## ASK the Experts

Professional guidance and information is provided by industry experts.

Kelly Allen, Adkison, Need & Allen, PLCC

"What are the laws regarding Tastings, 'Cork & Go', and Bottle Service?"

TASTINGS:
Restaurateurs are surprised to learn that it is not legal to offer a customer a "free" taste of wine, beer, or spirits, for any reason. While there are exceptions to this rule for hotels, manufacturers, and off-premise licensees, restaurateurs beware: THERE IS NO SUCH THING AS FREE ALCOHOL. MCLA 436.2025 (1).

This means that if a restaurant wants to assist the customer in making a wine choice by offering the customer a taste, it must charge the customer. The charge is governed by the Michigan Liquor Control Commission (MLCC) rule stating that alcohol cannot be sold to the customer "below cost" (Rule



436.1055). So, for example, if you took the wholesale cost of a bottle of chardonnay and divided it by "tastes" or "sips," you would come up with the price. Since there is no law on the books allowing licensees to provide a free "taste," we are left with "NO FREE ALCOHOL." This situation differs from a restaurant hosting a "wine tasting," when wines are

offered for samplings or tastings at a cost. The number of samples offered during a wine tasting event must be specified in advertisements and on any tickets sold for the event. The restaurant cannot offer unlimited quantities of alcohol (Rule 436.1438 (17)).

**CORK & GO:** As a refresher, the law allows a customer who has purchased a meal and a bottle of wine, to remove the partially consumed bottle from the premises. The law requires that the cork be reinserted into the bottle so that it is flush with the lip of the

bottle (MCLA 436.2021 (3)). The customer should be advised that the bottle must be transported in the trunk of their vehicle, or in a special carrier that is not accessible to the occupants of the vehicle. This rule applies to wine only, not beer or spirits. The restaurant does not need an additional permit, such as an SDM permit, to allow "Cork & Go."

BOTTLE SERVICE: Speaking of spirits, "bottle service" has become popular at restaurants. This means the restaurant can sell the customer a full bottle of alcohol for the table. The MLCC does not prohibit this practice, but the restaurateur must be aware that the bottle cannot be priced below cost, and that the alcohol must be sold in accordance with a written price list, which is readily available to customers (MCLA 436.2011). Also, if the bottle is not finished, it cannot be removed from the restaurant, and cannot be replaced into the restaurant's inventory. It must be disposed of properly.