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July 2, 2019

MARKETING PRACTICES ADVISORY - MPA059

BYOB – Manufacturing Tier Facilities

To: Alcoholic Beverage Industry

This Advisory addresses the question of whether alcohol manufacturers can allow members of the public, including unlicensed/unpermitted entities, to bring alcoholic beverages onto the premises for their own consumption. Under certain conditions, this practice is allowed.

General Rules for Allowing Outside Alcohol on the Premises

Alcohol manufacturers *may* allow consumers to bring their own alcohol onto the premises, but are *prohibited* from taking possession of, or serving, any alcoholic beverages brought in. In other words, alcohol manufacturers may not act as a bartender for anyone bringing their own alcohol.

In addition, alcohol brought onto manufacturers' premises may not be sold. Only the licensed/permitted manufacturer has the authority to sell alcoholic beverages on its premises. Therefore, TABC cannot issue a Caterer's Certificate or any Temporary Permit for use on the premises of a manufacturing-tier facility. This impacts private events.

Guidelines for Allowing Private Events That Involve Outside Alcohol

Manufacturers may allow members of the public to bring their own alcoholic beverages when hosting private parties on the manufacturer's premises, but the following guidelines must be observed to avoid the outside products being considered as "sold" on the premises:

- The event must be free (non-ticketed);
- The event must be for the purpose of a wedding, anniversary, non-permitted corporate event, or a similar type event;
- Alcohol brought onto the premise by the outside party must be free to the guests;
 and
- No TABC licensed/permitted retailer may provide or serve the alcoholic beverages on the manufacturer's premises (but the event host may hire TABC-certified sellerserver bartenders).

Manufacturers' Authority over their Premises

Manufacturers have the sole authority to allow members of the public to bring alcoholic beverages onto their premises. Nothing in this Advisory suggests that the public has the right to bring their own alcohol.

Manufacturers' Liability for Allowing Outside Alcohol on the Premises

Alcohol manufacturers are responsible for maintaining full control of their premises (Texas Alcoholic Beverage Code, Section 109.53). This means that manufacturers are liable for people that become intoxicated on their premises regardless of the source of the alcohol. Thus, manufacturers who allow the public to bring their own alcohol should take extra precautions to avoid violations.

This Advisory is issued pursuant to Alcoholic Beverage Code §5.57. It represents the opinion of the staff of the Commission. We hope this opinion will assist you in your endeavors. If you would like additional information or have questions regarding this Advisory, you may contact me in writing at P.O. Box 13127, Austin, TX 78711; by email to advisories@tabc.texas.gov; or by phone at 512-206-3411.

Sincerely,

Thomas Graham

Director of Excise Tax & Marketing Practices