

THE HOSPITALITY MESSENGER

Your Western Australian liquor, hospitality, event and related industries news and information presented by Lavan Legal

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LAVAN LEGAL
Leaders in Law

How cheap is too cheap?

We are often asked about drink pricing. It is an important issue commercially and also in terms of compliance. Attractively priced drinks can win customers and therefore, be good for business. However, licensees need to ensure they do not breach liquor law or licensing authority policy and face the sanctions.

So, how cheap is too cheap?

There is no clear cut answer. There is nothing contained in the legislation, regulations or licensing authority policy which actually specifies pricing obligations in terms of dollar amounts. Rather, it is something that is determined on a case by case basis, subject to the particular circumstances. The underlying principle is to ensure that the prices of drinks are not so cheap as to be likely to encourage rapid, excessive or otherwise irresponsible consumption of liquor. Licensees found to be promoting, selling or supplying liquor too cheaply could potentially be infringed with a fine or be subject to disciplinary action which could lead to a condition being imposed on the licence restricting discounting of drinks, or having other adverse ramifications.

ALL PINTS FOR \$2 ONLY



Signage requirements

Licensees are reminded that requirements for signage apply to every licence, although those requirements will differ from premises to premises. Displaying the entrance signage is required across all venues as is the display of approved manager details. Dress standards operational at some venues must be sign-posted and some licensees are required to publish certain particulars on their websites. Failure to comply with signage obligations can potentially result in a fine or other sanction.

Reminder - ETPs expire

Unlike licences, extended trading permits (ETPs) are generally only granted for a set period of time. Many operate for two or five years.

ETPs are not automatically renewed or extended. Licensees need to apply to the licensing authority, usually several months in advance of an ETP expiring, in order to seek approval to renew/extend an ETP. Licensees are reminded to be aware of the expiry dates of their ETPs, to diarise those dates well in advance and be sure to apply properly for renewal/extension of the ETP. There is no certainty of renewal/extension.

We can advise and assist with all types of applications to renew/extend.

Beware the seemingly humble infringement!

Infringements can be issued for a wide range of reasons. They are often issued for what seem like minor incidents and for only small amounts such as \$500 or \$1,000. Licensees may be inclined to simply pay the fine and move on. This approach certainly seems sensible and commercial in many situations. Why pay to challenge or defend a small infringement?

There will be times when the most appropriate approach will indeed be to simply pay the fine, however, beware the seemingly humble infringement! The simple act of paying it can potentially have long term consequences because it will amount to an admission of guilt, may leave an unwanted blemish on the record, potentially affect future licensing applications associated with the venue or even be cause for disciplinary proceedings.

Fact Box

In the last four weeks, seven liquor store licence applications have been decided - four have been refused and three granted.

Brag Box

Lavan Legal has a 100% success rate in respect of every restaurant licence application it has handled.

We congratulate the following venues on their recent licence approvals which we were very pleased to be involved with.



*Ribs & Burgers,
Perth City*



*Salsa's Fresh Mex Grill,
East Victoria Park*



*The Mallard Duck,
Swan Valley*



*Hey Griller,
Victoria Park*

OUR TEAM

Your business is an important contributor to the Western Australian community and to WA's growing liquor, hospitality, events, tourism and related industries.

Are you getting the most out of your business? Are you fulfilling all of your ideas and enjoying business success?

If you have an idea for a new business, we would love to help you develop it.

We encourage you to obtain modern business solutions from us and receive the benefits of a life long working relationship to help maximise your commercial potential. Any expenditure with us is an investment in your asset and its future.

We enjoy visiting our clients' business premises and will be happy to visit yours.



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