## **HOUSE**. . . No.

To the Honorable Senate

| The Commonwealth of Alassachusetts   |  |  |  |
|--|--|--|--|
| PRESENTED BY:  Rob Consalvo  |  |  |  |
| Ionorable Senate and House of Representatives of the Commonw<br>Court assembled: | realth of Massachusetts in General         |  |  |
| The undersigned legislators and/or citizens respectfully petition                | for the adoption of the accompanying bill: |  |  |
| An Act relative to governing private label                                       | of distilled spirits.                      |  |  |
| PETITION OF:   |  |  |  |

| NAME:        | DISTRICT/ADDRESS: | DATE ADDED: |
|--------------|-------------------|-------------|
| Rob Consalvo | 14th Suffolk      | 1/17/2025   |

## HOUSE . . . . . . . . . . . . . No.

[Pin Slip]

## The Commonwealth of Massachusetts

In the One Hundred and Ninety-Fourth General Court (2025-2026)

An Act relative to governing private label of distilled spirits.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

- 1 SECTION 1. Chapter 138 of the General Laws, as appearing in the 2022 Official Edition,
- 2 is hereby amended by adding at the end thereof the following new section:-
- 3 Section 79. (a) For the purposes of this section, the following words shall have the
- 4 following meanings:
- 5 "Control label brand", means a distilled spirit product that is manufactured for sale or
- 6 sold under an agreement between a supplier and a retailer under which the retailer coordinates
- 7 the manufacture, including, but not limited to, flavor profile, formulation, production costs,
- 8 volume, or schedule, source of any ingredients, packaging, or labeling of the product and its
- 9 distribution at the retailer's outlet or outlets; provided, however, the retailer does not directly or
- indirectly own the name or trademark of the product.
- 11 "Private label brand", means a distilled spirit product that is manufactured for sale or sold
- under an agreement between a supplier and a retailer that bears a name or trademark directly or
- indirectly owned by a retailer.

"Retailer", means a holder of a license authorizing the sale of distilled spirits to consumers.

"Supplier", means a holder of a license issued by the commission authorizing the manufacture of distilled spirits or authorizing the importation of distilled spirits into the commonwealth.

(b) A retailer offering for sale any private or control label brand shall disclose in writing to its customers where the product is displayed, both in-store as well as in any solicitation, advertising or online offering or promotion, that the private or control label brand is the retailer's private or control label brand. Such disclosure shall be clear and conspicuous.

A private or control label brand shall not contain any statement, design, device, or pictorial representation, including, but not limited to, bottle design, trade dress, packaging, or brand name which a consumer is reasonably likely to find confusingly similar to any other alcohol beverage product regardless of product type or class.

A supplier shall sell the private or control label brand to a retailer only through the commission's legal distribution system in compliance with all related distribution laws and regulations.

A retailer offering for sale any private or control label brand shall comply with all trade practice laws and regulations and interpretations of such laws and regulations set forth that are applicable to suppliers, manufacturers and wholesalers of non-private or non-control label brands.

A retailer offering for sale and selling any private or control label brand shall not engage in any preferential in-store practice for such product, unless those practices are offered on an equitable basis for other products for sale by that retailer.

The retailer shall pay all costs associated with the development, bottling, labeling, or packaging of the private or control label brand. Pricing for a private or control label brand shall be independently established by the supplier or wholesaler.

The supplier, wholesaler, or retailer shall keep a record of all private or control label brand sales for at least 3 years. The records shall include: the name of the retailer or wholesaler buying the product; for each transaction, the quantity of product and the date of sale and delivery; and a list of the quantity of each control or private label brand sold to a specific licensed retailer or licensees under the same ownership, control or management of that retailer during each calendar year.

- (c) The commission may investigate all aspects of business relationships, including, but not limited to, relationships related to private or control label brands, to determine the presence of trade practice violations that may result from collaboration in private or control label brands.
- (d) The commission shall establish a process and procedures to enforce the provisions of this section and address complaints.
- SECTION 2. The alcoholic beverages control commission established under section 70 of chapter 10 may promulgate rules and regulations for the implementation of this act.