RÉSUMÉ DIGEST

ACT 386 (SB 255) 2016 Regular Session

Morrell

<u>Prior law</u> established regulations for the business relations between suppliers and wholesalers of beer, including action prohibited by wholesalers and suppliers.

<u>New law</u> retains <u>prior law</u> and establishes a definition of a successor as a person who replaces a supplier, importer, broker, or wholesaler with regard to the right to manufacture, sell, distribute, broker, or import a brand or brands of beer or light wine.

<u>New law</u> creates obligations imposed upon a successor, regardless of the character of the succession. <u>New law</u> also provides a successor shall:

- (1) Become obligated to all the terms and conditions of the agreement in effect on the date of the succession.
- (2) Have the right to contractually require its wholesalers to comply with standards of performance if the standards are uniformly established and enforced for all of its similarly situated wholesalers and conform with <u>prior law</u>.

Effective August 1, 2016.

(Amends R.S. 26:802(A)(4); adds R.S. 26:802(A)(15) and 813)