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6.85-6.87 [Reserved]
6.88 Equipment and supplies.
6.89-6.90 [Reserved] 6.96 establishments. Temporary retailers. Consumer tasting or sampling at retail Newspaper cuts.
Combination packaging.
Educational seminars. Samples. [Reserved]

6.99 activities. Advertising service.
Stocking, rotation, and pricing service. Participation in retailer association

Consumer promotions.

Reserved]

Outside signs. Merchandise.

### Subpart E-Exclusion

Exclusion, in general.

Practices which put retailer independ-

ence at risk. 3 Criteria for determining retailer independence.

AUTEORITY: 15 U.S.C. and 205; 44 U.S.C. 3504(h). 49-50: 27 U.S.C. 202

1980, unless otherwise noted SOURCE: T.D. ATF-74, 45 FR. 63251. Sept.

# Subpart A—Scope of Regulations

of the Act. and exceptions to section 105(b) of the Act. This part does not atson from the requirements of any State part shall operate to exempt any pertion 105(b) of the Act. Nothing in this tempt to enumerate all of the practices that may result in a violation of secpractice is a violation of section 105(b) Act, criteria for determining whether a to induce under section 105(b) of the 205), specify practices that are means The regulations in this part, issued pursuant to section 105 of the Federal law or regulation. Alcohol Administration Act (27 U.S.C.

[T.D. ATF-364, 60 FR 20421, Apr. 26, 1995]

## § 6.2 Territorial extent

This part applies to the ser States of the United States, the wrict of Columbia, and Puerto Rico. This the Disseveral

bers and retailers. It does not apply to transactions between (a) General. This part applies only to between industry mem-CW0 industry

> actions between an industry member and a retailer wholly owned by that it dustry member. ducer and a wholesaler). or to trans members (for example, between a pro-

cies. The regulations in this part apply only to transactions between industry regulations do not apply to State agencies with regard to their wholesale members and State agencies operating as retailers as defined in this part. The dealings with retailers. Transaction involving State agen-

# Jurisdictional limits.

part apply where: (a) General. The regulations in this.

dustry member to the exclusion in whole or in part of products sold or offered for sale by other persons in interretailer to purchase distilled spirit, wine, or malt beverages from such instate or foreign commerce; and (1) The industry member induces a

merce; or the course of interstate or foreign com-(2) If: (i) The inducement is made in

products: or state or foreign commerce in any such strain or prevent transactions in intersuch an extent as substantially to rethe practice of using an inducement to (ii) The industry member engages in

fering for sale any such products to such retailer in interstate or foreign strict other persons from selling or ofcommerce. ment is to prevent, deter, hinder or re-(iii) The direct effect of the induce-

with respect to similar transactions bements similar to the requirements of section 105(b) of the Federal Alcohol Administration Act (27 U.S.C. 205(b)). of malt beverages inside or outside beverages, this part applies to transactions between a retailer in any State tween a retailer in such State and such State only to the extent that the law of such State imposes require may be. beverage brewer, importer, or wholesaler or malt and a brewer, importer, or wholesaler (b) Malt beverages. In the case of malt in such State, as the

(T.D. ATF-74, 45 FR 83251, Sept. 23, 1980, as amended by T.D. ATF-384, 60 FR 20421, Apr. 26, 1995]

the Administrator's Authorities in 27 CFR Part 6. Tied-House. You may obtain a copy of this order by accessing the TTB Web site (http://www.ttb.gov) or part are delegated to appropriate TTB officers. These TTB officers are specified in TTB Order 1135.6. Delegation of §6.5 Delegations of the Administrator. by mailing a request to the Alcohol and Tobacco Tax and Trade Bureau. Street, Room 1516. the Administrator contained in National Revenue Center, 550 Most of the regulatory authorities of Cincinnati, Main

[T.D. TTB-44, 71 FR 16922, Apr. 4, 2006]

# § 6.6 Administrative provisions.

the provisions including penalties of sections 49 and 50 of Title 15. United sions of law administered by the Administrator under this Act. The Act also provides that the Administrator is not a corporation) subject to the proviand duties of the Administrator under States Code, to the jurisdiction, powers carry out the powers and duties under scribe, such reports as are necessary to authorized to require, in such manner and such form as he or she shall prethis Act, and to any person (whether or this chapter. (a) General. The Act makes applicable

dence of any person, partnership or corporation being investigated or pro-ceeded against. An appropriate TTB of-Taght reasonable times have access to. appropriate TTB tion of all such documentary evidence testimony of witnesses and the producficer shall also have the power to require by subpoena the attendance and the purpose of examination, and the to any matter being investigated under requested evidence may reasonably be expected to yield information relevant non, upon a satisfactory showing the relating to any matter under investiga-(b) Examination and subpoena. 8 copy any documentary eviofficer shall at all have access to. for Any

TTB officer—(1) General. The appropriate TTB officer may, as part of a trade practice investigation of an industry member, require such industry member to submit a written report (c) Reports required by the appropriate TTB officer—(1) General. The approcontaining information 40 -rosmods

ness subject to the Act conducted by. or on behalf of, or benefiting the indusships, advertisements, promotions, and other activities pertaining to its busitry member.

letter form, executed under the penalties of perjury, and will contain the information specified by the appropriate TTB officer. The period covered years. by the report will not exceed three prepared by the industry member in Preparation. The report will

appropriate TTB officer. (3) Filing. The report will be filed in accordance with the instructions of the

Budget under control number 1512–0392) Approved by the Office of Management and

[T.D. ATF-364, 60 FR 20421, Apr. 26, 1995, Redesignated and amended by T.D. ATF-428, 65 FR 52019, Aug. 28, 2000]

# Subpart B—Definitions

### Meaning of terms.

signed to it by that Act.

Act. The Federal Alcohol Administrameanings given in this section. Any other term defined in the Federal Alcotext otherwise requires, terms have the this part shall have the meaning hol Administration Act and used in As used in this part, unless the con-

tion Act.

cohol and Tobacco Tax and Trade Bu-Washington, DC. reau. Administrator. The Administrator. Department of the Treasury

Appropriate TTB officer. An officer or employee of the Alcohol and Tobacco Tax and Trade Bureau (TTB) authorized to perform any functions relating to the administration or enforcement of this part by TTB Order 1135.6. Delegation of the Administrator's Authorities in 27 CFR Part 6, Tied-House.

nots having a different brand name or class, type, or kind designation; appellation of origin (wine); vintage date (wine); age (distilled spirits); or per-Brand. For purposes of administering this part, the term "brand" refers to differences in the brand name of a product or in the nature of a product. Examples of different brands are prodcentage of alcohol. Differences in packor color, or a different style, type or aging such as difference in label design

Equipment. All functional items such as tap boxes, glassware, pouring racks, and similar items used in the conduct of a retailer's business.

in business as a distiller, brewer, rectifier, blender, or other producer, or as an importer or wholesaler, of distilled spirits, wine or malt beverages, or as a bottler, or warehousemen and bottler, or distilled spirits; industry member does not include an agency of a State or political subdivision thereof, or an officer or employee of such agency.

Product. Distilled spirits, wine or malt beverages, as defined in the Federal Alcohol Administration Act.

Where distilled spirits, wine or malt beverages are sold or offered for sale to consumers, whether for consumption on or off the premises where sold.

Retailer. Any person engaged in the sale of distilled spirits, wine or malt beverages to consumers. A wholesaler who makes incidental retail sales representing less than five percent of the wholesaler's total sales volume for the preceding two-month period shall not be considered a retailer with respect to such incidental sales.

[T.D. ATF-74, 45 FR 63251, Sept. 22, 1980, as amended by T.D. ATF-364, 60 FR 20421, Apr. 26, 1995; T.D. ATF-428, 65 FR 52020, Aug. 28, 2000; T.D. TTF-44, 71 FR 16922, Apr. 4, 2006]

# Subpart C-Unlawful Inducements

#### GENERA

#### -

§ 6.21 Application.

Except as provided in subpart D. it is unlawful for any industry member to induce, directly or indirectly, any retailer to purchase any products from the industry member to the exclusion, in whole or in part, of such products sold or offered for sale by other persons in interstate or foreign commerce by any of the following means:

(a) By acquiring or holding (after the expiration of any license held at the time the FAA Act was enacted any interest in any license with respect to the premises of the retailer:

(b) By acquiring any interest in the real or personal property owned, occu-

or used by the retailer in the con-

pied, or used by the retailer in the conduct of his business:

(c) By furnishing, giving, renting, lending, or selling to the retailer, any equipment, fixtures, signs, supplies, money, services or other thing of value, subject to the exceptions contained in subpart D;

(d) By paying or crediting the retailer for any advertising, display, or distribution service;

(e) By guaranteeing any loan or the repayment of any financial obligation of the retailer:

(5) By extending to the retailer eredit per the credit per the cre

(g) By requiring the retailer to take and dispose of a certain quota of any such products.

# INTEREST IN RETAIL LICENSE

#### §6.25 General

The act by an industry member of acquiring or holding any interest in any license (State, county or municipal) with respect to the premises of a retailer constitutes a means to induce within the meaning of the Act.

# [T.D. ATF-364, 60 FR 20421, Apr. 26, 1995]

## § 6.26 Indirect interest.

Industry member interest in retail licenses includes any interest acquired by corporate officials, partners, employees or other representatives of the industry member. Any interest in a retail license acquired by a separate corporation in which the industry member or its officials, hold ownership or are otherwise affiliated, is an interest in a retail license.

# 6.27 Proprietary interest.

(a) Complete ownership. Outright ownership of a retail business by an industry member is not an interest which may result in a violation of section 105(b)(1) of the Act.

(b) Partial ownership. Less than complete ownership of a retail business by

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an industry member constitutes an interest in a retail license within the meaning of the Act.

[T.D. ATF-74, 45 FR 63251, Sept. 23, 1880, as amended by T.D. ATF-384, 60 FR 20421, Apr. 26, 1985]

# INTEREST IN RETAIL PROPERTY

#### §6.31 General

The act by an industry member of acquiring an interest in real or personal property owned, occupied, or used by the retailer in the conduct of business constitutes a means to induce within the meaning of the Act.

[T.D. ATF-364, 60 FR 20421, Apr. 26, 1995]

### §6.32 Indirect interest.

Industry member interest in retail property includes any interest acquired by corporate officials, partners, employees or other representatives of the industry member. Any interest in retail property acquired by a separate corporation in which the industry member or its officials, hold ownership or are otherwise affiliated, is an interest in retail property.

# §6.33 Proprietary interest.

(a) Complete ownership. Outright ownership of a retail business by an industry member is not an interest that may result in a violation of section 105(b)(2) of the Act.

(b) Partial ownership. Less than complete ownership of a retail business by an industry member constitutes an interest in retail property within the meaning of the Act.

[T.D. ATF-74, 45 FR 63251, Sept. 23, 1980, as amended by T.D. ATF-364, 60 FR 20421, Apr. 26, 1995]

### § 6.34 Mortgages.

The acquisition of a mortgage on a retailer's real or personal property by an industry member constitutes an interest in the retailer's property within the meaning of the Act.

# §6.35 Renting display space.

The renting of display space by an industry member at a retail establishment constitutes an interest in the remailer's property within the meaning of

# FURNISHING THINGS OF VALUE

#### .41 General

Subject to the exceptions listed in subpart D. the act by an industry member of furnishing, giving, renting, lending, or selling any equipment, fixtures, signs, supplies, money, services, or other things of value to a retailer constitutes a means to induce within the meaning of the Act.

(T.D. ATF-364, 60 FR 20421, Apr. 26, 1995)

# § 6.42 Indirect inducement through third party arrangements.

(a) General. The furnishing, giving, renting, lending, or selling of equipment, fixtures, signs, supplies, money, services, or other thing of value by an industry member to a third party, where the benefits resulting from such things of value flow to individual retailers, is the indirect furnishing of a thing of value within the meaning of the hot indirect furnishing of a thing of value within the meaning of value includes, but is not limited to, making payments for advertising to a retailer association or a display company where the resulting benefits flow to individual retailers.

(b) Exceptions. An indirect inducement will not arise where the thing of value was furnished to a retailer by the third party without the knowledge or intent of the industry member, or the industry member did not reasonably foresee that the thing of value would have been furnished to a retailer. Things which may lawfully be furnished, given, rented lent, or sold by industry members to retailers under subpart D may also be furnished directly by a third party to a retailer.

[T.D. ATF-364, 60 FE 20421, Apr. 26, 1995]

# § 6.43 Sale of equipment

A transaction in which equipment is sold to a retailer by an industry member, except as provided in §6.38, is the selling of equipment in within the meaning of the het regardless of how sold. Further, the negotiation by an industry member of a special price to a retailer for equipment from an equipment company is the furnishing of a

thing of value within the meaning of

T.D. ATF-74, 45 FR 63251, Sept. 23, 1980, as amended by T.D. ATF-364, 60 FR 20422, Apr.

# § 6.44 Free warehousing.

tended, is the furnishing of a service or thing of value within the meaning of of time for which credit is lawfully exon credit, delaying final delivery of products beyond the close of the period received, or if a retailer is purchasing time that payment for the product is by delaying delivery of distilled spirits. The furnishing of free warehousing or malt beverages beyond the

# § 6.45 Assistance in acquiring license.

license is the furnishing of a service or thing of value within the meaning of retailer's acquisition of the retailer's ministrative or influential) given the Any assistance (financial, legal, 20-

#### \$3 6.46-6.47 [Reserved]

PAYING FOR ADVERTISING, DISPLAY OR DISTRIBUTION SERVICE

#### General

to retailers that are merely reimburse-ments, in full or in part, for such serv-ices purchased by a retailer from a mensurate with the amount paid therefor. This includes payments or credits try member in these instances is comtribution service received by the indusor not the advertising, display, or diswithin the meaning of the Act, whether advertising, display, or distribution service constitutes a means to induce paying or crediting a retailer for any The act by an industry member of

# [T.D. ATF-364, 60 FR 20422, Apr. 26, 1995]

# Cooperative advertising.

member participates with a retailer in paying for an advertisement placed by ing of the Act. tailer for advertising within the meanthe retailer constitutes paying the re-An arrangement in which an industry

### § 6.53 Advertising in ballparks, tracks, and stadiums. Face

diums, from the retail concessionaire constitutes paying the retailer for an advertising service within the meaning ber. of the Act. boards, programs, scorecards, and the uke at The purchase, by an industry mem-얹 ballparks, racetracks or staadvertising on signs. SCOTE-

### \$6.54 Advertising in retailer publications.

tion for distribution to consumers of the general public constitutes paying the retailer for advertising within the ber, of advertising in a retailer publicameaning of the Act. The purchase, by an industry mem-

### \$6.55 Display service.

industry member reimbursements to retailers for setting up product or other displays constitutes paying the within the meaning of the Act. retailer for rendering a display service Industry member reimbursements

#### § 6.56 Renting display space.

A promotion whereby an industry member rents display space at a retail establishment constitutes paying the retailer for rendering a display service within the meaning of the Act. A promotion whereby an

### GUARANTEEING LOANS

#### \$6.61 Guaranteeing loans.

retailer constitutes a means to induce ment of any financial obligation of a guaranteeing any loan or the repaywithin the meaning of the Act. The act by an industry member of

[T.D. ATF-364, 60 FR 20422, Apr. 26, 1995]

### EXTENSION OF CREDIT

#### § 6.65 General.

of delivery constitutes a means to intime in excess of 30 days from the date Extension of credit by an industry member to a retailer for a period of duce within the meaning of the Act.

# [T.D. ATF-364, 60 FR 20422, Apr. 26, 1995]

# § 6.66 Calculation of period.

riod of credit is calculated as the time elapsing between the date of delivery For the purpose of this part, the pe-

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payment of cash or its equivalent, from all indebtedness arising from the transof the product and the date of full legal discharge of the retailer, through the

### \$6.67 Sales to retailer whose account is in arrears.

delivery an amount equal to or greater as such retailer pays in advance or on does not constitute a means to induce retailer whose account is in arrears purchases) by an industry member to a member applies the payment in of the manner in which the industry than the value of each order, regardless within the meaning of the Act so long An extension of credit (for product

[T.D. ATF-364, 60 FR 20422, Apr. 26, 1995]

#### QUOTA SALES

#### \$6.71 Quota sales.

or malt beverages constitutes a means to induce within the meaning of the of any quota of distilled spirits, wine, quiring a retailer to take and dispose The act by an industry member of re-

(T.D. ATF-364, 60 FF, 20422, Apr. 26, 1995)

### §6.72 "Tie-in" sales.

more products may be purchased only canter, or wooden or tin box. This also standard packaging in order to obtain a minimum quantity of a product in This includes the requirement to take induce within the meaning of the Act obtain another constitutes a means to quiring that a retailer purchase one product (as defined in §6.11) in order to selling two or more kinds or brands of dustry member is not precluded from in combination with other produ and not individually. However, an includes combination sales if one or mium package, i.e., a distinctive the same product in some type of preproduct it does not want. See § 6.93 product at the usual price, and the rebination price, provided the retailer has the option of purchasing either products to a retailer at a special comtailer is not required to purchase The act by an industry member of reother products de-Ė.

[T.D. ATF-364, 60 FR 20422, Apr. 26, 1995] plus non-alcoholic items. combination packaging O. products

# Subpart D—Exceptions

the Act enumerates means to induce tions to section 105(b)(2) of the Aet. An mente section 105(b)(3) of the Act and of that section. This subpart impletablished trade customs not contrary tity and value of articles involved, esdue regard for public beetth, the duan are prescribed in regulations, section, subject to such exceptions services, or other things of value to the public interest, and the purposes limitations prescribed in this subpart. under the conditions and within the tailer equipment, inside signs, supplies industry member may furnish a identifies the practices that are excep-(a) Application. may be unlawful under the sub-Section 105(b)(3) of

items furnished to retailers under §§ 6.83, 6.88, 6.91, 6.96(a), and 6.100 and tain records on the permit or brewery dustry members shall keep and mainmay be used to satisfy this record-keeping requirement if all required in-§6.101. Commercial records or invoices premises, for a three year period, of all the commercial records required under SHOW: formation is shown. These records shall (b) Recordkeeping Requirements. (1) In-

- tailer receiving the item. (i) The name and address of the
- (ii) The date furnished: (iii) The item furnished
- manufacturer's invoice price); and the item furnished (determined by the (iv) The industry member's cost the retailer for any OF
- member who fails to keep such records is not eligible for the exception keeping violation results, an industry 3 3 Charges to Although no separate record-

Budget under control number 1512-0392) (Approved by the Office of Management and

Tot

eligible for

[T.D. ATF-364, 60 FE 20422, Apr. 26, 1995]

#### 6.82 [Reserved]

# § 6.83 Product displays.

(a) General. The act by an industry member of giving or selling product displays to a retailer does not constitute a means to induce within the movided that the conditions prescribed in paragraph (c) of this section are met.

(b) Definition. "Product display" means any wine racks, bins, barrels, casks, shelving, or similar items the primary function of which is to hold and display consumer products.

(c) Conditions and limitations. (1) The total value of all product displays given or sold by an industry member under paragraph (a) of this section may not exceed \$300 per brand at any one time in any one retail establishment. Industry members may not pool or combine dollar limitations in order to provide a retailer a product display valued in excess of \$300 per brand. The value of a product display is the actual cost to the industry member who initially purchased it. Transportation and installation costs are excluded.

(2) All product displays must bear conspicuous and substantial advertising matter on the product or the industry member which is permanently inscribed or securely affixed. The name and address of the retailer may appear on the product displays.

(3) The giving of selling of such product displays may be conditioned upon the purchase of the distilled spirits, wine, or malt beverages advertised on those displays in a quantity necessary for the initial completion of such display. No other condition can be imposed by the industry member on the retailer in order for the retailer to receive or obtain the product display.

[T.D. ATF-364, 60 FR 20422, Apr. 26, 1995]

\$6.84 Point of sale advertising materials and consumer advertising specialties.

(a) General. The act by an industry member of giving or selling point of sale advertising materials and consumer advertising specialties to a retailer does not constitute a means to induce within the meaning of socious induce within the meaning of socious induces the Act provided that the

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conditions prescribed in paragraph (c) of this section are met.

(b) Definitions—(1) Point of sale advertising materials are items designed to be used within a retail establishment to calendars, and alcoholic beverage lists attract consumer attention to the products of the industry member. Sud-materials include, but are not limited back bar mats, thermometers, clocks, checks, paper napkins, foam scraper, coasters. signs (electric, mechanical or to: posters, placards, designs, Wondow mats. menu cards. decorations. otherinside trays, meal

(2) Consumer advertising specialties are items that are designed to be carried away by the consumer. Such as trading stamps, nonalcoholic mixers, pouring racks, ash trays, bottle or can opener, cork screws, shopping bags, matches printed recipes, pamphlets, cards, leaflets, blotters, post cards, pencils, shirts, caps, and visors.

(c) Conditions and limitations. (1) All point of sale advertising materials and consumer advertising specialties must bear conspicuous and substantial advertising matter about the product or the industry member which is permanently inscribed or securely affixed. The name and address of the retailer may appear on the point of sale advertising materials.

(2) The industry member may not directly or indirectly pay or credit the retailer for using or distributing these materials or for any expense incidental to their use.

[T.D. ATF-364, 60 FR 20423, Apr. 26, 1995]

# § 6.85 Temporary retailers.

(a) General. The furnishing of things of value to a temporary retailer does not constitute a means to induce within the meaning of section 105(b)(3) of the Act.

(b) Definition. For purposes of administering this part, a temporary retailer is a dealer who is not engaged in business as a retailer for more than four consecutive days per event, and for not more than five events in a calendar year.

[T.D. ATF-364, 60 FR 20423, Apr. 26, 1995]

# Alcohol and Tobacco Tax and Trade Bureau, Treasury (c) § 6.56-6.57 [Reserved]

# §6.55 Equipment and supplies

if the price is collected within 30 days of the date of the sale. The act by an industry member of installing dismeans to induce within the meaning of ber who initially purchased them. ment or supplies are sold at a price not less than the cost to the industry memplies to a retailer does not constitute a pensing accessories at the retailer's essection 105(h)(3) of the Ast if the equipmeans to induce within the meaning of member of selling equipment or supgiving, or selling coil cleaning service to a retailer of distilled spirits, wine. by an industry member of furnishing the het as long as the retailer bears section 105(b)(3) of the Act. or mait beverages does not constitute a meaning of the cost of initial installation. The act (a) General. The act by an industry and

(b) Definition. "Equipment and supplies" means glassware (or similar containers made of other material), dispensing accessories, carbon dioxide gensing accessories, carbon dioxide guipment) or ice. "Dispensing accessories" include items such as standards, faucetts, cold plates, rods, vents, taps, tap standards, hoses, washers, couplings, gas gauges, vent fongues, shanks, and check valves.

(T.D. ATF-364, 60 FR 20423, Apr. 26, 1995)

### §§6.59-6.90 [Reserved]

#### §6.91 Samples.

The act by an industry member of furnishing or giving a sample of distilled spirits, wine, or malt beverages to a retailer who has not purchased the brand from that industry member within the last 12 months does not constitute a means to induce within the institute of section 105(b)(3) of the Action each retail establishment the inquisity member may give not more than 3 railors of any brand of malt beverage, not more than 3 liters of distilled spirits. If a particular product is not available in a size within the quantity limitations of this sec-

tion, an industry member may furnish to a retailer the next larger size.

[T.D. ATF-364, 60 FR 20423, Apr. 26, 1995]

### §6.92 Newspaper cuts.

Newspaper outs, mats, or engraved blocks for use in retailers advertisements may be given or sold by an industry member to a retailer selling the industry member's products.

sos Combination packaging

[T.D. ATF-364, 60 FF 20423, Apr. 26, 1995]

# 6.93 Combination packaging.

The act by an industry member of packaging and distributing distilled spirits, wine, or malt beverages in combination with other (non-alcoholic) items for sale to consumers does not constitute a means to induce within the meaning of section 105(b)(2) of the Act.

[T.D. ATF-364, 60 FR 20423, Apr. 26, 1995]

# .94 Educational seminars.

An industry member may give or sponsor educational seminars for employees of retailers either at the industry member's premises or at the retail establishment. Examples would be seminars dealing with use of a retailer's equipment, training seminars for employees of retailers, or tours of industry member's plant premises. This section does not authorize an industry member to pay a retailer's expense in conjunction with an educational seminar (such as travel and lodging). This does not preclude providing nominal hospitality during the event.

[T.D. ATF-74, 45 FR 63251, Sept. 23, 1980, as amended by T.D. ATF-364, 60 FR 20423, Apr. 26, 1995]

# §6.95 Consumer tasting or sampling at retail establishments.

An industry member may conduct tasting or sampling activities at a retail establishment. The industry member may purchase the products to be used from the retailer, but may not purchase them from the retailer for more than the ordinary retail price.

# § 6.96 Consumer promotions.

(a) Coupons. The act by an industry member of furnishing to consumers

a means to induce within the meaning tail establishment does not constitute coupons which are redeemable at a re-

where the coupon offer is made may rethe following conditions are met:
(1) All retailers within the market

deem such coupons; and

(2) An industry member may not re-imburse a retailer for more than the face value of all coupons redeemed, plus a usual and customary handling fee for the redemption of coupons. Direct offerings. Contest prizes.

salers or retailers are excluded from may be offered by industry members directly to consumers. Officers, employees and representatives of wholepremium offers, refunds, and like items

[T.D. ATF-74, 45 FR 63251, Sept. 23, 1980, as amended by T.D. ATF-364, 80 FR 20425, Apr. 26, 1985]

# § 6.98 Advertising service.

dustry member does not constitute a means to induce within the meaning of member in an advertisement of that inselling the products of an industry es of two or more unaffiliated retailers The listing of the names and address-

section 105(b)(3) of the Act, provided:
(a) The advertisement does not also contain the retail price of the product (except where the exclusive retailer in

the jurisdiction is a State or a political subdivision of a State), and (b) The listing is the only reference to the retailers in the advertisement and is relatively inconspicuous in relato the advertisement as a whole.

directly by the same retailer, except where the retailer is an agency of a State or a political subdivision of a only to one retailer or only to retail es-tablishments controlled directly or in-(c) The advertisement does not refer

# [T.D. ATF-364, 60 FR 20423, Apr. 26, 1995]

#### § 6.99 Stocking, Service. rotation, and pricing

at a retail establishment, stock, rotate and affix the price to distilled spirits, wine, or malt beverages which (a) General. Industry members may

> try members are not altered or dis-turbed. The rearranging or resetting of all or part of a store or liquor department is not hereby authorized. provided products of other indus-

stitute a means to induce within the meaning of section 105(b)(3) of the Act. wine, or malt beverages does not conshelf schematic for distilled spirits, act by an industry member of viding a recommended shelf plan or (b) Shelf plan and shelf schematics. The -ord

[T.D. AIF-364, 60 FR 20424, Apr. 26, 1995]

# §6.100 Participation in retailer asso-ciation activities.

ciation activities do not constitute a member participating in retailer assosection 105(b)(3) of the het: means to induce within the meaning of The following acts by an industry

(a) Displaying its products at a convention or trade show:

(b) Renting display booth space if the rental fee is the same as paid by all exhibitors at the event: 0 Providing its own hospitality

and paying registration fees if the pay-ments or fees are the same as paid by which is independent from tors at the event; and sponsored activities: (d) Purchasing tickets to functions attendees, participants or exhibiassociation

TOT \$300 per year for any retailer associaments made by an industry member for all such advertisements do not exceed ments in programs or brochures issued (e) Making payments for advertiseretailer associations at a convenor trade show if the total pay-

[T.D. ATF-364, 60 FR 20424, Apr. 26, 1995]

### § 6.101 Merchandise.

stitute a means to induce within the bona fide producer or vendor of other provided: chandise to a retailer does not conmerchandise (for example, groceries or member, who is also in business as a harmaceuticals), of selling that mer-(a) General. The act by an industry

market value: (1) The merchandise is sold at its fair

combination 3 The merchandise is not sold in with distilled spirits.

Alcohol and Tobacco Tax and Trade Bureau, Treasury

provided in §6.93); ber's purchase invoices or chandise appears on the industry memwines, or malt beverages (except as or production The industry member's acquisicosts of the merother

sales transaction. commercial documents covering the gle transaction can be determined from merchandise and distilled spirits, wines, or malt beverages sold in a sinrecords; and individual selling prices of distilled spirits.

ton 105(为火分) of the Act only as proservices, and advertising specialties to (b) Things of value covered in other sections of this part. The act by an industry member of providing equipment. to induce within the meaning of secretailers does not constitute a means fixtures, signs, glassware, supplies.

[T.D. ATF-364, 60 FR 20424, Apr. 26, 1995]

### 6.102 Outside signs.

185(b)(3) of the Act provided that: induce within the meaning of section giving or selling outside signs to a retailer does not constitute a means The act by an industry member to

(a) The sign must bear conspicuous and substantial advertising matter about the product or the industry member which is permanently in-

scribed or securely affixed:

(b) The retailer is not compensated, directly or indirectly such as through a sign company, for displaying the signs:

ceed \$400. (c) The cost of the signs may not ex-

[T.D. ATF-364, 60 FR 20424, Apr. 26, 1995]

# Subpart E-Exclusion

1995, unless otherwise noted. SOURCE: T.D. ATF-364, 60 FF. 20424, Apr. 26.

#### \$6.151 Exclusion, in general

(a) Exclusion, in whole or in part oc-

ence at risk by means of a tie or link between the industry member and repotential to place) retailer independthrough an affiliate, places (or has the member, whether direct, indirect, (1) When a practice by an industry S

tailer or by any other means of industry member control over the retailer:

tailer purchasing less than i have of a competitor's product. (b) Section 6.152 lists practices that Such practice results in it would the re-

the. tailer independence at risk. whether other practices can create a tie or link that places retailer independence at risk. Section 6.153 lists criteria used for determining

#### §6.152 Practices which independence at risk. tud retailer

list of those practices that put retailer independence at risk. ples and do not constitute a complete The practices specified here are examtion put retailer independence at risk The practices specified in this sec-

resetting stock on a retailer's premises (other than stock offered for sale by the industry member). (a) The act by an industry member

(b) The act by an industry member of purchasing or renting display, shelf, storage or warehouse space (i.e. slotung allowance).

of less than a 100 percent interest in Tailer. retailer, where such ownership is used to influence the purchases of the re-(c) Ownership by an industry member

requiring a retailer to purchase one alcoholic beverage product in order to be allowed to purchase another alcoholic beverage product at the same time. (d) The act by an industry member of

#### §6.153 Criteria for tailer independence. determining 70

are indications that a particular practice, other than those in §6.152, places retailer independence at risk. A practice need not meet all of the criteria specified in this section in order place retailer independence at risk. The criteria specified in this section

to decide which products to purchase or the quantity in which to purchase them for sale to consumers. the free economic choice of a retailer (a) The practice restricts or hampers

ber's product. motion to obtain the retailer to participate in (b) The industry member obligates the industry memthe

mote the industry member's product. gation to purchase or otherwise pro-(c) The retailer has a continuing obli-

not to terminate its relationship with the industry The retailer has a commitment ဓ္ဌ member with respect to e E industry member's

member controls the retailer's decibe displayed on the retailer's premises. sions on the retailer. For example, the industry member in the day-to-day operations of purchase, the pricing of products, the manner in which the products will (e) The practice involves the industry which brand of products to ဝ္

without business reasons present justify the difference in treatment. the local market on the same terms that it is not offered to all retailers in (f) The practice is discriminatory in

### ADVERTISING OF MALT BEVERAGES PART 7-LABELING AND

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7.7 Alcoholic content.

Subpart 1—Use of the Term "Organic."

7.81 Use of the term "organic."

AUTHORITY: 27 U.S.C. 205.

SOURCE: T.D. 6521, 25 FR 13859, Dec. 29, 1980

unless otherwise noted.

part 7 appear by T.D. ATF-425, 65 FR 11891

### Subpart A—Scope

#### §7.1 General

beverages. The regulations in this part relate to the labeling and advertising of malt

# §7.2 Territorial extent.

wealth of Puerto Rico. trict of Columbia and the Common-This part applies to the States, the several the Dis-

#### \$7 \$3 Forms prescribed.

(a) The appropriate TTB officer is and thorized to prescribe all forms required thorized to prescribe all forms to all of the information.

called for in each form shall be fur-nished as indicated by the headings on the form and the instructions on or pertaining to the form. In addition, in-formation called for in each form shall be furnished as required by this part. the form will be filed in accordance

1516. (b) Forms prescribed by this part are available for printing through the TIB with the instructions for the form. Web site (http://www.ttb.gov) or by mail-Revenue Center, 550 Main Street, Room ing a request to the Alcohol and To-bacco Tax and Trade Bureau, National Cincinnati, OH 45202.

mp. AIF-92, 46 FR 46912. Sept. 23, 1981. as amended by T.D. AIF-249. 52 FR 5956. Feb. 27, 1987. T.D. 372. 61 FR 20723. May 8, 1986. T.D. AIF-425. 65 FR 11891. Mar. 7, 2000; T.D. TIB-44. TI FR 16922. Apr. 4, 2006]

# §7.4 Related regulations.

Ine following regulations also relate to this part:

If CFR Part 205—National Organic Program ZFCFR Part 1—Basic Permit Requirements Under the Federal Alcohol Administration Act: Nonindustrial Use of Distilled Spirits and Wine, Bulk Sales and Bottling of Dis-

27 CFR Part 4-Labeling and Advertising A He

77.CFR Part 5—Labeling and Advertising of Distilled Spirits

27 CFR Part 25—Beer Warning Statement 27 CFR Part 16-Alcoholic Beverage Health 27 CFR Part 13—Labeling Proceedings

27 CFR Part 26—Liquors and Articles from Prierto Rico and the Virgin Islands
27 CFR Part 27—Importation of Distilled Spirits, Wines, and Beer
27 CFR Part 71—Rules of Fractice in Permit

TLD: ATT-483, 67 FR 62858, Oct. 8, 2002)

# §7.5 Delegations of the Administrator.

the Administrator contained in this part are delegated to appropriate TTB officers. These TTB officers are specified in TTB Order 1135.7, Delegation of the Administrator's Authorities in 27 copy of this order by accessing the TTB Web site (http://www.ttb.gov) or by mail-OFR Part 7, Labeling and Advertising of Malt Beverages. You may obtain a inc:a request to the Alcohol and To-bacco Tax and Trade Bureau, National Most of the regulatory authorities of

Revenue Center, 550 Main Street, Room 1516, Cincinnati, OH 45202.

[T.D. TTB-44, 71 FR 16922, Apr. 4, 2006]

# Subpart B—Definitions

### Meaning of terms.

have the meaning ascribed in this sub-As used in this part, unless the con-ext otherwise requires, terms shall

mon Act. Act. The Federal Alcohol Administra-

Washington, DC.

Advertisement. See §7.51 for meaning cohol and Tobacco Tax and Trade Bu-reau, Department of the Treasury. Administrator. The Administrator, Al-

of term as used in subpart ᅿ of this

employee of the Alcohol and Tobacco Tax and Trade Bureau (TTB) authorized to perform any functions relating to the administration or enforcement of this part by TTB Order 1135.7, Delegation of the Administrator's Authorities in 27 CFR Part 7, Labeling and Advertising of Mark Bornana. vertising of Malt Beverages. Appropriate TTB officer. An officer or

name of the malt beverage. the usual distinctive design, the brand Brand label. The label carrying.

one gailon or less. beverages in containers of a capacity of Bottler. Any person who places malt

beverages at retail. which made, for use for the sale of malt spective of size or of the material from keg, or other closed receptacle. Container. Any can, bottle, barrel. Hie

Gallon. A U.S. gallon of 231 cubic inches of malt beverages at 39.1 °F (4 °C). All other liquid measures used are subdivisions of the gallon as defined.

merce between any State and any place State but any Territory or the District of Columoutside thereof, or commerce within thereof. bia, or between points within the same Interstate or foreign commerce. through any place outside

sion or decoction, or combination of both, in potable brewing water, of or their products, and with or without malted barley with hops, or their parts. the alcoholic fermentation of an infu-Malt beverage. A beverage made by in potable brewing water,