Clarification for Happy Hour Rule change

PORTLAND, Ore. – The Oregon Liquor Control Commission would like to provide further clarification to licensees regarding the recent changes to the advertising rule, commonly known as the “Happy Hour Rule.”

Beginning May 1, the revised rule language will allow businesses to advertise using the words “Happy Hour” or similar terms (see examples below) outside the licensed premises, which licensees were never allowed under the previous rule. In the advertising, they can mention the time of their promotion, such as 3-6 p.m. However, an actual reduced price or discount on alcoholic beverages cannot be included in advertising (i.e. $2 pints or 25% off). Restaurants and bars can continue to advertise the normal everyday price of alcoholic beverages at any time.

What is O.K. – Advertising that includes time references like “Happy Hour,” “Ladies Night,” “Tightwad Tuesdays,” “St. Patrick’s Day,” “Friday,” and/or hours such as 3-7pm):

- Happy Hour daily 4:00 p.m. – 6:00 p.m.
- Thirsty Thursdays 3 to 7 p.m.
- After work specials – Monday Through Friday
- New Year’s Eve drink specials
- Ladies night margaritas

What is O.K. – Advertising your normal everyday price (price is the same - all day, everyday, available at all times):

- All pints $3.00
- Best $4 margaritas in town
- 10% off wine for senior citizens (this discount is available all day, everyday for this group)

What is not O.K. – Advertising an actual price (ie: reduced dollar amount) or discount (ie: 50% off, $2 off) if it is a temporary price or discount and NOT your normal everyday price:

- Happy Hour $4.50 well drinks
- $2.00 draft beer on Thursdays
- $1.00 off draft beer Weekdays 5pm – 7pm
- New Year’s Eve half price gin and tonics
- Ladies night margaritas 25% off

The decision came after several meetings of an OLCC advisory committee. The committee was composed of many diverse stakeholders who would have an interest in the outcome of the rule, including representatives from restaurants and bars as well as moderation groups. It was the consensus of the advisory committee that terms such as “Happy Hour” are often used to refer to
reduced-priced food or other specials, and that advertising using these terms would be allowed. However, in an effort to help prevent price wars on alcoholic beverages, which could lead to over-consumption in a short amount of time, the rule prohibits listing a reduced price or discount for alcoholic beverages in advertising Happy Hours or similar promotions.

"We want to see our licensees be successful and that means providing them with the right information so that they can be in compliance," said Stephen Pharo, OLCC Executive Director. "While we want to open up the rule to allow more flexibility for the hospitality industry, it is important to alcohol abuse prevention groups to maintain some guidelines to protect public safety. The new rule language will also provide a benefit to the public, who are looking to stretch their dollar in these difficult economic times."

The complete rule language for OAR 845-007-0020 is posted on the OLCC web site, www.oregon.gov/OLCC. OLCC staff will be available to answer questions and provide additional information to licensees.

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*Promoting Responsible Alcohol Sales and Service*