

TEXAS ALCOHOLIC BEVERAGE COMMISSION Supporting Businesses and Protecting Texans P.O. Box 13127 Austin, Texas 78711-3127 (512) 206-3333 tabc.texas.gov

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MARKETING PRACTICES ADVISORY - MPA019

# **Authorized Advertising for Private Clubs**

To: Private Club Registration Permit Holders

## Scope of the Advisory

This advisory provides guidance on the requirements and common practices related to outdoor advertising by holders of a private club registration permit, private club malt beverage and wine permit, and private club exemption certificate (collectively referred to as a private club in this advisory).

## **Outdoor Advertising**

Outdoor advertising refers to any sign bearing a word, mark, description, or other device that is used to advertise an alcoholic beverage, or the business of a person who manufactures, sells, or distributes an alcoholic beverage, if the sign is displayed outside the walls or enclosure of a building or structure where a permit or license is issued.<sup>1</sup> Outdoor advertising also includes such a sign if it is displayed inside a building but within 5 feet of an exterior wall facing a street or highway so that the sign is visible by a person of ordinary vision from outside the building.<sup>2</sup> Outdoor advertising does not include advertisements appearing on radio, television, or the internet, or in a magazine, newspaper, or other periodically published literary publication.<sup>3</sup>

#### Advertising in Wet and Partially Wet Areas

A private club located in a partially wet area may advertise the service of alcohol to persons who are members of the club in accordance with the requirements set forth in Rule § 45.105.<sup>4</sup> Pursuant to Rule § 45.105(b)(3), a private club may advertise any class of alcoholic beverages (*i.e.* distilled spirits, wine, or malt beverages) as long as the area containing the advertisement is wet for the *on-premises consumption* of the particular class of alcohol advertised.

<sup>&</sup>lt;sup>1</sup> Tex. Alco. Bev Code § 108.51.

<sup>&</sup>lt;sup>2</sup> Id.

<sup>&</sup>lt;sup>3</sup> *Id*.

<sup>&</sup>lt;sup>4</sup> See 16 Tex. Admin. Code § 45.105.

However, as a retailer, Rule § 45.105(a) prohibits a private club from advertising any price for an alcoholic beverage on any sign, billboard, marquee, or other display located on the private club's premises in such a manner that the price may be read by persons outside of the premises.

Lastly, in accordance with Rule § 45.105(b)(2), any advertisements by a private club that directly or indirectly advertise the service of alcoholic beverages must state that the service of alcoholic beverages is only for persons who are members of the club. This requirement applies irrespective of an advertisement's reference to a specific brand of alcohol or lack thereof.

Permissible outdoor advertising on the premises of a private club in a wet area MAY contain, but is not limited to, the following types of statements:

- "Happy Hour Specials from 5:00pm to 9:00pm."
- "Margarita Specials on Monday"
- "Happy Hour Half Price"

Prohibited outdoor advertising on the premises of a private club would include:

• "\$2 Margaritas on Mondays"

**Price Exception for Certain Private Clubs:** If the private club holds a food and beverage certificate at the permitted premises, they may place a menu on an exterior wall that includes prices for food and alcohol which are visible to persons outside the building.

#### Advertising in Completely Dry Areas

If an area is completely dry, a private club may not advertise the sale or service of alcohol from any billboard, sign, marquee, or other display seen from outside the permittee's building. However, advertising the sale or service of alcohol on the internet, on the radio or television, or through printed material such as newspapers, magazines, or other printed publications is still allowed.

### **Statement From TABC**

This advisory is issued pursuant to Alcoholic Beverage Code § 5.57. It has been approved by Andrea Maceyra, Chief of Regulatory Affairs, and 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 TABC in writing at P.O. Box 13127, Austin, TX 78711; by email at advisories@tabc.texas.gov; or by phone at 512-206-3411.

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