

Enforcement Division - Liquor & Tobacco

Physical Address: 1881 Pierce Street Lakewood, CO 80214 Mailing Address: P.O. Box 173350 Denver, CO 80217-3350

BULLETIN 16-01

REFERENCE: BARRELS PROVIDED TO RETAILERS

January 8, 2016

Colorado Liquor Enforcement Division

I want to inform the Liquor industry about barrels being used as point-of-sale items and infusion devices.

Regulation 47-316(C) and (D), states (emphasis added):

C. The term "displays within such premises," hereinafter referred to as "interior displays," shall mean all non-refrigerated racks, bins, <u>barrels</u>, casks, shelving, or similar items, the primary function of which is to hold, shelve, or display alcohol beverages within retail premises.

D. A supplier's standard interior display that <u>may be provided free of charge to a licensed retailer</u>, shall have no other utilitarian value other than that of being purely for display purposes. Any interior display containing any property other than that authorized in paragraph C above, may not be given or loaned to a licensed retailer, but must be sold at a price not less than the supplier's actual cost.

Therefore, a barrel being used as a display can be provided free of charge to a retailer by the wholesaler.

Regulation 47-320(B)(2) states (emphasis added):

Suppliers may provide the following point-of-sale advertising materials to licensed retailers free of charge for use within retail premises: display decorations of negligible value, table tents, table tent holders, sports schedules and brackets, case cards, serving trays, condiment trays, bar utensil caddies, stir rods, strainers, presses, check and credit card holders, shakers, pitchers, table mats, bar mats, alcohol beverage lists or menus, menu cards, menu holders, calendars, napkins, napkin holders, coasters, stir sticks, and similar items of negligible value, as approved by the Liquor Enforcement Division.

In 2009, the Division authorized regular infusion jars be considered a point-of-sale item of negligible value covered under 47-320(B). This was to approve inexpensive infusion jars made out of plastic or glass.

Colorado Liquor Enforcement Division Bulletin 16-01 page 2

Recently, a wholesaler requested clarification of whether or not a barrel used as an infusion device (not actual barrels but approximately ¼ size replicas) would also fall under the same exemption provided to glass/plastic infusion jars. The answer is yes. Since the infusion barrels are of negligible value, they are allowed to be provided free of charge. **Note:** Full-sized barrels, if used as an infusion device, would not be considered of negligible value and would have to be purchased.

Questions concerning this bulletin can be sent to <u>dor_led@state.co.us</u>. or call us at 303-205-2306.

2 DR 4041B (06/11/14)