

**32B-14-302 Prohibited conduct of supplier.**

- (1) A supplier may not:
- (a) induce or coerce, or attempt to induce or coerce, a wholesaler to engage in an illegal act or course of conduct;
  - (b) impose a requirement that is discriminatory by its terms or in the methods of enforcement as compared to requirements imposed by the supplier on similarly situated wholesalers;
  - (c) prohibit a wholesaler from selling a product of another supplier;
  - (d) fix or maintain the price at which a wholesaler may resell beer;
  - (e) fail to execute with each wholesaler of its brands a written distributorship agreement;
  - (f) require a wholesaler to accept delivery of beer or any other item that is not voluntarily ordered by the wholesaler;
  - (g) restrict or inhibit, directly or indirectly, the right of a wholesaler to participate in an organization representing interests of wholesalers for a lawful purpose;
  - (h) require a wholesaler to participate in or contribute to a local, regional, or national advertising fund or other promotional activity that:
    - (i) is not used for an advertising or promotional activity in the wholesaler's sales territory; or
    - (ii) would require a contribution by the wholesaler in excess of the amounts specified in the distributorship agreement;
  - (i) retaliate against a wholesaler that files a complaint with the department or the applicable federal agency regarding an alleged violation by the supplier of a state or federal statute or administrative rule;
  - (j) require without good cause a change in the manager of a wholesaler who has previously been approved by the supplier;
  - (k) if a wholesaler changes its approved manager, prohibit the change unless the new manager fails to meet the reasonable standards for similarly situated wholesalers of the supplier as stated in the distributorship agreement; or
  - (l) refuse to deliver a beer product covered by a distributorship agreement to the wholesaler:
    - (i) in a reasonable quantity; and
    - (ii) within a reasonable time after receipt of the wholesaler's order.
- (2) Notwithstanding Subsection (1)(l), the supplier may refuse to deliver a beer product if the refusal is due to:
- (a) the wholesaler's failure to pay the supplier pursuant to the distributorship agreement;
  - (b) an unforeseeable event beyond the supplier's control;
  - (c) a work stoppage or delay due to a strike or labor problem;
  - (d) a bona fide shortage of materials; or
  - (e) a freight embargo.

Enacted by Chapter 276, 2010 General Session