

## Florida Beer Wholesalers Association

June 17, 2016

To: FBWA Members

From: Mitch Rubin

Re: Best Practice re Brand Registration Renewals

All alcoholic brand registrations must be renewed by June 30<sup>th</sup> of each year.

A recent DABT audit found that a distributor was selling malt beverages when a few brand registrations had not been renewed. The auditors are of the view that distributors are prohibited from selling brands for which the registration has not been renewed. While it is clear that distributors cannot transport or sell malt beverages before brands are registered with DABT, it is not as clear as to the responsibility for non-renewals.

The "brand registration" statutes and rules are good for maintaining order. Brand registrations tie into distribution and exclusive territory agreements. They advise the DABT of which brands are in the state for excise tax purposes. They serve to hold out-of-state suppliers responsible for complying with Florida's Beverage Law in that a brand registration can be suspended or revoked for a violation of, for example, tied house evil.

It would avoid DABT enforcement and benefit the regulatory system if distributors encouraged brand renewals. Distributors should consider the best practice of reminding their suppliers that brand renewals are due by June 30<sup>th</sup> of each year, including a copy of section 563.045, and requesting confirmation.

### **563.045 Brands or labels to be registered; qualification to do business; fee; revocation.—**

(1) No manufacturer, brewer, bottler, distributor, or importer of malt beverages, whether licensed under the beverage laws of this state or not, shall sell or offer for sale in this state, or move or cause to be moved within this state or into this state, any malt beverages, without first qualifying to do business in the state and registering its name and the brands or labels under which the malt beverages are to be sold or moved and furnishing such samples and information as to content, quality, and formula of such malt beverages as the division may require.

(2) Each registrant shall pay an annual registration fee of \$30 for a brand or label. Any registration may be suspended or revoked in the same manner as a beverage license for any violation of the Beverage Law.

(3) The purchase by any licensed wholesaler of any malt beverage from any manufacturer, brewer, bottler, distributor, or importer who has not complied with the provisions of subsection (1) is prohibited.

(4) The division shall promulgate rules to carry out the purpose of this section.