

# Liquor Licensing Act 1997

## Changes To Producer's Licences

*This information sheet outlines the changes for holders of producer's licenses which took effect from 3 May 2010. The changes allow producers to be more competitive in the wine industry and also reduce red tape.*

### Providing other liquor products for tastings

Producers are allowed to offer comparative tasting samples of the same type of liquor from other producers as well as their own product. This will be helpful for consumers to compare one producer's product with other similar products available on the market.

### Providing other liquor products in dining areas

Producers that sell their own products to accompany meals are able to offer liquor products other than their own to enjoy with a meal, so long as the liquor is provided in a designated dining area.

### Single licence can cover production premises plus one additional location

Producers with a production premises can have up to two outlets approved under a single licence, provided that one of their locations is at the production premises. If a licensee does not have a production premises or does not wish to have an outlet at the production premises, the licensee will only be able to have one retail outlet.

In the case of a producer of wine with production premises in a wine region, the second outlet - including a collective outlet - must be in that wine region. Wine region is defined as a geographical area in relation to which a geographical indication is in force under the *Wine Australia Corporation Act 1980* (Cth).

Where a producer does not have production premises and they conduct direct sales transactions only from their licensee address, they are eligible to apply for a retail outlet or participate in a collective outlet at another location.

Where a producer does not have production premises and they conduct sales other than by direct sales transactions, or provide sampling from their licensee address, then the licensee is not eligible for another retail outlet nor are they eligible to participate in a collective outlet.

*Production premises of a licensee means premises to be occupied and used by the licensee for the production of liquor.*

*Production of liquor includes any step in production including the growing of grapes or other primary produce for production of liquor.*

### Two or more licence holders can operate from the same premises (Collective Outlet)

Producers can work together at a collective outlet, where the products of each member of the collective may be sold.



This will enable producers to reduce administrative, staffing and other overhead costs and will also assist in the promotion of tourism in various wine regions.

An additional licence will not be required for the collective outlet, but the collective group will still need to lodge an application with Consumer and Business Services (CBS).

The number of producers permitted to form a collective will be determined by the licensing authority. An application will not be approved if the number of licensees involved or the nature and extent of the trade mean that it would be better authorised by another licence category (for example, a retail liquor merchant's licence).

The area to be used for the collective outlet will be approved under individual producer's licences. To the extent that premises are shared, each participating licensee would be responsible for all compliance matters at the collective outlet.

### Event Endorsement

Producers with production premises can sell or provide samples of their products at other endorsed locations (such as regional festivals and farmers markets) under their producer's licence, without needing to apply for a limited licence for each occasion.

Upon application to CBS, the details of a market (or markets) will be endorsed on the licence and, in the case of wine, the approval will be limited to sites and events occurring within the same region as the producer's production premises. The endorsement will specify whether sale or supply is for consumption on or off the site.

If the licensing authority is of the opinion that the scale or nature of the event would be better authorised by an application for a limited licence or a licence of another category, the event endorsement may not be approved.

For example, festivals such as the Schutzenfest, Glendi and various food and wine festivals would not be approved on an event endorsement due to the nature and scale of these events.

The "site" for the purpose of an endorsement, will be within the market or festival precinct. The "site" must be a separate and defined area solely under the control of the licensee.

### Blended wines

The law requires that blended wines should contain a substantial portion of the producer's own wine. However, if a producer needs to blend their own wine with a substantial portion of another producer's wine, due to circumstances beyond their control (for example where there has been a failed crop), then the producer will be able to apply to the licensing authority for a temporary exemption from the above requirements.

The amount of wine that can be purchased may be limited by the licensee's own production capacity.

This exemption for blended wines will reduce the impact of adverse circumstances on the producer, such as crop failures and natural disasters.

### Further Information

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