



STATE OF OKLAHOMA
ALCOHOLIC BEVERAGE LAWS ENFORCEMENT COMMISSION

January 18, 2019

To All Retail and Wholesale Tier Licensees,

The ABLE Commission has recently received multiple reports of licensees experiencing difficulty and confusion concerning product that has become damaged or broken while in the retail licensees' possession. The Oklahoma Statutes as well as the Oklahoma Administrative Code are very clear with respect to product damaged or broken while in possession of the retail licensee.

Wine and Spirits Wholesalers and Beer Distributors are prohibited from selling product to a retail licensee on consignment, with privilege of return, or upon any other condition. *See* 37A O.S. §3-119(5). Importantly, retail licensees are prohibited from requesting or requiring a Wine and Spirit Wholesaler or Beer Distributor to remove, take back, and/or refund the retailer for product damaged or broken while in the retailer's possession. *See* OAC 45:10-3-15 and 45:30-5-25(b)(1). Conversely, Oklahoma law permits wholesale tier licensees, upon timely written notice, to replace product damaged or broken in transit to the retail licensee.

These provisions are intended to provide fairness to all licensees, where the burden of damaged or broken product rests with the licensee who had possession when the defect occurred. Willful violation of these provisions will not be tolerated.

Respectfully,

A handwritten signature in black ink that reads "A. Keith Burt". The signature is written in a cursive, flowing style.

A. Keith Burt
Director