

Article 14 - MANUFACTURERS, DISTRIBUTORS, NONBEVERAGE USERS; FARM WINERIES; MICROBREWERIES

(Last amended in 2003)

14-14-1. Definitions. As used in this article of these regulations, unless the context clearly requires otherwise, the following words and phrases shall have the meanings ascribed to them in this regulation:

(a) "Alcoholic liquor" means alcohol, spirits, wine, beer and every liquid or solid, patented or not, containing alcohol, spirits, wine or beer and capable of being consumed as a beverage by a human being. Alcoholic liquor shall not include any cereal malt beverage.

(b) "Beer" means a beverage, containing more than 3.2% alcohol by weight, obtained by alcoholic fermentation of an infusion or concoction of barley or other grain, malt and hops in water. The term beer includes beer, ale, stout, lager beer, porter and similar beverages having such an alcoholic content.

(c) "Beer distributor" means any person licensed pursuant to K.S.A. 1991 Supp. 41-307 to sell or offer for sale beer or cereal malt beverage to any person authorized by law to sell beer or cereal malt beverage at retail.

(d) "Beneficial interest" means any ownership interest by a person or that person's spouse in a business, corporation, partnership, trust, association or other form of business organization which exceeds 5% of the outstanding shares of that corporation or a similar holding in any other form of business organization.

Manufacturers; Distributors; Nonbeverage Users; Etc.

(e) "Bona fide group of grape growers and wine makers" means any group that is an incorporated, non-profit organization of commercial grape growers or wine makers who are organized for the purpose of promoting grape growing and wine making within the state of Kansas.

(f) "Bulk wine" means wine that is sold to a club, either by a retailer or a distributor, in barrels, casks or bulk containers which individually exceed 20 liters.

(g) "Caterer" means a person licensed pursuant to Article 22 of these regulations.

(h) "Cereal malt beverage" means any fermented but undistilled liquor brewed or made from malt or from a mixture of malt or malt substitute, but does not include any liquor which is more than 3.2% alcohol by weight.

(i) "Club" means the premises or person licensed pursuant to Articles 19 or 20 of these regulations.

(j) "Director" means the director of the division of alcoholic beverage control of the department of revenue.

(k) "Distributor" means any person licensed by the director as a "beer distributor," "spirits distributor" or "wine distributor."

(l) "Drinking establishment" means the premises or person licensed pursuant to Article 21 of these regulations.

(m) "Licensed premises" means those areas described in an application for a license which are under the control of the applicant and in which the applicant will conduct the licensed business.

(n) "Manufacturer" means every brewer, fermenter, distiller, rectifier, wine maker, blender, processor, bottler, person or other entity who fills or refills an original package or is engaged in brewing, fermenting, distilling, rectifying or bottling alcoholic liquor, beer or cereal malt beverage. A "manufacturer" shall also mean:

(1) A corporate subsidiary of any manufacturer which markets alcoholic liquor through a subsidiary; and

(2) an American distributor of alcoholic liquor manufactured, produced or bottled in a foreign country. A "manufacturer" shall not include a farm winery or a microbrewery.

(o) "Morals charge" means a charge made in an indictment, information or a complaint alleging crimes which involve:

- (1) Prostitution;
- (2) procuring any person;
- (3) solicitation of a child under 18 years of age for any immoral act involving sex;
- (4) possession or sale of narcotics, marijuana, amphetamines or barbiturates;
- (5) rape;
- (6) incest;
- (7) gambling;
- (8) adultery; or
- (9) bigamy.

(p) "Person" means any natural person, corporation, association trust or partnership.

(q) "Retailer" means a person licensed by the director to sell at retail, or offer for sale at retail, alcoholic liquor for consumption off the licensed premises of the retailer.

(r) "Small quantities of wines" means those quantities of wine that a grape grower or wine maker may import into the state to be used for bona fide educational and scientific tasting programs. A grape grower or wine maker may import up to 18 liters, or not more than .18 liters per participant, of each variety of wine manufactured for the Kansas state fair or any bona fide group of grape growers or wine makers.

(s) "Spirits" means any beverage which contains alcohol obtained by distillation, mixed with water or other substances in solution. The term "spirits" includes brandy, rum, whiskey, gin or other spirituous liquors, and liquors when rectified, blended or otherwise mixed with alcohol or other substances.

(t) "Spirits distributor" means any person licensed pursuant to K.S.A. 1991 Supp. 41-306 to sell or offer for sale spirits to any person authorized by law to sell spirits at retail.

(u) "Supplier" means a manufacturer of alcoholic liquor or cereal malt beverage or an agent of a manufacturer, other than a salesperson.

(v) "Wine" means any alcoholic beverage obtained by the normal alcoholic fermentation of the juice of sound, ripe grapes, fruits, berries or other agricultural products, including beverages containing added alcohol or spirits or containing sugar added for the purpose of correcting natural deficiencies.

(w) "Wine distributor" means any person licensed pursuant to K.S.A. 1991 Supp. 41-306a, to sell or offer for sale wine to any person authorized by law to sell wine at retail.

(Authorized by K.S.A. 1991 Supp. 41-210; implementing K.S.A. 1991 Supp. 41-102, 41-308a, as amended by 1992 HB 2719; effective, T-89-2, Jan. 7, 1988; effective Oct. 1, 1988; amended Jan. 2, 1989; amended, T-14-11-9-92, Nov. 9, 1992; amended Dec. 21, 1992.)

14-14-2. Application for manufacturer's, distributor's, nonbeverage user's, farm winery and microbrewery license; contents, conditions and restrictions on issuance of license. (a) An annual license shall be issued to each applicant determined by the director to have satisfied the requirements of the liquor control act and this article of these regulations.

(b) Each application for a license shall be made upon forms prepared by the director and shall contain all information the director deems necessary. Any application which does not contain the required information may be returned to the applicant without the application being considered on its merits.

(c) Each applicant shall provide a description of the licensed premises. The description shall state the location of the licensed premises, the approximate dimensions of the licensed premises and shall include enough detail to identify the licensed premises. Each application for a distributor's license shall include a description of any warehouse situated on and constituting a part of the licensed premises.

(1) Subject to the prior approval of the director, the distributor's licensed premises may include:

(A) More than one structure if no more than 400 meters separate any two structures sought to be licensed by the distributor; or

(B) a temporary storage area used exclusively for storage of alcoholic liquor by the distributor which may be more than 100 meters from any other part of the licensed premises.

(2) The licensed premises shall not include:

(A) An inside entrance or opening which connects directly with any other place of business or with a residence; or

(B) any premises which is located within 200 feet of any public or parochial school, college or church, unless the premises were licensed at the time the school, college or church was established.

(d) For the purpose of determining qualification for a license under this regulation, any person who leases premises to any licensee upon terms which result in the lessor having a beneficial interest in the licensee's business, shall be deemed to be a partner in the licensee's business. A lessor shall be deemed to have a beneficial interest in a licensee's business if the lessor receives as rent, in whole or in part, a percentage of the licensee's gross receipts or profits from the sale of alcoholic liquor. Percentage rent provisions that exclude alcoholic liquor sales shall be subject to review and approval by the director.

(e) This regulation shall take effect on or after October 1, 1988.

(Authorized by K.S.A. 1987 Supp. 41-210; implementing K.S.A. 41-211, 41-711, K.S.A. 1987 Supp. 41-311, 41-316, 41-317, 41-401, 41-402, 41-710; effective, T-89-2, Jan. 7, 1988; effective Oct. 1, 1988.)

14-14-3. Application for renewal of license, short method. (a) Any licensee making application for the renewal of an existing license may file a certified statement that the information contained in the licensee's most recent complete application has not changed except for those items specifically identified by the licensee as having changed. In addition to this certified statement, the licensee shall provide the following items with each renewal application:

(1) A certified statement that the renewal applicant is still qualified to obtain a license under the requirements of K.A.R. 14-14-2;

(2) the registration fee in the form of a certified check, cashier's check, money order or cash. Personal or business checks shall not be accepted;

(3) the license fee in the form of a certified check, cashier's check, money order or cash. Personal or business checks shall not be accepted; and

(4) the bond or bonds required of the licensee by the liquor control act.

(b) Notwithstanding the provisions of subsection (a), each licensee shall file a new and complete application, as required by K.A.R. 14-14-2, at least every five years.

(c) This regulation shall take effect on or after October 1, 1988.

(Authorized by K.S.A. 1987 Supp. 41-210; implementing K.S.A. 41-211, 41-327, K.S.A. 1987 Supp. 41-316, 41-317; effective, T-89-2, Jan. 7, 1988; effective Oct. 1, 1988.)

14-14-4. Corporate licensees, change of ownership updating application, certification that new owner qualified. (a) Each transfer of the stock of a corporation holding a manufacturer's license which results in any person holding 25 percent of the outstanding stock of the corporation shall be reported to the director. Within 20 days of the transfer of stock to that person, the corporation shall file with the director:

(1) A supplement to its current application reflecting the change; and

(2) a sworn statement that the person obtaining 25 percent or more of the outstanding shares is qualified under the liquor control act to hold a manufacturer's license.

(b) Each transfer of the stock of a corporation holding a distributor's license which results in any person obtaining a beneficial interest in the corporation shall be reported to the director. Within 20 days of the transfer of stock to that person, the corporation shall file with the director:

(1) A supplement to its current application reflecting the change in ownership; and
(2) a sworn statement that the person obtaining the beneficial interest in the corporation is:
(A) Qualified under the liquor control act to hold a distributor's license; or
(B) not qualified under the liquor control act to hold a distributor's license but meets the requirements of K.S.A. 1987 Supp. 41-311(d)(1)(A) or (B).

(c) Each corporation holding a manufacturer's, distributor's, farm winery, microbrewery or nonbeverage user's license shall keep a register of all stockholders, which shall be open for inspection by the director, the director's agents or employees at all reasonable business hours. The register shall contain the following information applicable to each stockholder.

- (1) Name;
- (2) current address;
- (3) amount of stock owned;
- (4) the amount which may be voted by power of attorney or proxy;
- (5) the date of acquisition of any stock; or
- (6) the execution or revocation of any power of attorney or proxy.

(d) The records of every corporation holding a manufacturer's, distributor's, farm winery, microbrewery or nonbeverage user's license shall reflect the election of all directors and the appointment of all officers of the corporation.

(e) This regulation shall take effect on or after October 1, 1988.

(Authorized by K.S.A. 1987 Supp. 41-210; implementing K.S.A. 1987 Supp. 41-311; effective, T-89-2, Jan. 7, 1988; effective Oct. 1, 1988.)

14-14-5. Franchises. (a) Definitions. As used in this regulation, the following terms shall have the meanings ascribed to them:

- (1) "Sale or distribution" includes the act of leasing, renting or consigning.
- (2) "Goods" means any personal property, real property, or any combination thereof.
- (3) "Other property" means a franchise, license, distributorship or other similar right, privilege or interest.

(4) "Franchise" means a written arrangement in which a supplier grants to a distributor a license to use a trade name, trademark, service mark, or related characteristic, and in which there is a community of interest in the marketing of goods or services at wholesale, retail, by lease, agreement or otherwise, including a commercial relationship subject to termination pursuant to K.S.A. 1989 Supp. 41-410. The arrangement grants the distributor the right to offer, sell and distribute within this state or any designated area, the supplier's brands of alcoholic liquors, cereal malt beverages, non-alcoholic malt beverages or all of them as may be specified.

(b) Franchise discrimination is prohibited.

(1) If more than one franchise for the same brand or brands of alcoholic liquor, cereal malt beverage or non-alcoholic malt beverages is granted to different distributors in this state, the supplier shall not discriminate in regard to price or availability of alcoholic liquor, cereal malt beverage or non-alcoholic malt beverages between distributors.

(2) A supplier shall not encourage, solicit, cause or conspire with a distributor to circumvent any laws or regulations of the state of Kansas relating to intoxicating liquor. A supplier shall not directly or indirectly threaten to remove or remove a line or brand from a distributor because of the refusal or failure of the distributor to evade or disobey any laws or regulations of the state of Kansas relating to intoxicating liquor. A supplier shall not, directly or indirectly, threaten to change distributors in retaliation against a distributor who refuses to circumvent any laws or regulations of the state of Kansas relating to intoxicating liquor.

(c) All ownership interest in a distributor's business shall be disclosed to the director.

(1) No person shall have, own or enjoy any ownership interest in, share in the profits from or otherwise participate in the business of any distributor in Kansas unless a full description of the interest is furnished to the director at the time the interest arises. The distributor shall report to the director within 20 days, any change in any interest in the distributor's business including:

- (A) Any division of the profits;
- (B) any division of net or gross sales for any purpose whatsoever;
- (C) any change in the payment of rents;
- (D) any change in the ownership of any lease or building;
- (E) any change in the ownership of any corporation that has any interest in the business or the change of management of that corporation; or
- (F) any loss or damage to goods which results in a claim against an insurance policy.

(2) If there is common ownership or financial interest in wholesale businesses licensed to distribute spirits or wine, either directly or indirectly, all of these businesses shall be deemed a controlled ownership group.

(3) The statement of disclosure required by this regulation shall be on a form provided by the director, shall be signed under oath and notarized and shall be an amendment to the licensee's permanent license application on file with the director.

(4) Each license issued by the director shall be valid as long as the licensee is actively engaged in business. If the licensee ceases to be actively engaged in business, the license shall be invalid and the licensee shall immediately notify the director and return the license.

(d) Each supplier and distributor shall file a summary of any franchise agreement with the director. The summary shall contain:

(1) a statement identifying each party entering into the agreement by name, address and license number;

(2) a statement describing each geographic territory agreed upon between the distributor and supplier for which the distributor is to sell to retailers one or more brands of the supplier's alcoholic liquor, cereal malt beverages or non-alcoholic malt beverages;

(3) a map outlining each geographical territory agreed to; and

(4) a statement listing all brands to be covered by the agreement.

(e) No manufacturer, vintner, importer, or other supplier shall grant a franchise for the distribution of a brand to more than one distributor for all or part of any designated territory. For purposes of identification and recognition, multiple franchises for the distribution of spirits or wine issued to one or more persons or to two or more corporations where an interlocking directorate exists or the same individuals are officers or stockholders in more than one of the corporations, shall be considered one franchise.

(f) Each spirits distributor's franchise agreement shall describe the franchise territory by naming each county unit encompassed. A territory shall not be smaller than a single county, but may encompass as few as one or as many as all 105 Kansas counties. Agreements for distribution throughout the entire state shall not name each county by name.

(g) Each wine and beer distributors' franchise agreement shall describe the franchise territory using readily identifiable geographic boundaries.

(h) The terms, conditions and requirements of this regulation are expressly made a part of the terms of each authority to do business in Kansas granted by the director to suppliers, distillers, manufacturers, importers, producers, shippers, or brokers.

(i)(1) Each supplier, importing into this state to a licensed distributor, shall apply to the director not later than 45 days in advance for a permit to import alcoholic liquor, cereal malt beverage or non-alcoholic malt beverages for which the distributor does not have a franchise to sell.

(2) Each request for a permit shall specifically identify the brand, type and quantity of the alcoholic liquor, cereal malt beverage or non-alcoholic malt beverages to be imported into the state. Alcoholic

liquor, cereal malt beverage and non-alcoholic malt beverages imported in accordance with this permit shall not be resold by the distributor.

(3) A copy of the permit issued by the director shall be attached to all records and reports required by K.A.R. 14-14-8 and 14-14-10.

(Authorized by K.S.A. 1989 Supp. 41-210; implementing K.S.A. 1989 Supp. 41-306a, 41-332, 41-409, 41-410, and 41-1101; effective, T-89-2, Jan. 7, 1988; effective Oct. 1, 1988; amended Jan. 1, 1989; amended July 1, 1991.)

14-14-6. (Authorized by K.S.A. 1987 Supp. 41-210; implementing K.S.A. 1987 Supp. 41-714; effective, T-89-2, Jan. 7, 1988; effective Oct. 1, 1988; revoked Jan. 3, 2003.)

14-14-6a. Withdrawal of inventory from the warehouse for sampling. (a) Any distributor may withdraw alcoholic liquor and cereal malt beverage inventory from the distributor's warehouse to provide educational opportunities to any of the following types of licensees in the course of business or at industry seminars:

- (1) Retail liquor stores;
- (2) clubs;
- (3) drinking establishments;
- (4) caterers; or
- (5) hotel drinking establishments.

(b) Any distributor may withdraw alcoholic liquor and cereal malt beverage inventory in the course of business to provide licensees with information on new product lines. Any distributor may provide each licensee with one individual bottle or one individual can from a new product line. The distributor shall provide these samples either on the distributor's licensed premises or on the premises of the recipient licensee.

(c) No licensee that receives an individual bottle or can from a distributor in the course of business shall sell the item received. Licensees and distributors shall comply with all other laws pertaining to the possession and consumption of alcoholic liquor and cereal malt beverages.

(d) Alcoholic liquor and cereal malt beverage inventory withdrawn for use at industry seminars shall be for licensees and their employees to sample the distributor's product lines. Each alcoholic liquor sample and cereal malt beverage sample offered by the distributor shall be consumed only on the seminar premises and in accordance with Kansas law. Each distributor shall notify the director, using a form available from the director, at least seven days before conducting an industry seminar.

(e) Each distributor shall pay the liquor enforcement tax on the alcoholic liquor and cereal malt beverage inventory when the inventory is withdrawn from the distributor's warehouse, based on the current posted bottle price or case price.

(Authorized by K.S.A. 41-210; implementing K.S.A. 41-709; effective Jan. 3, 2003.)

14-14-7. Sales and transfers of alcoholic liquor by distributors authorized, export permits. (a) A distributor may sell any alcoholic liquor pursuant to the issued license to the licensed premise of:

- (1) A distributor;
- (2) a retailer; or to
- (3) a military installation.

(b) A distributor may sell bulk wine and deliver to the licensed premise of a:

- (1) Club;
- (2) drinking establishment; or
- (3) caterer.

(c) A distributor may transfer any alcoholic liquor to another of the distributor's licensed premises. Transfers of alcoholic liquor between a distributor's licensed premises shall be evidenced by proper withdrawal and receiving tickets which shall be subject to inspection by the director.

(d)(1) Export permits may be issued by the director for the shipping of merchandise back to manufacturers when:

(A) Non-posted items are shipped into Kansas in error;

(B) merchandise in inventory is unsaleable and the supplier wants the merchandise returned rather than destroyed;

(C) the distributor does not wish to retain excess merchandise received in error; or

(D) issuing such a permit is deemed appropriate by the director.

(2) Requests to return merchandise shall be submitted to the director on forms prescribed by the director. Each request shall include:

(A) The total number of containers or cases in the shipment;

(B) the name, address and license number of the distributor;

(C) the justification for issuing a permit; and

(D) the name, address and license number of the supplier.

(3) If a distributor has received non-posted merchandise, a request for an export permit shall be submitted within five days of receipt of the merchandise.

(4) At the time of an export shipment, the distributor shall forward to the director:

(A) a copy of the invoice signed by the distributor's agent;

(B) a copy of the bill of lading signed by the carrier's agent; and

(C) an affidavit of proof of claim for credit for a refund on the gallonage tax.

(5) An export permit shall not be issued, or alcoholic liquor consigned, to any person or corporation in another state who is not authorized by that state to receive alcoholic liquor. All shipments shall be made by carrier, common carrier or private carrier.

(e) This regulation shall take effect on or after October 1, 1988.

(Authorized by K.S.A. 1989 Supp. 41-210; implementing K.S.A. 41-211, 41-801, K.S.A. 1989 Supp. 41-306, 41-306a, 41-307, 41-408, 41-701, 41-709; effective, T-89-2, Jan. 7, 1988; effective October 1, 1988; amended Aug. 6, 1990.)

14-14-8. Distributor's records required, reports required, filing of affidavits. (a) Each distributor, before selling or offering to sell any alcoholic liquor to any licensed retailer, club, drinking establishment, or caterer, shall file with the director a written statement sworn to under oath by the distributor, or in case of a corporation, one of its principal officers. In the statement, the distributor shall agree:

(1) It will sell any of the brands or kinds of alcoholic liquor for which it possesses a franchise to any retailer in the geographical territory serviced under the terms of the franchise without discrimination;

(2) that all sales will be made to each retailer in the territory at the same current price; and

(3) for all spirits and wines sold in the state, to file a price list of current prices offered to all retailers, clubs, drinking establishments or caterers with the director.

(b) The price listing required by paragraph (3), above, shall be filed at least every three months and shall include:

(1) The cash price for spirits and wine that are sold by the case or the bottle;

(2) the origin of the shipments;

(3) the price per case or bottle for each size of original packages of each particular brand or kind of spirits or wine; and

(4) any other information the director may require.

(c) Each distributor accepting shipment of alcoholic liquor into the state of Kansas shall furnish the director an invoice, or other commercial document or form approved by the director, covering each consignment of liquor received by the distributor. The invoice document or form shall be mailed at the time shipment is received at the distributor's licensed premises.

(d) Each distributor shall provide the director, between the 1st and 15th day of each calendar month, a return under oath of all alcoholic liquor bought and sold during the preceding calendar month. Such report shall state:

(1) The total amount of liquor purchased;

(2) the names and addresses of the suppliers or distributors from which the alcoholic liquor was purchased;

(3) the quantity of each brand of alcoholic liquor purchased;

(4) the price paid for each brand of alcoholic liquor purchased;

(5) the name and address of each retailer, club, drinking establishment or caterer to which alcoholic liquor was sold;

(6) the quantity of each brand of alcoholic liquor sold; and

(7) the price charged for each brand of alcoholic liquor sold.

(e) Each distributor shall keep upon the licensed premises records of all alcoholic liquor bought and sold, all receipts, all expenditures, all invoices and all sales tickets. All records of each distributor shall be maintained for three years and shall be available for inspection by the director or any agent or employee of the director or secretary upon request.

(f) This regulation shall take effect on or after October 1, 1988.

(Authorized by K.S.A. 1987 Supp. 41-210; implementing K.S.A. 1987 Supp. 41-409, 41-601, 41-602, 41-1101; effective, T-89-2, Jan. 7, 1988; effective Oct. 1, 1988.)

14-14-9. Nonbeverage user licensees records required. Each nonbeverage user shall keep records of all alcoholic liquor purchased by the nonbeverage user's business. The records shall contain the name, address and license number of the licensee from whom it purchased any alcoholic liquor and any other information the director may require. All records of each nonbeverage user shall be maintained for three years and shall be available for inspection by the director or any agent or employee of the director or secretary upon request. This regulation shall take effect on or after October 1, 1988.

(Authorized by K.S.A. 1987 Supp. 41-210; implementing K.S.A. 41-211; effective, T-89-2, Jan. 7, 1988; effective Oct. 1, 1988.)

14-14-10. Manufacturer's records required, reports required, filing of affidavits. (a) Each supplier shipping alcoholic liquor into the state of Kansas shall furnish the director with an invoice, or other commercial document or form approved by the director, covering each consignment of alcoholic liquor made into this state. The invoice document or form shall be mailed at the time the shipment leaves the manufacturer's warehouse. The invoice, copy of the commercial document or form shall also be mailed to the consignee at the time of shipment.

(b) Each supplier of alcoholic liquor shall keep records of all alcoholic liquor or wine sold by the licensee to a nonbeverage user. The records shall show the quantities of alcoholic liquor and wine sold to any nonbeverage user, the name, address, and license number of the nonbeverage user and any other information the director may require. All records of each supplier shall be maintained for three years and shall be available for inspection by the director or any agent or employee of the director or secretary upon request.

(c) Each supplier, before selling or offering to sell any alcoholic liquor to a distributor, shall file with the director a written statement sworn to under oath by the supplier, or in the case of a corporation, by one of its principal officers. In the statement, the supplier shall agree:

(1) To sell any of the brands or kinds of alcoholic liquor manufactured or distributed by it to each distributor with which it has a franchise without discrimination;

(2) that all sales will be made to each distributor in this state with which it has a franchise at the same current price; and

(3) for all spirits and wines sold in the state, to file with the director the price list of current prices offered to each distributor in this state with which it has a franchise agreement.

(d) The price listing required by paragraph (3), above, shall be filed at least every three months and shall include:

(1) The cash price for all spirits and wine sold in the state that are sold by the case;

(2) the origin of the shipments;

(3) the price per case for each size of original packages of each particular brand or kind of spirits or wine;

(4) a complete description of the alcoholic liquor to be offered for sale during the months concerned;

(5) the description of spirits and wine in cases including the brand, type, container size, number of containers in each case, actual weight per case and proof of all spirits;

(6) the alcoholic content of all wines;

(7) any other information the director may require; and

(8) the following information if such alcoholic liquor is sold in bulk by the barrel:

(A) The cash price;

(B) the wholly deferred or partly deferred payment price, f.o.b. the manufacturer's warehouse or point of shipment;

(C) the age;

(D) price per proof gallon;

(E) original gauge in bond;

(F) each class and type of particular brand or brands, if any, under which the alcoholic liquors in bulk will be bottled; and

(G) any other information the director may require.

(e) Each manufacturer shall forward by certified mail to each licensed distributor who possesses a franchise for the manufacturer's brands within the state of Kansas, a copy of the price list or amendment on the same date the price list or amendment required by subsection (d), above, is forwarded to the office of the director.

(f) This regulation shall take effect on or after October 1, 1988.

(Authorized by K.S.A. 1987 Supp. 41-210; implementing K.S.A. 1987 Supp. 41-402, 41-409, 41-601, 41-602, 41-1101; effective, T-89-2, Jan. 7, 1988; effective Oct. 1, 1988.)

14-14-11. Prohibited conduct of licensees. (a) No manufacturer of alcoholic liquor or cereal malt beverage holding a manufacturer's license issued by the director, manufacturer of alcoholic liquor or cereal malt beverage outside of this state manufacturing alcoholic liquor or cereal malt beverage for sale and distribution within the state, licensed distributor within the state, or their agents, salesmen or representatives shall offer, give or furnish, directly or indirectly, any gifts, prizes, coupons, premiums, rebates, quantity discounts, entertainment, decorations, or the services of any employee, including errands and administrative services, or any other inducement or thing of value of any kind to a licensed retailer, club, drinking establishment or caterer or to an applicant for a retailer, club, drinking establishment or caterer license except as provided in Article 10;

(b) No manufacturer, including a manufacturer outside of this state, that manufactures alcoholic liquor or cereal malt beverage for sale and distribution within this state shall offer, furnish or give, directly or indirectly, any rebates to any distributor, distributor's spouse, agent, salesperson or representative.

(c) A licensee shall not, as a condition for the sale or delivery of alcoholic liquor or cereal malt beverage to any other licensee or to a customer, require that the other licensee or customer purchase or contract to purchase alcoholic liquor or cereal malt beverage of another form, quantity or brand in addition to, or partially in lieu of, that which was specifically ordered or desired by the licensee or customer. Licensees of any class shall not sell or deliver alcoholic liquor or cereal malt beverage in any form or quantity or of any brand to another licensee or to a customer, under any arrangement, agreement or understanding, direct or implied, that the sale or delivery will be made only if the other licensee or customer also buys or accepts delivery of a quantity of alcoholic liquor or cereal malt beverage of another form or brand.

(d) If any licensee refuses to permit the director or any agent or employee of the director to inspect the licensed premises and any alcoholic liquor or cereal malt beverage owned or controlled by the licensee upon the licensed premises or upon any other premises where the licensee may have liquor stored, the refusal shall be grounds for the revocation of the license.

(e) A manufacturer shall be deemed to have discriminated against licensed distributors, including those possessing a franchise to distribute alcoholic liquor or cereal malt beverage in a geographical territory, if the manufacturer directly or indirectly, or through any agent or employee:

(1) Offers to sell or sells to a distributor alcoholic liquor in any manner that results in a price different than the current price which the manufacturer has offered to all distributors;

(2) requires a licensed distributor to purchase in excess of one case lot of any brand, or kind, or container size of that alcoholic liquor that is sold by the case;

(3) refuses to sell any brand or kind of alcoholic liquor, except beer, to a licensed distributor in any quantity ordered by a distributor in lots of one or more cases when alcoholic liquor is sold to distributors by the case;

(4) refuses to sell for cash at the current price any alcoholic liquor, to a licensed distributor, if such alcoholic liquor is ordered in a lot of one case or more and the price offered to distributors is by the case;

(5) refuses to sell any brand or kind of alcoholic liquor to a licensed distributor unless the licensed distributor purchases or agrees to purchase alcoholic liquor of another kind, form, quantity or brand in addition to, or partially in lieu of, the brand or kind of alcoholic liquor specifically ordered by the licensed distributor; or

(6) fails to fill orders of distributors for alcoholic liquor, other than beer, in the chronological sequence in which orders from distributors are received. This paragraph shall not apply when the manufacturer is operating under a rationing plan approved by the director.

(f) A distributor shall be deemed to have discriminated against licensed retailers, clubs, drinking establishments or caterers if it either directly or indirectly, or by any agent or employee:

(1) Makes an offer to make any secret rebate to or enters into any transaction in any manner whatsoever with any licensed retailer, club, drinking establishment or caterer which would result in, or which has as its purpose the purchase of any alcoholic liquor or cereal malt beverage at a price different than the current price offered to all retailers, clubs, drinking establishments or caterers;

(2) requires a licensed retailer to purchase in one-case lot of any brand, or kind, or container size of alcoholic liquor, except beer;

(3) refuses to sell any brand or kind of alcoholic liquor, except beer, to a licensed retailer for cash at the current price in any quantity ordered by the licensed retailer; or

(4) refuses to sell any brand or kind of alcoholic liquor or cereal malt beverage to a licensed retailer, club, drinking establishment or caterer unless the licensed retailer, club, drinking establishment or caterer purchases or agrees to purchase alcoholic liquor or cereal malt beverage of another kind, quantity, or brand in addition to, or partially in lieu of the brand or kind of alcoholic liquor or cereal malt beverage specifically ordered.

(Authorized by K.S.A. 1991 Supp. 41-210; implementing K.S.A. 1991 Supp. 41-402, 41-702, 41-703, 41-1101; effective, T-89-2, Jan. 7, 1988; effective Oct. 1, 1988; amended Dec. 21, 1992.)

14-14-12. (Authorized by K.S.A. 1987 Supp. 41-210; implementing K.S.A. 1987 Supp. 41-402, 41-408, 41-701, 41-709, K.S.A. 41-211, 41-405, 41-708, 41-712; effective, T-89-2, Jan. 7, 1988; effective Oct. 1, 1988; revoked May 27, 2005.)

14-14-13. Permit to import small quantities of wine. (a) A permit to import into this state small quantities of wines to be used for bona fide educational and scientific tasting programs may be issued by the director to the Kansas state fair or any bona fide group of grape growers or wine makers. Each organization shall apply for the permit not less than 45 days before the tasting program is to be held. Wines imported in accordance with this permit shall not be resold.

(b) Each request for a permit shall include the following information:

(1) The date and time of the tasting program;

(2) the exact location where the tasting program will be held;

(3) the brand, type and quantity of wine to be imported; and

(4) a statement that any wine samples offered will be consumed on the premises and in accordance with the provisions of Kansas law.

(c) A copy of the permit issued by the director shall accompany the wine imported into this state at all times.

(d) This regulation shall take effect on or after January 2, 1989.

(Authorized by and implementing K.S.A. 1987 Supp. 41-308a as amended by L. 1988, Vol. 1, Ch. 165, Sec. 1; effective Jan. 2, 1989.)

14-14-14. Transportation of alcoholic liquor and cereal malt beverage by distributors. Alcoholic liquor and cereal malt beverage purchased from and delivered by a distributor shall be delivered to the premises licensed to receive such purchase.

(Authorized by K.S.A. 1989 Supp. 41-210; implementing K.S.A. 1989 Supp. 41-306, 41-306a, 41-307; effective Aug. 6, 1990.)