

NEW YORK STATE LIQUOR AUTHORITY  
FULL BOARD AGENDA  
MEETING OF NOVEMBER 6, 2013  
REFERRED FROM: COUNSEL'S OFFICE

2013-02965A

REASON FOR REFERRAL  
REQUEST FOR DIRECTION

2013-14 YEAR-END RETAILER INVENTORY  
REPLENISHMENT

(PROPOSED ADVISORY)

The Members of the Authority at their regular meeting held at the Zone I New York City Office on NOVEMBER 6, 2013 determined:

To: All wholesalers and retailers of liquor and wine

Subject: 2013-14 Year-end retailer inventory replenishment

As in past years and at the request of industry members, in order to provide retailers with sufficient time to restock their liquor and wine inventories using wholesaler's lower December prices, the Authority has approved the following:

- Retailer orders of liquor and wine received by wholesalers on December 30, 2013 or December 31, 2013 may either be delivered by close of business on December 31, 2013 or, at the option of the wholesaler<sup>1</sup>, may be invoiced for "bill and hold" as of that day. Product subject to "bill and hold" invoices dated December 31, 2013 may be stored by wholesalers free of charge until January 6, 2014 without being considered a violation of the gifts and services prohibition set forth in Alcoholic Beverage Control Law section 101(1)(c). Normal storage charges must be assessed against any goods which were placed in "bill and hold" storage on December 31, 2013 that have not been delivered by close of business on January 6, 2014.
- Wholesalers of liquor and wine may accept retailer orders on January 2, 2014 and January 3, 2014 utilizing either December, 2013 or January, 2014 prices, at the retailer's option.
- All retailer orders made on January 2, 2014 or January 3, 2014 utilizing December, 2013 pricing must be either delivered or invoiced for delivery to "bill and hold" as of 5:00 pm on January 3, 2014, however if a wholesaler finds it cannot complete deliveries of all such orders by 5:00 pm on January 3, 2014, and prefers not to deliver same to "bill and hold" then the wholesaler may forward a report to the SLA via email ([wholesale@sla.ny.gov](mailto:wholesale@sla.ny.gov)) by 5:00 pm on January 3, 2014, of all such orders received and complete delivery of said product no later than close of business on January 6, 2014. Any such goods invoiced for delivery to "bill and hold" must be delivered to retailers no later than close of business January 6, 2014. Product subject to "bill and hold" invoices utilizing December, 2013 pricing and dated January 2, 2014 or January 3, 2014 must be stored by wholesalers free of charge until delivery to the retailer which must occur on or before close of business January 6, 2014. Said free "bill and hold" storage applies only to invoices dated January 2, 2014 or January 3, 2014 and which utilize December, 2013 pricing. All invoices dated January 2, 2014 or January 3, 2014 that include items at January, 2014 prices are not eligible for free "bill and hold" storage, and will be considered a violation of the gifts and services prohibition set forth in Alcoholic Beverage Control Law section 101(1)(c).

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<sup>1</sup> This differs from normal practices in that the retailer is not making the choice to utilize "bill & hold" in this instance. As a general rule, retailers may not be required to utilize "bill & hold" procedures as a condition of any purchase. Additionally, "bill & hold" invoices must be dated as of the date the retailer's order is processed in order to facilitate proper payment in accordance with ABCL section 101-aa.

**DRAFT**

Moreover, normal storage charges must be assessed against any goods which were purchased at December, 2013 prices and placed in storage on January 3, 2014 that have not been delivered by close of business on January 6, 2014.

**DRAFT**

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2013-02965D

REASON FOR REFERRAL  
REQUEST FOR DIRECTION

NASSAU L 1261668  
COSTCO WHOLESALE CORP  
DBA: COSTCO LIQUOR  
605 ROCKAWAY TURNPIKE, SUITE B  
LAWRENCE, NY 11559

(REPORT OF LITIGATION)

The Members of the Authority at their regular meeting held at the Zone I New York City Office on NOVEMBER 6, 2013 determined: