

February 24, 2015

Brenda Barrett, Club Manager
The Smokehouse
Rescue Hose & Ladder Company
408-410 Filbert Street
Curwensville, PA 16833

RE: Catering Club Event Drink Discount

Dear Ms. Barrett:

ISSUE: This office is in receipt of your e-mail dated February 5, 2015, in which you indicate that you would like to have a benefit dinner at your club, which dinner will be hosted by a third party. The hosting party would like your club to offer several types of alcoholic drinks and several brands of beer at a discounted price to guests of the benefit dinner. You state that tickets will be sold to the event, and the cost of the ticket includes a meal; however, guests would be responsible for purchasing their own beverages. You ask if it would be permissible to sell more than one (1) type of liquor and several different brands of beer during the event, and if the event could be done as a “happy hour,” so long as it is posted seven (7) days in advance of the event.

Records of the Pennsylvania Liquor Control Board (“Board”) indicate that the Rescue Hose & Ladder Co. of Curwensville, Pennsylvania, holds Catering Club Liquor License No. CC-4036 (LID 3572) for use at the premises located at 408-410 Filbert Street, Curwensville, Pennsylvania.

OPINION: Generally, section 13.102(a) of the Board’s Regulations prohibits retail licensees, including club licensees, from engaging in the following discount pricing practices: selling or serving more than one (1) drink at any one (1) time to any one (1) person for the price of one (1) drink; selling or serving an increased volume of one (1) drink without a corresponding and proportionate increase in the price for the drink; or selling or serving an unlimited or indefinite amount of alcohol for a set price. [40 Pa. Code § 13.102(a)(1)-(3)].

However, section 13.102(b)(1) of the Board’s Regulations creates an exception which allows for the offering of an unlimited or indefinite amount of alcohol for a set price for “catered events” which have been arranged at least twenty-four (24)

hours in advance. [40 Pa. Code § 13.102(b)(1)]. Catered events are those involving the furnishing of liquor or malt or brewed beverages, or both, to be served with food prepared on the premises, or brought onto the premises already prepared, for the accommodation of groups of people who are using the facilities by prior arrangement made at least twenty-four (24) hours in advance of the time of the function and which are paid for by the third party. [40 Pa. Code § 5.83]. A catered event must be conducted for a third party, and cannot be self-sponsored by the licensee.

Please do not hesitate to contact this office should you have additional questions.

THIS OPINION APPLIES ONLY TO THE FACTUAL SITUATION DESCRIBED HEREIN AND DOES NOT INSULATE THE LICENSEE OR OTHERS FROM CONSEQUENCES OF CONDUCT OCCURRING PRIOR TO ITS ISSUANCE. THE PROPRIETY OF THE PROPOSED CONDUCT HAS BEEN ADDRESSED ONLY UNDER THE LIQUOR CODE AND REGULATIONS. THE LAWS AND POLICIES ON WHICH THIS OPINION IS BASED ARE SUBJECT TO CHANGE BY THE LEGISLATURE OR THE PENNSYLVANIA LIQUOR CONTROL BOARD.

Very truly yours,

FAITH S. DIEHL
CHIEF COUNSEL

cc: Pennsylvania State Police, Bureau of Liquor Control Enforcement
Jerry W. Waters, Director of Office of Regulatory Affairs
Tisha Albert, Director, Bureau of Licensing
Jeffrey Lawrence, Assistant Director, Bureau of Licensing

LCB Advisory Opinion No. 15-064