

WINE SALES AT FARMERS MARKETS

MIFMA, Frequently Asked Questions

Public Act 100 allows the Michigan Liquor Control Commission to issue a special permit for small wine makers to offer samples and sell wine at Michigan farmers markets.

The following guidelines were developed through a collaboration between the Michigan Farmers Market Association (MIFMA) Policy Committee, the Michigan Grape and Wine Industry Council and the Michigan Liquor Control Commission (MLCC). These materials are intended to ensure compliance with Commission requirements for market managers that wish to partner with wineries to offer their customers value added products.

WHY SHOULD MY FARMERS MARKET PARTNER WITH SMALL WINE MAKERS?

Inviting a qualified small wine maker(s) to join your farmers market can provide shoppers with additional value added products. Many shoppers enjoy having a greater diversity of products available. The partnership also supports the growing wine industry and Michigan's economy. To learn more:

www.michiganwines.com.

WHAT DO I NEED TO CONSIDER BEFORE RECRUITING A SMALL WINE MAKER?

As a farmers market manager, you should consider whether wine sampling and sales are a fit for your particular location and vendor mix. If your market is located on church or school property, you will need to discuss potential restrictions associated with alcohol. If your farmers market is located in a park or land managed by your local government, you may need to request a waiver if there are current limitations for alcohol on that property. Your first step is to check with your property owner to identify if alcohol sales are allowed or what steps you need to take to be able to sell wine at your farmers market.

Be aware that your local police department will need to sign the application the small wine maker submits to the MLCC. Talk with your local police department about how important wine sales are for your farmers market and how, as a market manager, you are prepared to ensure all regulations are followed. It is important that you are confident your local police department will sign the application prior to investing a substantial amount of time in recruiting a qualified small wine maker.

You will also need to review and update your market policy to ensure it allows for the addition of wine sampling and sales. MIFMA encourages you (but you are not required) to limit wine sales at your farmers market to wine made with Michigan grown fruit. If you choose to allow wine makers not using Michigan grown fruit, MIFMA encourages you to require the vendor to identify to consumers the origin of the fruit

WHAT TYPE OF WINERIES ARE ELIGIBLE?

A qualified small wine maker manufactures or bottles no more than 5,000 gallons of wine in one calendar year at all locations.

Legislation has been introduced to increase the 5,000 gallon threshold and is being monitored by MIFMA.

HOW DO I FIND A QUALIFIED SMALL WINE MAKER?

A list of producers of Michigan wine is available at www.michiganwines.com. Market managers can contact individual wineries that they are interested in inviting to their market, or contact the Michigan Grape and Wine Industry Council (517.248.5733) for suggestions for wineries of eligible size in your area.

CAN A QUALIFIED SMALL WINE MAKE REPRESENT AND SELL WINE FOR ANOTHER QUALIFIED SMALL WINE MAKER?

A 'Qualified Small Wine Maker' is the business entity that holds the Farmer's Market Permit and is not always the business/individual that makes the wine.

A person that works for one winery can sell wine for another winery as long as they are certified in accordance with Michigan Liquor Control Commission regulations.

WHAT TYPE OF PERMITTING IS REQUIRED FOR THE SMALL WINE MAKER?

Permits are issued to small winemaker licensees by the Michigan Liquor Control Commission and are active for one calendar year for multiple market days at one market location during the year. Re-application each year is required for small wine makers that wish to sample and sell at farmers markets.

The small winemaker is responsible for securing a Farmer's Market Permit. General information, requirements and an application form (Farmer's Market Permit Application LCC-3020) can be obtained at http://michigan.gov/lara/0,4601,7-154-3599_10570---,00.html).

HOW MANY PERMITS CAN BE ISSUED TO A SMALL WINERY FOR PARTICIPATION IN FARMERS MARKETS?

There is no limit to the number of market days each permit can be used by the winery. The limit on permits affects the number of wineries that can hold a permit in each township/county.

The number of permits that can be issued is determined by the population of the area surrounding the farmers market. One permit may be issued for every 1,500 people living in the township/county where the farmers market is located. For example, because the population of Bath Township is 11,000, up to seven permits could be issued for the farmers market held in that township.

DOES PERMITTING ALLOW THE SALE OF CRAFT BEER, HARD CIDER AND SPIRITS?

No, Public Act 100 permits wine samples and sales only. While MIFMA supports in concept the growing interest in and availability of Michigan craft beer, hard cider and spirits, we are not aware of any legislation being proposed to allow them to be sold at farmers markets. MIFMA will continue to monitor.

WHAT IS MY ROLE AS A MARKET MANAGER?

As a market manager you need to:

- Determine whether or not small wine sampling and sales is a good fit for your market.
- Confirm with all market sponsors and partners that they support wine sampling and sales at the market.
- Sign the Farmer's Market Permit completed by the small wine maker approving the activities and provide the small wine maker a map of your farmers market that identifies the designated area they will be assigned.
- Once the Permit is issued, designate an area (booths/stalls/tables/etc) specifically for sampling and sales. This is the area covered by the small wine maker's bond and liquor liability.
- Verify the small wine maker has the requisite insurance to participate.
- As with all vendors, determine the number of market days the small winemaker will participate and have the small wine maker complete all farmers market paperwork (e.g., farmers market application, vendor contract, etc.) required for participation in your market.

WHAT IS THE ROLE OF SMALL WINE MAKER MARKET VENDORS?

Small wine makers need to:

- Obtain approval to vend from the market manager.
- Secure the permit and required signatures (market manager and police chief or sheriff).
- Ensure compliance with all Michigan Liquor Control Commission rules and regulations.
- Ensure winery staff servers have certification in one of the responsible server training programs approved by the Michigan Liquor Control Commission.
- Ensure sampling limits are adhered to: three (3), two (2) ounce samples per person (equivalent to one glass of wine).