

Bulletin

Comptroller of Maryland • Alcohol and Tobacco Tax Bureau • Goldstein Treasury Building
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Web Site: <http://compnet.comp.state.md.us/red/>

AB-42

April 18, 2005

To: Non-Resident Dealer Permit Holders, and Maryland Holders of Wholesaler,
Manufacturer and Retailer Alcoholic Beverage Licenses

Subject: Amended Trade Practice Regulations - COMAR 03.02.05

This is to advise that amendments to the Alcoholic Beverage Trade Practice Regulations under COMAR 03.02.05, have been adopted by the Comptroller and take effect May 1, 2005. A summary of the amendments appear on the reverse of this bulletin.

Additional copies of the enclosed Alcoholic Beverage Trade Practice Regulations pamphlet can be obtained by contacting this office at 410-260-7314. A sample of the revised Schedule of Planned Promotional Activities is enclosed for your immediate use, COM/ATTB-752. This form is also available on the Bureau's website at <http://compnet.comp.state.md.us/red/>.

Should you have any questions or comments on this matter, please contact Dan Adams, Assistant Director at 410-260-7319.

Larry W. Tolliver
Director

Enclosures

Summary of Amendments

01. Definitions -

The definition of a "licensed retailer" was expanded to include a definition of an arena license. For the purposes of trade practices, each separate vendor or business entity that handles alcoholic beverages under an arena license is considered a separate licensed retailer.

The definition of "brand identifiable advertising material" was expanded to include proprietary or contracted logos and symbols.

.09 General Advertising -

A provision requiring that any giant inflatable balloons, bottles, cans and mobile displays be at least 300 feet from a licensed retailers is repealed.

.11 Services to Retailers -

Rules governing schematics were relaxed to allow for a wholesaler to provide a schematic to a retailer covering the wholesaler's brands in specific terms. That portion of a schematic representing a wholesaler's competition still needs to be depicted in general terms.

With respect to product rotation for malt beverage products, wine coolers and spirit coolers, a driver or salesperson may rotate a wholesaler's own product in any configuration, provided it is meant to be directly accessible to a consumer at the retailer's premise.

.12 On-Premise Promotions -

A number of amendments to this regulation were adopted as follows: The number of promotional activities allowed on a retailer's premise is increased from 8 to 12 per year, per brand owner. The unit cost of on-premise give away items is increased from \$5 to \$10 per item. And the amount of incidental expenses incurred by a supplier or agent for any given promotion is increased from \$100 to \$150.