WEST VIRGINIA CODE: §11-16-20

§11-16-20. Unlawful acts of brewers or manufacturers; criminal penalties.

(a) It is unlawful:

(1) For any brewer or manufacturer, or any other person, firm or corporation engaging in the business of selling nonintoxicating beer, ale or other malt beverage or cooler to a distributor or wholesaler, to discriminate in price, allowance, rebate, refund, commission, discount or service between distributors or wholesalers licensed in West Virginia. "Discriminate," as used in this section, shall mean granting of more favorable prices, allowances, rebates, refunds, commissions, discounts or services to one West Virginia distributor or wholesaler than to another.

(2) For any brewer or manufacturer, or any other person, firm or corporation engaged in the business of selling nonintoxicating beer, ale or other malt beverage or malt cooler to a distributor or wholesaler, to sell or deliver nonintoxicating beer, ale or other malt beverage or malt cooler to any licensed distributor or wholesaler unless and until such brewer, manufacturer, person, firm or corporation, as the case may be, shall have filed the brewery or dock price of such beer, ale or other malt beverage or malt cooler, by brands and container sizes, with the commissioner. The pricing submitted to the commissioner shall also be submitted contemporaneously to the licensed distributor or wholesaler. No price schedule shall be put into effect until ninety days after receipt of same by the commissioner and shall be submitted on or before the following quarterly dates of January 1, April 1, July 1 and October 1 of the calendar year to be effective: Provided, That any price shall remain in effect not less than ninety days.

(3) For any brewer or manufacturer, resident brewer or any other person, firm or corporation engaged in the business of selling nonintoxicating beer, ale or other malt beverage or malt cooler to a distributor or wholesaler to sell, offer for sale or transport to West Virginia any nonintoxicating beer, ale or other malt beverage or malt cooler unless it has first registered its labels and assigned to the appropriate distributor per an equitable franchise agreement, all as approved by the commissioner.

(4) For any brewer or manufacturer, or any other person, firm or corporation engaged in the business of selling nonintoxicating beer, ale or other malt beverage or malt cooler to provide, furnish, transport or sell its nonintoxicating beer products, brands and line extensions to any person or distributor other than the appointed distributor per the franchise agreement and established in the franchise distributor network in the territory assigned to that appointed distributor.

(5) For any brewer or manufacturer, or any other person, firm or corporation engaged in the business of selling nonintoxicating beer, ale or other malt beverage or malt cooler to provide, furnish, transport or sell its nonintoxicating beer products, brands and line

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extensions that have been denied by the commissioner.

(6) For any resident brewer that chooses to utilize a franchise agreement and a franchise distributor network, either in addition to or in conjunction with its limited quantity of nonintoxicating beer for self-distribution, to violate this section and the resident brewer is subject to the sanctions in subsections (b) and (c) of this section.

(b) The violation of any provision of this section by any brewer or manufacturer shall constitute grounds for the forfeiture of the bond furnished by such brewer or manufacturer in accordance with the provisions of section twelve of this article.

(c) The violation of this section by any brewer or manufacturer is grounds for sanctions as determined by the commissioner in accordance with sections twenty-three and twenty-four of this article and the rules promulgated by the commissioner.

(d) Any resident brewer that chooses to utilize a franchise agreement and a franchise distributor network, either in addition to or in conjunction with its limited quantity of nonintoxicating beer for self-distribution, shall be treated as a brewer under this article and the applicable promulgated rules.

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