



## 95TH GENERAL ASSEMBLY

### State of Illinois

2007 and 2008

SB0392

Introduced 2/7/2007, by Sen. Debbie DeFrancesco Halvorson

#### SYNOPSIS AS INTRODUCED:

235 ILCS 5/6-9

from Ch. 43, par. 126

Amends the Liquor Control Act of 1934. In a Section involving trade mark registration, provides that prior to amending or withdrawing such registration, each manufacturer, non-resident dealer, distributor, importing distributor, or foreign importer who owns or controls the trade mark, brand name, or name of any alcoholic liquor shall, at least 30 days prior to the effective date of the registration amendment or withdrawal, notify each person to whom such manufacturer, non-resident dealer, distributor, importing distributor, or foreign importer previously granted the right to sell at wholesale, specifying the particular trade mark, brand, or name of alcoholic liquor as to which such right is amended or withdrawn and the geographical area or areas for which such right is amended or withdrawn to such person. At the written request of all affected parties, the 30 day notification requirement may be waived by the Liquor Control Commission. Effective immediately.

LRB095 10683 KBJ 30914 b

1 AN ACT concerning liquor.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Liquor Control Act of 1934 is amended by  
5 changing Section 6-9 as follows:

6 (235 ILCS 5/6-9) (from Ch. 43, par. 126)

7 Sec. 6-9. Registration of trade marks; sale within  
8 geographical area; delivery to authorized persons. The  
9 Legislature hereby finds and declares that for purposes of  
10 ensuring the preservation and enhancement of interbrand  
11 competition in the alcoholic liquor industry within the State,  
12 ensuring that importation and distribution of alcoholic liquor  
13 in the State will be subject to thorough and inexpensive  
14 monitoring by the State, reducing the importation of illicit or  
15 untaxed alcoholic liquor into the State, excluding misbranded  
16 alcoholic liquor products from the State, providing incentives  
17 to distributors to service and sell to larger numbers of retail  
18 licensees in the geographic area where such distributors are  
19 engaged in business, and reducing the amount of spoiled and  
20 overaged alcoholic liquor products sold to consumers, it is  
21 necessary to restrict the purchase of alcoholic liquors at  
22 wholesale in the State to those persons selected by the  
23 manufacturer, distributor, importing distributor or foreign

1 importer who owns or controls the trade mark, brand or name of  
2 the alcoholic liquor products sold to such persons, and to  
3 restrict the geographic area or areas within which such persons  
4 sell such alcoholic liquor at wholesale, as provided in this  
5 Section.

6 Each manufacturer, non-resident dealer, distributor,  
7 importing distributor, or foreign importer who owns or controls  
8 the trade mark, brand or name of any alcoholic liquor shall  
9 register with the State Commission, in the Chicago office, on  
10 or before the effective date, the name of each person to whom  
11 such manufacturer, non-resident dealer, distributor, importing  
12 distributor, or foreign importer grants the right to sell at  
13 wholesale in this State any such alcoholic liquor, specifying  
14 the particular trade mark, brand or name of alcoholic liquor as  
15 to which such right is granted, the geographical area or areas  
16 for which such right is granted and the period of time for  
17 which such rights are granted to such person. Each  
18 manufacturer, non-resident dealer, distributor or importing  
19 distributor, or foreign importer who is required to register  
20 under this Section must furnish a copy of the registration  
21 statement at the time of appointment to the person who has been  
22 granted the right to sell alcoholic liquor at wholesale.  
23 However, if a person who has been appointed the right to sell  
24 alcoholic liquor at wholesale does not receive a copy of the  
25 registration statement as required under this Section, such  
26 person may file a registration statement with the State

1 Commission, provided that the person furnishes a copy of that  
2 registration statement to the manufacturer, non-resident  
3 dealer, distributor, importing distributor, or foreign  
4 importer within 30 days of filing the registration statement.

5 The registration statement shall state:

6 (1) the name of the person appointed;

7 (2) the name of the manufacturer, non-resident dealer,  
8 distributor, importing distributor, or foreign importer from  
9 whom the person received the right to sell alcoholic liquor;

10 (3) the particular trade mark, brand, or name of alcoholic  
11 liquor as to which the right to sell at wholesale is granted;  
12 and

13 (4) the geographical areas for which the right to sell at  
14 wholesale is granted.

15 Such manufacturer, non-resident dealer, distributor,  
16 importing distributor, or foreign importer may grant the right  
17 to sell at wholesale any trade mark, brand or name of any  
18 alcoholic liquor in any geographical area to more than one  
19 person. If the registration is received after the effective  
20 date, the Commission shall treat the date the registration was  
21 received in the Chicago office as the effective date. Such  
22 registration shall be made on a form prescribed by the State  
23 Commission and the State Commission may require such  
24 registration to be on a form provided by it.

25 No such registration shall be made in any other manner than  
26 as is provided in this Section and only those persons

1 registered by the manufacturer, non-resident dealer,  
2 distributor, importing distributor or foreign importer, shall  
3 have the right to sell at wholesale in this State, the brand of  
4 alcoholic liquor specified on the registration form.

5 Prior to amending or withdrawing such registration, each  
6 manufacturer, non-resident dealer, distributor, importing  
7 distributor, or foreign importer who owns or controls the trade  
8 mark, brand name, or name of any alcoholic liquor shall, at  
9 least 30 days prior to the effective date of the registration  
10 amendment or withdrawal, notify each person to whom such  
11 manufacturer, non-resident dealer, distributor, importing  
12 distributor, or foreign importer previously granted the right  
13 to sell at wholesale, specifying the particular trade mark,  
14 brand, or name of alcoholic liquor as to which such right is  
15 amended or withdrawn and the geographical area or areas for  
16 which such right is amended or withdrawn to such person. At the  
17 written request of all affected parties, the 30 day  
18 notification requirement may be waived by the Commission.

19 However, a licensed Illinois distributor who has not been  
20 registered to sell a brand of alcoholic liquor, but for a  
21 period of 2 years prior to November 8, 1979 has been engaged in  
22 the purchase of a brand for resale from a licensed Illinois  
23 distributor who has the right to sell that brand at wholesale,  
24 may continue to purchase and resell the brand at wholesale, and  
25 may purchase from the same distributor and resell at wholesale  
26 any new brands of the same manufacturer, provided that:

1           (1) Within 60 days after November 8, 1979 he identifies  
2           the brand which he so purchased to the State Commission and  
3           the Commission within 30 days thereafter verifies that the  
4           purchases have occurred;

5           (2) Thereafter, he notifies the State Commission in  
6           writing of any brands of the same manufacturer which he  
7           wishes to purchase from the same distributor that were not  
8           available for distribution on or before November 8, 1979,  
9           and that the Commission within 30 days of such notification  
10          verifies that the brand is a new brand of the same  
11          manufacturer, and that the same licensed Illinois  
12          distributor has the right to sell the new brand at  
13          wholesale;

14          (3) His licensed business address is within the  
15          geographical area for which the licensed Illinois  
16          distributor from whom the purchases are made has the right  
17          to sell said brand or brands of alcoholic liquor; and

18          (4) His sales are made within the geographical area for  
19          which the licensed Illinois distributor from whom the  
20          purchases are made has the right to sell the brand or  
21          brands of alcoholic liquor and only to retail licensees  
22          whose licensed premises are located within the  
23          aforementioned geographical area.

24          No person to whom such right is granted shall sell at  
25          wholesale in this State any alcoholic liquor bearing such trade  
26          mark, brand or name outside of the geographical area for which

1 such person holds such selling right, as registered with the  
2 State Commission, nor shall he sell such alcoholic liquor  
3 within such geographical area to a retail licensee if the  
4 premises specified in such retailer's license are located  
5 outside such geographical area. Any licensed Illinois  
6 distributor who has not been granted the right to sell any  
7 alcoholic liquor at wholesale and is purchasing alcoholic  
8 liquor from a person who has been granted the right to sell at  
9 wholesale may sell and deliver only to retail licensees whose  
10 licensed premises are within the same geographical area as the  
11 person who has been granted the right to sell at wholesale.

12 No manufacturer, importing distributor, distributor,  
13 non-resident dealer, or foreign importer shall sell or deliver  
14 any package containing alcoholic liquor manufactured or  
15 distributed by him for resale, unless the person to whom such  
16 package is sold or delivered is authorized to receive such  
17 package in accordance with the provisions of this Act.

18 (Source: P.A. 92-105, eff. 1-1-02.)

19 Section 99. Effective date. This Act takes effect upon  
20 becoming law.