Oregon Liquor & Cannabis Commission

# SUPPLIER ACCEPTING RETURN OF MALT BEVERAGES, WINE, OR CIDER FROM A RETAILER

## **Definitions**

- "Supplier" means:
  - o Manufacturers and wholesalers of alcoholic beverages in Oregon and their respective agents
  - o Any manufacturer or wholesaler of alcoholic beverages whose products 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
  - 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. For the purposes of this document, this means while acting as a supplier, not only must it treat all Full On-Premises Sales, Limited On-Premises Sales, Off-Premises Sales, and Temporary Sales Licenses as a retailer, it must treat all other Brewery-Public House licensees as a retailer
- "Retailer" means a holder of a valid:
  - o 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. For the purposes of this document, this means while acting as a retailer, not only must it treat all Brewery, Grower Sales Privilege, Warehouse, Wholesale Malt Beverage and Wine, and Winery licensees as a supplier, it must treat all other Brewery-Public House licensees as a supplier

# Returns for Credit or Cash: OAR 845-013-0020

- **Subsection (1)(a).** A supplier may give <u>credit or cash</u> to a retailer for malt beverages, wine, or cider that a retailer returns when the retailer has:
  - o Terminated, or is in the process of terminating, the business;
  - Temporarily stopped operating due to natural disaster;
  - Stopped operation for more than 29 days; or
  - Held a Temporary Sales License (aka "TSL). However, note that a Full On-Premises Sales licensee who held a TSL is does not qualify for this allowance.

#### What's the Process?

- 1. A retailer must obtain written approval from the OLCC in order to return beverages. A retailer should contact its local OLCC office: OLCC offices
- 2. A supplier must require the retailer to provide documentation of OLCC's approval. A supplier is not required to accept returns even if a retailer has documented OLCC approval.

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- **Subsection (1)(b).** A supplier may give <u>credit</u> to a retailer for malt beverages, wine, or cider that the cannot be exchanged as allowed under OAR 845-013-0070(3)(d) and (3)(e) because the supplier has no saleable product available. However, the supplier must:
  - Apply the credit to the retailers next purchase;
  - o Get the OLCC's prior written approval if the credit is for more than one case; and
  - o Limit the amount of the credit to the retailer's original purchase price for the product.

## Returns for an Exchange: OAR 845-013-0070

- Subsection (3)(d). A supplier may promptly exchange alcoholic beverages delivered in error for the proper product, provided both businesses reflect the exchange in their records.
- **Subsection (3)(e).** A supplier may exchange products that are leaking, deteriorating, near or past their shelf date, have damaged or missing labels, or have damaged containers for an equal quantity of identical product, or exchanging products that have been found to contain adulterated ingredients. If the amount exchanged is one case or less of malt beverages or if the product contains adulterated ingredients, the supplier may substitute another malt beverage product of similar value. A supplier may not exchange product that the retailer or retailer's customer damaged.

### Links to Rules:

- OAR 845-013-0020
- OAR 845-013-0070

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