the owner of the premises in which the business of any retail licensee is conducted, any (i) money, equipment, furniture, fixtures, property, services or anything of value with which the business of such retail licensee is or may be conducted, or for any other purpose; (ii) advertising materials; and (iii) business entertainment, provided that no transaction permitted under this section or by Board regulation shall be used to require the retail licensee to partially or totally exclude from sale at its establishment alcoholic beverages of other manufacturers or wholesalers.

Should you have questions regarding conducting tastings on retail establishments or in conjunction with a retailer, please contact Compliance at (804) 213-4632 or compliance@abc.virginia.gov.