_Maryland Alcohol & Tobacco Tax

Bulletin



Comptroller of Maryland ● Alcohol and Tobacco Tax Division ● Goldstein Treasury Building ● P.O. Box 2999
Annapolis, Maryland 21404-2999 ● Telephone: 410-260-7314 ● Forms-by-Fax: 410-974-FAXX(3299);
World Wide Web: www.marylandtaxes.com

No.AB-31

April 26, 2001

TO: All Wholesalers of Malt Beverage Products

SUBJECT: Personalized Advertising Signs

Section C(3) of Regulation 03.02.05.10 re onpremises advertising, provides in its entirety "An advertising sign, poster, or point-of-sale material may be personalized to a particular licensed retailer if the personalized portion is not more than 50 percent of the total dimension of the sign, poster, placard, or other material." This provision permits a wholesaler to design, manufacture, and/or provide a personalized sign for a specific retailer as long as the generic brand advertising portion comprises 50 percent or more of the sign.

The "personalized" portion of any sign would include any wording, logo, etc. that is unique to a given retailer or a group of retailers. Unless the wording, logo, etc. can be applied to all retail accounts, it would be considered part of the personalized portion. For example, a part of a sign that reads "HAPPY HOUR 4:00-7:00 P.M." would be considered personalized because not every retail dealer has a happy hour and not all happy hours are 4:00-7:00 p.m.

Over the years, there has been a tendency for signs to be personalized beyond the 50 percent limit, initially only marginally, but in more recent times as much as 90 percent of some signs have been "personalized". This concern has been mentioned at several meetings of the Maryland Beer Wholesaler's Association, most recently this past February. However, the problem continues and in some areas of the state has expanded. Improper signs have been noted throughout the state by representatives of the Comptroller's Office and we have received a number of competitive complaints.

This is to advise that any sign not in conformance with the above regulation on or after <u>May 15, 2001</u> will be confiscated and the affected wholesaler will be charged with a violation of the regulation. No action will be taken between now and May 15 against any wholesaler who currently has an improper sign in the market.

It is necessary to take this action to assure compliance with Section 12-104 of Article 2B of the Annotated Code of Maryland and to assure that all wholesalers are operating on a level playing field. Your cooperation is anticipated and expected.

Charles W. Ehart, DPA Director Alcohol and Tobacco Tax Division