

AT-A-GLANCE

OAR 845-013-0080

Manufacturer or Wholesaler Sponsorship of Temporary Special Events

Initial Action

(To adopt 1 rule)

June 2009

This rule will describe the items and services that a supplier (wholesaler or manufacturer) or its agents may provide to a retail licensee for use at a temporary special event - in other words, as part of a sponsorship of the event.

ORS 471.398 and ORS 471.400 carve out the narrow exceptions to the prohibition on a supplier providing financial assistance to a retail licensee. The Commission's Division 13 rules describe the limited items and services that are allowed under the statutory exceptions at the retailer's annually licensed premises.

Currently there is no rule describing the limited financial assistance exceptions that are allowed at temporary special events held off of the retailer's annually licensed premises. The current sponsorship guidelines allow a supplier to give money and other things of value to a retail licensee in exchange for having their name or product name associated with a special event. Because there is no limit on the amount of a payment and no definition of what qualifies as a special event, the current guidelines are not consistent with statute.

Staff is recommending adoption of a new rule regulating sponsorships which would prohibit direct monetary payments, allow items/services that are allowed under current financial assistance rules (i.e. point of sale material), and also allow other items/services that fall under the statutory exceptions and are not for the licensee's ongoing business operations (i.e. entertainment for the event).

This new rule would clarify that sponsorship of a special event takes place off of a retailer's annually licensed premises, thus limiting sponsorships to TSL (Temporary Sales License) or temporary use of an annual license events, and not events that are part of a retailer's normal business operations. The rule would also clarify that it does not apply to nonprofit special event licensees where additional items are allowed (i.e. alcohol), nor to manufacturer/wholesaler licensed events such as SEW (Special Event Winery) licensed events.

SUGGESTED MOTION:

I move to initiate rulemaking to adopt OAR 845-013-0080, and to hold a rulemaking hearing at staff's discretion.