



HOUSE BILL No. 4764

May 2, 1995, Introduced by Reps. Rocca, Profit, Palamara, Weeks, Varga, Harder, Jaye, Vaughn, Leland, Law, Walberg, Porreca, Anthony, Gagliardi, Bennane, LaForge, Pitoniak, Jamian, DeMars, Perricone, Galloway, Clack and McManus and referred to the Committee on Regulatory Affairs.

A bill to amend sections 30a and 30d of Act No. 8 of the Public Acts of the Extra Session of 1933, entitled as amended "The Michigan liquor control act," as amended by Act No. 8 of the Public Acts of 1995, being sections 436.30a and 436.30d of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 30a and 30d of Act No. 8 of the Public
2 Acts of the Extra Session of 1933, as amended by Act No. 8 of the
3 Public Acts of 1995, being sections 436.30a and 436.30d of the
4 Michigan Compiled Laws, are amended to read as follows:

5 Sec. 30a. (1) A manufacturer and outstate seller of beer
6 and malt beverages shall grant to each of its wholesalers an
7 exclusive sales territory, as agreed upon between the wholesaler
8 and manufacturer or outstate seller of beer, within which the

1 wholesaler shall be the exclusive distributor of the specified
2 brand or brands of the manufacturer or outstate seller of beer.

3 (2) If the manufacturer or outstate seller manufactures or
4 supplies more than 1 brand of beer or malt beverage, the manufac-
5 turer or outstate seller may grant exclusive sales territories to
6 different wholesalers for the sale of the different brand or
7 brands.

8 (3) Notwithstanding subsection (2), a brand extension is not
9 considered a new or different brand. A manufacturer or an out-
10 state seller of beer or malt beverages shall assign a brand
11 extension to the wholesaler which was granted the exclusive sales
12 territory to the brand from which the brand extension resulted.

13 (4) Subsection (3) does not apply where, before January 1,
14 1994, a manufacturer or an outstate seller of beer or malt bever-
15 ages had assigned a brand extension to a wholesaler which was not
16 the appointed wholesaler for the brand from which the brand
17 extension was made.

18 ~~(5) Until July 1, 1995, a manufacturer or an outstate~~
19 ~~seller of beer or malt beverages who acquired or otherwise~~
20 ~~obtained the right to assign brands of another manufacturer or~~
21 ~~outstate seller of beer or malt beverages between January 1, 1994~~
22 ~~and July 1, 1995 shall assign a brand extension to the wholesaler~~
23 ~~which was granted the exclusive sales territory to the brand from~~
24 ~~which the brand extension resulted. Beginning July 1, 1995, a~~
25 ~~manufacturer or an outstate seller of beer or malt beverages who~~
26 ~~acquires or otherwise obtains the right to assign brands of~~
27 ~~another manufacturer or outstate seller of beer or malt beverages~~

~~1 is not required to assign a new brand extension to the wholesaler
2 which is granted the exclusive sales territory to the brand from
3 which the new brand extension results. Any brand extension
4 assigned between January 1, 1994 and July 1, 1995 shall remain
5 assigned to the assigned wholesaler.~~

6 (5) ~~-(6)-~~ The sales territory shall be the territory agreed
7 upon between the wholesaler and manufacturer or outstate seller.

8 Sec. 30d. (1) A manufacturer and outstate seller of wine
9 shall grant to each of its wholesalers a sales territory within
10 which the wholesaler shall be a distributor of the specified
11 brand or brands of the manufacturer or outstate seller of wine.
12 The territory shall be the territory agreed upon between the
13 wholesaler and manufacturer or outstate seller of wine. A manu-
14 facturer or outstate seller of wine may grant the right to sell a
15 specified brand or brands in a sales territory to more than 1
16 wholesaler.

17 (2) Notwithstanding subsection (1), a brand extension is not
18 considered a new or different brand and a manufacturer or an out-
19 state seller of wine shall assign a brand extension to the whole-
20 saler which was granted the sales territory for the brand from
21 which the brand extension resulted.

22 (3) Subsection (2) does not apply where, before January 1,
23 1994, a manufacturer or an outstate seller of wine had assigned a
24 brand extension to a wholesaler which was not the appointed
25 wholesaler for the brand from which the brand extension was
26 made.

1 ~~(4) Until July 1, 1995, a manufacturer or an outstate~~
2 ~~seller of wine who acquired or otherwise obtained the right to~~
3 ~~assign brands of another manufacturer or outstate seller of wine~~
4 ~~between January 1, 1994 and July 1, 1995 shall assign a brand~~
5 ~~extension to the wholesaler which was granted the sales territory~~
6 ~~for the brand from which the brand extension resulted. Beginning~~
7 ~~July 1, 1995, a manufacturer or an outstate seller of wine who~~
8 ~~acquires or otherwise obtains the right to assign brands of~~
9 ~~another manufacturer or outstate seller of wine is not required~~
10 ~~to assign a new brand extension to the wholesaler which is~~
11 ~~granted the exclusive sales territory to the brand from which the~~
12 ~~new brand extension results. Any brand extension assigned~~
13 ~~between January 1, 1994 and July 1, 1995 shall remain assigned to~~
14 ~~the assigned wholesaler.~~

15 (4) ~~(5)~~ A manufacturer of a mixed wine drink, mixed spirit
16 drink manufacturer, outstate seller of a mixed wine drink, or
17 outstate seller of mixed spirit drink shall grant to each of its
18 wholesalers an exclusive sales territory in which the wholesaler
19 shall be a distributor of the specified brand or brands of the
20 manufacturer or outstate seller. The territory shall be the ter-
21 ritory agreed upon between the wholesaler and manufacturer of a
22 mixed wine drink, mixed spirit drink manufacturer, outstate
23 seller of mixed wine drinks, or outstate seller of mixed spirit
24 drink.

25 (5) ~~(6)~~ Notwithstanding subsection ~~(5)~~ (4), a brand
26 extension is not considered a new or different brand. A
27 manufacturer of a mixed wine drink, mixed spirit drink

1 manufacturer, outstate seller of a mixed wine drink, or outstate
2 seller of mixed spirit drink shall assign a brand extension to
3 the wholesaler which was granted the exclusive sales territory
4 for the brand from which the brand extension resulted.

5 (6) ~~(7)~~ Subsection ~~(6)~~ (5) does not apply where, before
6 January 1, 1994, a manufacturer of a mixed wine drink, mixed
7 spirit drink manufacturer, outstate seller of a mixed wine drink,
8 or outstate seller of mixed spirit drink had assigned a brand
9 extension to a wholesaler which was not the appointed wholesaler
10 for the brand from which the brand extension was made.

11 ~~(8) Until July 1, 1995, a manufacturer of a mixed wine~~
12 ~~drink, mixed spirit drink manufacturer, outstate seller of mixed~~
13 ~~wine drink, or an outstate seller of mixed spirit drink who~~
14 ~~acquired or otherwise obtained the right to assign brands of~~
15 ~~another manufacturer of a mixed wine drink, mixed spirit drink~~
16 ~~manufacturer, outstate seller of a mixed wine drink, or outstate~~
17 ~~seller of mixed spirit drink between January 1, 1994 and July 1,~~
18 ~~1995 shall assign a brand extension to the wholesaler which was~~
19 ~~granted the exclusive sales territory for the brand from which~~
20 ~~the brand extension resulted. Beginning July 1, 1995, a manufac-~~
21 ~~turer of mixed wine drink, mixed spirit drink manufacturer, an~~
22 ~~outstate seller of mixed wine drink, or an outstate seller of~~
23 ~~mixed spirit drink who acquires or otherwise obtains the right to~~
24 ~~assign brands of another manufacturer of mixed wine drink, mixed~~
25 ~~spirit drink manufacturer, outstate seller of mixed wine drink,~~
26 ~~or outstate seller of mixed spirit drink is not required to~~
27 ~~assign a new brand extension to the wholesaler which is granted~~

~~1 the exclusive sales territory to the brand from which the new
2 brand extension results. Any brand extension assigned between
3 January 1, 1994 and July 1, 1995 shall remain assigned to the
4 assigned wholesaler.~~