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MARKETING PRACTICES BULLETIN – MPB 042005014dj
Retailer offering Price Discount to Consumer

To: Retail Off-Premise Industry

It has come to our attention that a segment of the retail industry has engaged in a practice whereby a retailer offers a consumer discount when certain quantities of alcohol beverages are purchased. Of particular concern is whether this practice constitutes a consumer inducement ordinarily prohibited under (16) TAC § 45.101 Rebates, Coupons, and Premium Stamps.

Generally, it shall be unlawful for the holder of a license or permit to give or offer to give to any person premium stamps or any other type of inducement with the purchase of alcoholic beverages. Further, no holder of a manufacturing, wholesale, or retail level license or permit may give any rebate or coupon redeemable by the public for the purchase of or for a discount on the purchase of any alcoholic beverage.

The Commission recognizes that retailers utilize various quantity pricing methods to attract consumers and drive sales. It is not the Commission's intention to dictate how a retailer prices his product to a consumer. Quantity pricing methods are allowable by retailers, so long as such practice is not tied to a rebate or coupon redemption program. Further, no retailer may be influenced or otherwise compensated or reimbursed by a member or the manufacturing or wholesale tier or a clearinghouse for any pricing discount offered to a consumer.

If you would like additional information or have questions regarding this bulletin, you may contact me in writing at P.O. Box 13127, Austin, TX 78711, by email at marketing.practices@tabc.state.tx.us or by phone at 512-206-3411 and by facsimile 512-206-3449

Kind Regards,

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