

Suppliers, Retailers, and Retail Sales Agents

Introduction

This guide is a highlight of the requirements and allowances regarding coupons in Oregon. It is not meant to be an exhaustive explanation. Links to documents where you may find the actual statutes and rules are included later in this document.

Definitions

- "Supplier" means:
 - Manufacturers and wholesalers of alcoholic beverages in Oregon and their respective agents;
 - Any manufacturer of alcoholic beverage whose alcoholic beverages are sold in Oregon;
 - Any person who imports or causes to be imported an alcoholic beverage into Oregon for sale or distribution within Oregon and their respective agents; and
 - Brewery-Public House license. Note as per Oregon Revised Statute (ORS)
 471.200, a Brewery-Public House license is both a supplier and a retailer
- "Retailer" means a:
 - Full On-Premises Sales license
 - Limited On-Premises Sales license
 - Off-Premises Sales license
 - Temporary Sales License (TSL)
 - Brewery-Public House license. Note as per Oregon Revised Statute (ORS)
 471.200, a Brewery-Public House license is both a supplier and a retailer
- "Retail Sales Agent" means an individual person or legal entity appointed by the Commission who enters into a retail sales agent agreement to sell packaged distilled spirits on behalf of the Commission in a retail liquor store.

Statutes and Rules

Oregon Revised Statutes (ORS)

Oregon Revised Statute (ORS), Chapter 471 contains the general alcoholic beverage laws. The Oregon Secretary of State publishes an updated version every two years, typically in February of even years. Here is a link to the most current edition:

ORS Chapter 471



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Oregon Administrative Rules (OAR)

Oregon Administrative Rules (OAR) are administrative rules enacted by the OLCC. The rules published by the Oregon Secretary of State are typically the current version.

Each administrative rule has a Chapter, a Division, and a specific rule citation.

For example, OAR 845-007-0005 is Chapter 845, Division 7, rule 0005.

Here are links to the rule divisions referenced in this document:

- Division 7
- Division 15

What is a "Coupon" or "Rebate Coupon?"

845-007-0010(3)

A "Coupon" or "rebate coupon" means any coupon, ticket, certificate token or any
other material that a person may use to obtain a price reduction or rebate in
connection with alcoholic beverages. This definition applies whether the coupon
requires a purchase or not.

When a Supplier Offers a Coupon in Conjunction with a Retailer

845-007-0015(3) and (5)

- Suppliers may give consumer rebate coupons
- The rebate coupon may be:
 - o Only for malt beverages, wine, or cider (not distilled liquor); and
 - Only for consumption off the premises (no coupons for on-premises consumption)
- Progressive-type coupons which provide a larger rebate when progressively more alcohol is purchased are permitted. An example of this would be a rebate that offers \$5 for the purchase of one six-pack/bottle or \$12 for two six-packs/bottles.
- Cross promotional coupons which provide a discount or rebate on food, nonalcoholic beverages, or non-food items (with or without the purchase of malt beverages, wine, or cider) are permitted. An example of this would be \$1.00 off tortilla chips with the purchase of a six-pack of malt beverages



Suppliers, Retailers, and Retail Sales Agents

- All advertising associated with rebate coupons must comply with applicable state and federal regulations
- The supplier must furnish rebate coupons to all licensees carrying the malt beverages, wine, or cider for off-premises consumption
- The supplier is responsible for the redemption of rebate coupons
- No retail licensee may receive any money or similar benefit from a supplier for the redemption of any coupons
- Coupons must:
 - Be redeemable only by mail ("mail" includes coupons redeemed electronically, such as by email or digital application) <u>unless</u>:
 - * The party redeeming the coupon is an Oregon manufacturer of malt beverages, wine, or cider with an OLCC-issued license. In these cases, these licensees may offer instantly redeemable coupons (no "mail" requirement) for malt beverages, wine, or cider sold at retail to consumers for consumption off the premises (no coupons for on-premises consumption) under the manufacturer's retail privileges
 - o Bear an expiration date
 - o Be accompanied by proof of purchase; and
 - o Be valid only for adults of legal drinking age
- OLCC does not require or give pre-approval for coupons. Suppliers, retailers, and retail sales agents are responsible for following all requirements

When a Supplier Offers a Coupon in Conjunction with a Retail Sales Agent

845-015-0165

- Suppliers may give consumer rebate coupons to retail liquor stores
- The supplier must furnish rebate coupons to all retail liquor stores carrying the product. Any advertising materials such as posters, signs, banners, or display racks the supplier provides to promote rebate coupons in a retail liquor store must comply with OAR 845-015-0175, 845-015-0177, and any other applicable state and federal regulations
- The supplier is responsible for the redemption of rebate coupons. The supplier and the retail customer are responsible for settling any disagreement about the supplier's coupon
- The rebate coupon may be only for distilled liquor and <u>only for consumption off the</u> <u>premises</u> (no coupons for on-premises consumption)
- Progressive-type coupons which provide a larger rebate when progressively more alcohol is purchased are permitted. An example of this would be a rebate that offers \$5 for the purchase of one bottle but \$12 for two



Suppliers, Retailers, and Retail Sales Agents

- Suppliers will distribute distilled liquor rebate coupons only through retail liquor stores or by publishing them in newspapers or magazines. Any newspaper or magazine advertising associated with rebate coupons must comply with OAR 845-015- 0175, 845-015-0177, and any other applicable state and federal regulations
- All rebate coupons offered in the State of Oregon must:
 - Be redeemable only by mail ("mail" includes coupons redeemed electronically, such as by email or digital application)
 - o Bear an expiration date
 - o Be accompanied by proof of purchase; and
 - Be valid only for adults of legal drinking age
- OLCC does not require or give pre-approval for coupons. Suppliers, retailers, and retail sales agents are responsible for following all requirements

When a Retailer Offers a Coupon

845-007-0015(6)

- Retailers may issue coupons on malt beverage, wine, cider, and distilled liquor and for consumption both on and off the premises
- The retailer must bear all costs associated with the redemption of the coupon and receive no payment from any supplier
- Examples of retailer issued coupons could include:
 - Rain checks issued by a retailer that allow a customer to get the advertised price of an alcoholic beverage product when a product is temporarily out of stock
 - Coupons or certificates that provide a discount on meals, including alcohol, to be consumed at a licensed premises
 - Coupons that provide a discount on any products the retailer sells, such as 10% off of a bill of \$50 or more
 - Customer loyalty programs such as club cards or frequent customer discount cards
- Retailer issued coupons may be instantly redeemable or by mail ("mail" includes coupons redeemed electronically, such as by email or a digital application)
- The retail licensee must pay for all discounts on alcoholic beverages provided under retailer issued coupons
- OLCC does not require or give pre-approval for coupons. Suppliers, retailers, and retail sales agents are responsible for following all requirements

For more information

If you have questions regarding the information in this guide, please email:

OLCC.SupplierInquires@Oregon.gov