
HOUSE BILL No. 1037

DIGEST OF INTRODUCED BILL

Citations Affected: IC 7.1-3-25.

Synopsis: Product transfer between beer wholesalers. Provides that a primary source of supply that acquires brands of beer, flavored malt beverages, or nonalcoholic beverages: (1) shall reappoint the existing beer wholesaler to distribute the brands; and (2) is prohibited from transferring the brands to another beer wholesaler; if the brands represent at least 15% of the existing wholesaler's dollar sales in the 12 months preceding the acquisition. Requires a primary source of supply that acquires brands of beer, flavored malt beverages, or nonalcoholic beverages to give a beer wholesaler notice of the primary source of supply's intent not to reappoint the wholesaler not later than 60 days after acquisition of the brands.

Effective: July 1, 2009.

Van Haften

January 7, 2009, read first time and referred to Committee on Public Policy.

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First Regular Session 116th General Assembly (2009)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2008 Regular Session of the General Assembly.

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HOUSE BILL No. 1037



A BILL FOR AN ACT to amend the Indiana Code concerning alcohol and tobacco.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 7.1-3-25-2, AS ADDED BY P.L.224-2005,
2 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2009]: Sec. 2. As used in this chapter, "product" means an
4 existing brand of:

- 5 (1) beer (as defined in IC 7.1-1-3-6); ~~or~~
- 6 (2) flavored malt beverage (as defined in IC 7.1-1-3-16.7); **or**
- 7 **(3) nonalcoholic beverage.**

8 SECTION 2. IC 7.1-3-25-4.5 IS ADDED TO THE INDIANA
9 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
10 [EFFECTIVE JULY 1, 2009]: **Sec. 4.5. (a) Except as provided in**
11 **subsection (b), a successor, upon acquiring products, shall:**

- 12 **(1) reappoint the existing wholesaler for:**
- 13 **(A) all acquired products; and**
- 14 **(B) the territories covered by the existing wholesaler for**
15 **the products; or**
- 16 **(2) comply with this chapter to transfer the products to**
17 **another wholesaler.**



1 **(b) If the products acquired by a successor represent at least**
 2 **fifteen percent (15%) of an existing wholesaler's dollar sales in the**
 3 **twelve (12) months preceding the closing of the transaction in**
 4 **which the successor acquires the products, the successor:**
 5 **(1) shall reappoint the existing wholesaler for:**
 6 **(A) all acquired products; and**
 7 **(B) the territories covered by the existing wholesaler for**
 8 **the products; and**
 9 **(2) may not transfer the product to another wholesaler.**
 10 SECTION 3. IC 7.1-3-25-6, AS ADDED BY P.L.224-2005,
 11 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 12 JULY 1, 2009]: Sec. 6. The successor shall notify the existing
 13 wholesaler of the successor's intent not to appoint the existing
 14 wholesaler for all or a part of the existing wholesaler's territory for the
 15 product **not later than sixty (60) days after the closing of the**
 16 **transaction in which the successor acquires the product.** The
 17 successor shall mail the notice by certified mail, return receipt
 18 requested, to the existing wholesaler. The successor shall include in the
 19 notice the names, addresses, and telephone numbers of the successor's
 20 designees.

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