



Administrative Release

Comptroller of the Treasury • Alcohol & Tobacco Tax Unit • Goldstein Treasury Building • Annapolis, Maryland 21404-2999
410-260-7314

No. AB-13

May 26, 1998

TO: All Wholesalers and Non-Resident Dealers of Malt Beverage Products

SUBJECT: "Private Label" Beer

For many years, the Alcohol and Tobacco Tax Unit has regulated the sale and distribution of private label wine and distilled spirits, through Price Filing Regulation 03.02.01.05 and Administrative Release No. AB-11 issued October 6, 1997. It has come to our attention that in certain isolated cases suppliers and/or wholesalers are selling and/or labeling malt beverage products, primarily keg beer, to one or to a few retail accounts. This administrative release clarifies our position on such activities.

Consistent with our position on wine and distilled spirits, private label beer is defined as *"any label that is owned by a licensed retail dealer, or is bottled and labeled exclusively for sale to a licensed retail dealer."* Therefore, a label that is sold to more than one retail licensed dealer no longer qualifies as a private label and must be offered to all accounts serviced by that wholesaler.

We have specifically been made aware of situations where a supplier or wholesaler has designed and provided a unique tap handle for a retail licensee which is usually identified with the licensee name, e.g. "ABC Pub Ale." However, the actual product in the keg is something else, which may or may not be a "generic" brand of a given supplier. We believe that this can be misleading to the consumer and may be contrary to BATF label registration requirements and the Maryland Beer Franchise Fair Dealing Act.

In the future the following guidelines should be followed when supplying a retailer with a "private label" malt beverage product.

- The product must meet the definition of a private label as outlined above.
- The product must be individually filed by the supplier on Beer Franchise Form COT/ATTU-528 with a cover letter identifying the brand as a private label with the name and address of the retailer.
- The brand and/or label must be filed or registered with the Bureau of Alcohol, Tobacco and Firearms, as may be required by that agency.
- All beer taps on a retail licensed premise must bear a marker which truly indicates the name or brand of the manufacturer of such malt alcoholic beverage product consistent with markings on the barrel or container, and the name or brand must be in full view of the purchaser when the tap is located at a bar at which consumers are served.

All licensees should be guided accordingly. Any brands currently distributed in the Maryland market contrary to these guidelines should be in conformance with these requirements not later than July 1, 1998.

Charles W. Ehart, DPA
Director

Information: 410-260-7314 For the hearing impaired: Maryland Relay Service 1-800-735-2258 TDD: 410-260-7157 (Baltimore metro area) If you need a reasonable accommodation for a disability, please contact us before you visit. If you need the information in this issue in an alternate format, contact: Public Affairs Office 410-260-7995 (voice) 410-260-7157 (TDD)