Article 2B – Alcoholic Beverages

21–103.

(a)   (1)   In this section the following words have the meanings indicated.

(2)   "Agreement" means oral or written evidence between a beer manufacturer and beer distributor where the distributor is granted the right to offer and sell the brands of beer offered by the beer manufacturer.

(3)   "Beer manufacturer" means every brewer, fermenter, processor, bottler or packager of beer located within or without the State of Maryland, or any other person whether located within or without the State of Maryland who enters into an "agreement" with any beer distributor doing business in the State of Maryland.

(4)   ["Gross profit" means:

(i)   The beer distributor's selling price of the subject brand of beer; less

(ii)   The FOB cost and the transportation cost of the brand to the beer distributor] "FAIR MARKET VALUE" MEANS THE PRICE AT WHICH AN ASSET WOULD CHANGE HANDS BETWEEN A WILLING SELLER AND A WILLING BUYER WHEN NEITHER IS ACTING UNDER ANY COMPULSION AND WHEN BOTH HAVE KNOWLEDGE OF ALL OF THE RELEVANT FACTS.

(5)   "Successor beer manufacturer" includes a person or licensee who replaces a beer manufacturer with the right to sell, distribute, or import a brand of beer.

(b)   Except for the discontinuance of a brand of beer or for good cause shown as provided under § 17–103 of this article, a successor beer manufacturer that continues in the business is obligated under the agreement that was made between the previous beer manufacturer and the surviving beer distributor under all the terms and conditions of that agreement that were in effect on the date of change of beer manufacturers.

(c)   A successor beer manufacturer who ~~violates~~ TERMINATES any of the agreement provisions required to be continued under subsection (b) of this section shall remunerate the beer distributor a sum equal to the [total of the gross profit] FAIR MARKET VALUE for the sale of the subject brand or brands of beer [for 2 years prior] calculated from the date of ~~violation~~ TERMINATION.