

1 AN ACT in relation to beverage distribution.

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

4 Section 5. The Soft Drink Industry Fair Dealing Act is
5 amended by changing Section 30 as follows:

6 (815 ILCS 730/30)

7 Sec. 30. Reasonable compensation.

8 (a) A Any supplier that (i) cancels, fails to renew, or
9 otherwise terminates any distribution agreement, or (ii)
10 unlawfully denies approval of or unreasonably withholds
11 consent to any assignment, transfer, or sale of a
12 distributor's business, assets, stock, or other ownership
13 interest in a distributor, shall (i) pay the distributor the
14 fair market value of that portion of the distributor's
15 business that the supplier has cancelled, failed to renew, or
16 otherwise terminated, or (ii) pay the distributor or other
17 aggrieved person the fair market value of that portion of the
18 business, assets, stock, or other ownership interest sought
19 to be assigned, transferred, or sold. Fair market value shall
20 include, but shall not be limited to, the value of the
21 goodwill associated with the business, assets, stock, or
22 other ownership interest valued hereunder, and such fair
23 market value shall be determined without regard to any
24 marketability, minority interest, or other similar discount
25 or reduction.

26 (b) If a supplier and a distributor or other aggrieved
27 person are unable to agree on the reasonable compensation to
28 be paid under subsection (a), any such party may maintain a
29 civil suit as provided in Section 35 of this Act or the
30 matter may, by mutual agreement of the parties, be submitted
31 to arbitration or mediation. Unless the parties otherwise

1 agree, the costs of arbitration shall be shared equally by
2 the parties.

3 (c) No distributorship agreement may require the
4 distributor to pay more than half the costs of arbitration or
5 mediation or require arbitration or mediation to be conducted
6 outside this State.

7 (Source: P.A. 91-3, eff. 5-21-99.)