



AT THE BAR WITH BOWDITCH

A Legal Blog for the Craft Brewing Community

Proposed Massachusetts Bill Seeks to End Permanent Distributor Relationship

BY AIVI NGUYEN • OCTOBER 16, 2015

Much as it has played out on Capitol Hill and in other state legislatures, here in Massachusetts the battle continues as small beer brewers aim to create fair market conditions while larger breweries seek to maintain the status quo. A proposed bill attempts to upend a decades-old law that establishes permanent distribution rights to a product once a distributor has had a relationship with a supplier for six months. Such perpetual contracts defy public policy and legal precedent. However, the permanent distribution right can be disrupted by the state's Alcoholic Beverages Control Commission.

The bill seeks to end that permanent relationship so suppliers can evaluate a distributor's performance over time and choose who they want. [Opponents say that](#) “[u]nder H 245, virtually all beer brands distributed by a Massachusetts distributor would enjoy the special treatment, with the possible exception of the distributor's one major supplier, either Anheuser-Busch InBev or MillerCoors.” Despite the opposition, H 245 has over 80 sponsors on both sides of the aisle.