A KEITH BURT DIRECTOR AND SECRETARY TO THE COMMISSION



STATE OF OKLAHOMA ALCOHOLIC BEVERAGE LAWS ENFORCEMENT COMMISSION

September 25, 2018

To All Interested Licensees,

Please let this notice serve as a response to the numerous inquiries this agency has received concerning the prohibition from offering certain inducements contained in Oklahoma Administrative Code 45:10-3-25 as amended. This provision prohibits a number of activities, commonly referred to as "merchandising activities". Among other things, this section explicitly prohibits Manufacturers, Brewers, Distillers, Rectifiers, Nonresident Sellers, Importers, Wine and Spirit Wholesalers, Beer Distributors, Small Brewer Self-Distributors, Brewpub Self-Distributors, and Winemaker Self-Distributors from:

- 1. Routinely stocking product on shelves, other than cold boxes. Determining whether such a licensee is "routinely" engaging in this activity is a factual matter that must be made on a case-by-case basis. In an effort to provide frequently requested guidance, the act of stocking product on shelves, other than cold boxes, at a daily, weekly, or bi-weekly rate will certainly be investigated for violating the prohibition on this conduct.
- 2. Affixing price tags, conducting janitorial services at a retail premise, or operating a retailer's cash register/point of sale system.

It should be noted that the Oklahoma alcohol beverage industry has been preparing for, and looking forward to October 1, 2018 for some time. It is with this transitional period in mind this statement is provided, in an effort to give all affected licensees the information necessary to comply with the ABC Act, and administrative code. Unlike the United States Tax and Trade Bureau, it is not common practice for such a statement to be issued. No further guidance on this subject should be expected, as all complaints of violations will be investigated and prosecuted pursuant to the Oklahoma ABC Act, and Oklahoma Administrative Procedures Act.

Respectfully,

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Director