

STATE OF NEW YORK
LIQUOR AUTHORITY

(Series 1972)
Bulletin #467
May 24, 1972

TO: All Package Store Licensees, Manufacturers
and Wholesalers of Liquors and Wines

SUBJECT: State Liquor Authority Investigation into
Advertising Practices and Transactions of
Licensees with Non-Licensed Organizations

The Authority has received inquiries from package store licensees relating to advertising of alcoholic beverages by groups of licensees under a common insignia.

The Authority recognizes that responsible advertising of alcoholic beverages by licensees is firmly established and constitutes a proper medium of information to the general public. Responsibility for advertisements rests with the individual licensee.

Advertisements which tend to promote the belief that multiple package stores are being operated as a liquor store chain or are jointly operated or owned by the same interests are misleading, deceptive and contrary to public interest. The Authority regards as misleading and deceptive advertisements stating that listed package stores are independently owned where the impact of the advertisement nonetheless suggests a chain of liquor stores, common ownership or joint operation.

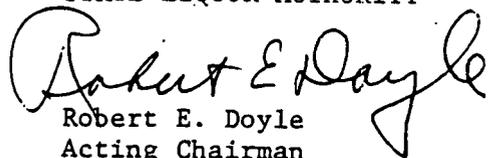
Section 101 of the Alcoholic Beverage Control Law declares that it shall be unlawful for a manufacturer or wholesaler to make any gift or render any service of any kind whatsoever, directly or indirectly, to any licensee which in the judgment of the Authority may tend to influence such licensee to purchase the product of such manufacturer or wholesaler.

In its considered judgment, the Authority has declared that no manufacturer or wholesaler shall, directly or indirectly, pay to, reimburse or furnish to any retail licensee or any employee or agent of such licensee, and no retail licensee or employee or agent of such licensee shall, directly or indirectly, receive from any manufacturer or wholesaler or accept payment or reimbursement from any manufacturer or wholesaler for any written matter in any form whatsoever or any advertisement in whole or part in any newspaper, magazine or other publication (Bulletin #121, April 9, 1945).

The Authority is now investigating the activities of licensed manufacturers, wholesalers and package store licensees to determine whether their advertising, financial and contractual transactions with various unlicensed organizations is violative of the Alcoholic Beverage Control Law or the Authority's rules.

The Authority cautions all licensees that participation in such activities and practices may prove unlawful. Participation or involvement of licensees in violation of law or the Authority's rules will result in disciplinary proceedings and may jeopardize the license of all such licensees.

STATE LIQUOR AUTHORITY


Robert E. Doyle
Acting Chairman