

January 7, 2013

To: FBWA Members

From: Mitch Rubin

RE: Participation in Vendor Trade Shows

Facts: A vendor has approached a manufacturer, distributor or other industry member to sponsor its trade show through the payment of a fee, purchase of a booth or purchase of admission tickets.

Issue: Whether a manufacturer, distributor or industry member may sponsor a vendor's trade show through the payment of a fee, purchase of a booth or purchase of admission tickets.

Brief Answer: No. Manufacturers, distributors and industry members are prohibited from sponsoring vendors through the payment of fees, the leasing of booths or purchase of admission tickets etc.

Analysis: Section 561.42(1), Florida Statutes, implemented by Rule 61A-1.010, F.A.C., prohibits manufacturers, distributors and other industry members from assisting vendors.

The only exception related to trade shows is in Rule 61A-1.01018 Trade Shows and Conventions Exception, F.A.C., which only authorizes limited participation in non-profit association trade shows. It provides:

(1) Industry members may participate in non-profit vendor association trade shows and conventions. Participation may include:

- (a) Displaying products;
- (b) Renting display space at normal trade show rates;
- (c) Paying normal registration fees;
- (d) Purchasing tickets to functions;
- (e) Providing samples to attendees;
- (f) Conducting tastings for attendees;
- (g) Providing hospitality independent of sponsored activities by the association or any member vendors; and

(h) Purchasing advertisements in publications distributed during conventions and trade shows. Payments for all such advertisements shall not exceed \$300 per year to any non-profit vendor association.

(2) Industry members may provide any expendable retailer advertising specialties, durable retailer advertising specialties, or consumer advertising specialties to a non-profit vendor association. Such specialties may only be provided pursuant to the conditions and limitations of Rules 61A-1.01010, 61A-1.01011, and 61A-1.01012, F.A.C.

The purpose of the exception is to authorize *bona fide* non-profit association trade shows while prohibiting assistance of vendors.

Manufacturers, distributors and other industry members, may however, engage in the same authorized practices that they would otherwise be authorized to engage in at the vendor's licensed premises.

Conclusion: Participation in vendor trade shows through sponsorships, payment of fees or purchase of admission tickets is prohibited.