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MARYLAND ALCOHOL AND TOBACCO COMMISSION

INFORMATION AND TRAINING ADVISORY 23-005

WHOLESALERS & SUPPLIERS SERVICES TO RETAILERS AND ON-PREMISES ADVERTISING

This specific advisory provides clarification of Trade Practices concerning Services to Retailers (COMAR <u>03.02.05.11.htm</u>) and On Premises Advertising (COMAR <u>03.02.05.10.htm</u>).

It has recently been brought to the attention of the Executive Director that some retailers may have been provided Point of Sale advertising that includes countertop or standalone coolers or refrigeration units. These coolers or refrigeration units are secondarily draped in product advertising and contain the chilled product for sale to consumers which is the functional value of the objects.

Please be reminded that a brand owner, supplier, nonresident dealer permittee, or licensed wholesaler may not provide a service or item of utilitarian value which would relieve a licensed retailer of an ordinary business expense.

It is prohibited to provide a cooler or functioning refrigeration unit to chill and store product for sale, which is the primary function of the object, regardless of size, while additionally relieving the licensed retailer of the ordinary business expense of having to buy those items or by freeing up space in another cooler or refrigeration unit for additional product.

If a supplier or wholesaler provides to a retailer an advertising item with a utilitarian value such as a cooler or refrigeration unit, it shall be altered or disabled in a manner as to render it not usable for its normal or primary purpose.

For examples of prohibited counter-top and standalone coolers/refrigeration units, please see Page 2 of the advisory.

Specific questions regarding this advisory may be directed to info@mdatc.gov







Maryland Alcohol & Tobacco Commission Contacts

- General Information: 443-300-6990
- Alcohol & Tobacco Licensing: 410-260-7314 or Licensing@MDATC.gov
 - All licensing and renewal inquiries, application status checks
- Credit Control Reporting Inquires: <u>Credit@MDATC.gov</u>
 - Wine & Distilled Spirits Credit Control Reporting System for MD Wholesalers/Retailers
- Beer Franchise Submissions or Inquiries: <u>BeerFranchise@MDATC.gov</u>
 - New beer registration, additional sizes, label changes, inquiries
- Alcohol Transportation Permit Inquiries: <u>TransportationPermit@MDATC.gov</u>
 - MD Public Transportation Permits for transporting Alcohol in MD Inquiries, application status checks
- Planned Promotion Submissions or Inquiries: <u>PlannedPromotions@MDATC.gov</u>
 - Wholesaler Promotional Activities Form submission, Sweepstakes and Contests approvals, Wholesaler monthly tastings submissions, Coupons, Package approvals, inquiries, Intent to Participate form 386.
- Tips on Alcohol and Tobacco violations: <u>Tips@MDATC.gov</u>
 - Report any suspicious activity concerning MD Alcohol & Tobacco
- PACT Act Compliance Submissions: <u>PACTActCompliance@MDATC.gov</u>
 - Submission of PACT Act Registration Forms, inquires

