



INDUSTRY ADVISORY

Price Posting – Fuel and Transportation Surcharges

Business and Professions Code Section 25000 requires manufacturers, importers and wholesalers of beer to file schedules of selling prices for brands of beer sold and distributed by these licensees to their customers in California. Section 25004 of the Code requires filing licensees to strictly adhere to the selling prices contained on those schedules.

In recent months, the Department has become aware that some manufacturers and importers have imposed fuel and transportation surcharges on invoices for beer sold to wholesalers in California and that these extra charges have not been incorporated into the posted selling prices listed on malt beverage price schedules (Form ABC-701) filed with the Department. This has the overall effect of increasing the per case price of the beer and violates Section 25004.

To the extent that your company may be presently engaged in this practice you must cease and desist immediately. Failure to do so constitutes a violation of state law and the Department may file disciplinary action that could lead to the suspension or revocation of your alcoholic beverage license.

Questions concerning this advisory should be directed to Patrick Deasy, Chief of Business Practices, at (916) 419-2500.