Maryland Regulatory and Enforcement Division

Bulletin



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AB-45

October 13, 2005

To: All Maryland Wholesalers, Manufacturers and Non-Resident Dealers who sell Wine and/or Distilled Spirits

Subject: Alcoholic Beverage Price Filing Regulation - COMAR 03.02.01.05

On April 29, 2004, the District Court, in TFWS v. Comptroller of Maryland, issued an injunction prohibiting the Comptroller from enforcing the State's 30-Day post and hold system of price filings. That injunction also prevented the Comptroller from enforcing the ban on quantity discounts on sales of wine and distilled spirits from Maryland wholesalers to Maryland retailers.

At the request of the Comptroller, the Attorney General appealed that decision and on October 13, 2005, the 4th Circuit Court of Appeals issued a mandate vacating the lower court's decision.

Accordingly, this is to advise that with the removal of the injunction, the ban on quantity discounts for wine and distilled spirits sold by Maryland wholesalers to Maryland retailers, is once again enforceable effective October 13, 2005.

Further, the injunction on price postings is also lifted. In order to allow suppliers, Maryland wholesalers and wineries sufficient time, the next price filing due date for wine and distilled spirits will be for prices effective January 1, 2006, due by December 5, 2005. Thereinafter, price postings will be due by the 5th of the month and take effect the first of the following month.

Suppliers, Maryland wholesalers, and Maryland wineries who had price filings posted at the time of the injunction can expect to receive a Turn-Around-Document in the next few weeks. That document will need to be updated and returned to this office by December 5, 2005, along with any new item forms, reflecting prices as of January 1, 2006.

Suppliers, Maryland wholesalers, and Maryland wineries who have never had to file prices because of the injunction, will not be receiving a Turn-Around-Document, and will need to file a New Item Schedule for each brand they intend to sell. New item filings will be due December 5, 2005, reflecting prices effective January 1, 2006.

A small supply of new item forms and FOB/wholesaler assignment forms (suppliers only) are enclosed for your use. Please copy or print additional forms, as necessary. They are posted on the Division's website at http://compnet.comp.state.md.us/red/attb/atinfo/forms.

Be advised any brands of wine and/or distilled spirits not on file by January 1, 2006, will not be authorized for sale in this State.

Should you have any questions regarding this Bulletin, or about price filings in general, please contact the price filing section at 410-260-7315 or 410-260-7532.

Larry W. Tolliver Director

Attachments