

policy to promote temperance in the consumption thereof and the orderly distribution thereof, prohibiting certain unfair and coercive acts engaged in by beer manufacturers, making it illegal to terminate a beer franchise without good cause, setting forth procedures governing notice and implementation of proposed termination, forbidding dual franchising in sales territories by beer manufacturers, forbidding sales outside of sales territories by beer distributors, creating a cause of action for aggrieved franchisees, and relating generally to franchisees and franchisors of beer.

BY adding to

Article 2B -- Alcoholic Beverages
Section 203A, 203B, 203C, 203D, 203E and 203F, to be
under the new subtitle "Beer Franchise Fair
Dealing Act"
Annotated Code of Maryland
(1968 Replacement Volume and 1973 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That new Sections 203A, 203B, 203C, 203D, 203E and 203F, to be under the new subtitle "Beer Franchise Fair Dealing Act" be and they are hereby added to Article 2B -- Alcoholic Beverages, of the Annotated Code of Maryland (1968 Replacement Volume and 1973 Supplement) to read as follows:

Article 2B -- Alcoholic Beverages

BEER FRANCHISE FAIR DEALING ACT

203A.

(A) IT IS THE DECLARED POLICY OF THE STATE OF MARYLAND THAT IT IS NECESSARY TO REGULATE AND CONTROL THE AGREEMENTS, FRANCHISES AND RELATIONSHIPS BETWEEN MANUFACTURERS OF BEER AND THEIR DISTRIBUTORS FOR THE PURPOSE OF FOSTERING AND PROMOTING TEMPERANCE IN THE CONSUMPTION THEREOF, AND TO PROMOTE RESPECT FOR AND OBEDIENCE TO THE LAWS CONTROLLING THE DISTRIBUTION AND SALE OF BEER. IT IS NECESSARY TO ACCOMPLISH THE DECLARED POLICY IN ORDER TO ELIMINATE THE UNDUE STIMULATION OF SALES OF BEER IN THIS STATE BY MANUFACTURERS INDUCING, COERCING, OR ATTEMPTING TO INDUCE OR COERCE, DISTRIBUTORS OF BEER TO DO ACTS DETRIMENTAL TO THE ORDERLY AND LAWFUL DISTRIBUTION THEREOF BY THREATENED OR ACTUAL TERMINATION OF THE MANUFACTURER AND DISTRIBUTOR RELATIONSHIP, DIRECTLY OR INDIRECTLY, BY THE ESTABLISHMENT OF DUAL DISTRIBUTORS OF A BRAND OR BRANDS THEREOF IN A TERRITORY