

New York's ABC Law establishes detailed pricing regulations for each tier of the state's three-tier system (suppliers, wholesalers, and retailers). These rules aim to prevent discriminatory pricing and undue inducements, requiring strict adherence to posted price schedules. Below is a comprehensive summary of pricing compliance obligations at each tier, including general duties and specific requirements for price posting, discounts, and promotions. **All citations refer to ABC Law provisions or State Liquor Authority (SLA) guidelines.**

Wholesalers

General Obligations

- **Uniform Pricing to Retailers:** Wholesalers must treat all retail licensees fairly and equally in terms of pricing. Just as suppliers cannot discriminate among wholesalers, a wholesaler **cannot discriminate among retailers** – the ABC Law prohibits offering a better price or discount to one retailer that is not offered to all others for the same product. In essence, *every retailer pays the same posted price* for a given brand and quantity. Wholesalers should be careful not to give favored chain stores or high-volume buyers any secret price concessions; volume-based deals can only be given if they are part of the posted schedule and available to *any* retailer meeting the quantity condition.
- **No Unlawful Inducements to Retailers:** It is unlawful for wholesalers to grant **any rebate, free product, allowance, cash payment, or other inducement** to retailers beyond the posted price and allowed discounts. This means no off-invoice rebates, no “buy one get one free” specials, no gifting of extra bottles, and no under-the-table incentives. The only discounts a wholesaler may give a retailer are the same two types allowed to suppliers: **quantity discounts** (on 2+ cases of the same item, as filed) and a **prompt payment discount up to 1%/10 days**. All other incentives are banned to prevent payola and unfair advantages. **Practical example:** A wholesaler cannot offer a bar owner a free case of vodka for “display purposes,” nor a cash rebate at year-end for volume purchases – those would violate the inducement prohibition. Even paying for a retailer’s advertising or providing lavish point-of-sale materials could be seen as an illegal allowance if not nominal and SLA-approved. (The SLA strictly controls retailer incentives; even interior/exterior signs advertising brands cannot be given by a wholesaler unless authorized, and typically must be of minimal value.)
- **Mandatory Sales to Licensed Retailers:** Under ABC Law §101-b(4-a), a wholesaler **may not refuse to sell** a liquor or wine brand to any licensed retailer who is entitled to purchase it, **provided the retailer offers cash payment** and the sale is otherwise lawful. In other words, if a product is posted and a retailer wants to buy it (and is not delinquent on payments), the wholesaler must honor the posted price sale – they cannot selectively deny a retailer to favor another. This “universal service” rule stops wholesalers from using allocation or arbitrary reasoning to pick and choose retail customers. **Exception – designated distributors:** A supplier (brand owner) is allowed to designate exclusive or

limited distributors for a brand by filing a distribution schedule (a list of authorized wholesalers) with the SLA . If a brand's owner has done so, only those listed wholesalers can sell that brand to retailers , and other wholesalers need not be supplied. But absent such a supplier restriction, any wholesaler carrying a brand must sell it to any requesting retailer at the posted price . A wholesaler also cannot demand a retailer buy other products as a condition – “**tie-in sales**” are **forbidden** (no forcing a retailer to, say, purchase a slow-moving product to get an in-demand one) .

- **No Tying or Exclusive Outlet Payments:** Wholesalers are subject to “tied house” rules that intersect with pricing compliance. They **cannot pay retailers for preferential placement or exclusive deals** – for example, paying a bar to carry only their brand is illegal. The ABC Law’s ban on inducements covers indirect incentives as well , so any scheme where a wholesaler offers value (money, gifts, services) in exchange for the retailer’s business is problematic. Wholesalers also must be mindful of **routine business courtesies**: even providing certain branded promotional items (like signage, coolers, tap handles) is regulated. The law explicitly says *no signs* (interior or exterior) advertising beer brands may be given to retail beer outlets without SLA permission , and similarly for liquor/wine signs to liquor stores . The SLA has guidelines on what inexpensive items are allowed (often items of nominal value like paper signs or brand mats may be permitted, but neon signs or any significant asset would be considered a forbidden gift). **Compliance tip:** Wholesalers should budget for retailers to purchase necessary promotional materials if desired, rather than gifting them outright. All such items should be invoiced (even if at cost) to avoid the appearance of a hidden “allowance” .
- **Record-Keeping:** Wholesalers must keep thorough records of all sales and purchases, including invoices that reflect the true terms of each sale . Invoices to retailers must state the quantities, brands, prices, and **all terms and conditions of sale** . If a term (like a discount or condition) is not on the invoice, giving it would be considered providing a hidden “service” or benefit, violating the law . For instance, if a wholesaler extends credit beyond what’s allowed, or delivers something extra not on the invoice, that is non-compliance. Wholesalers should also keep copies of their filed price schedules on premises for inspection . Maintaining clear invoices that match the posted schedule is a key compliance safeguard – it proves that no unlisted perks were given.

Pricing & Posting Requirements

- **Monthly Retail Price Posting:** Every New York wholesaler selling liquor or wine to retailers must file a **monthly retail price schedule** with the SLA . This schedule declares the prices at which the wholesaler will sell each alcoholic product (brand, size, etc.) to retail licensees for the upcoming month. Much like the suppliers’ schedules, the wholesaler’s retail price schedule must list each item’s brand, package details, the per-bottle and per-case prices to retailers, and any discounts for quantity or early

payment . It also must show the wholesaler's own net cost for the item , which the SLA uses to monitor that pricing isn't below cost or involving secret rebates. **All wholesalers of a given brand must post their prices**, unless the brand owner has limited distribution to specific wholesalers (in which case only those distributors post that brand) . Retail licensees rely on these posted price lists to know what they'll be charged.

- **Filing Deadline – 5th of the Month:** Retail price schedules are due **by the 5th day of the month immediately prior to the month in which they will be in effect** . In practice, wholesalers usually post one month ahead. For example, to sell in **July**, a wholesaler's price list must be filed by **June 5**. The posted prices then take effect on **July 1** and remain in force through July 31 . This is often called a "month-to-month" post-and-hold. **No mid-month price changes** are permitted; the price is locked for the calendar month (except in the limited adjustment window described below). If a wholesaler misses the deadline, they have no valid prices on file for that next month – meaning they legally cannot sell that product in that month. The SLA's electronic system allows filings as early as the 15th of the prior month and up to midnight of the 5th . It's wise for wholesalers to file early (and they can re-certify updates until the deadline) to avoid last-minute technical issues.
- **Publication & Review Period:** Once the 5th-of-month filing deadline passes, the SLA consolidates the retail price postings. **Within 10 days** (by roughly the 15th of the month), the Authority makes all wholesalers' price schedules available for inspection by licensees . In practice, the SLA provides an online **price lookup database** for retailers to verify wholesalers' current prices . This public posting promotes transparency and competition. **Crucially, wholesalers also use this period to review competitors' prices**. The law provides a short window for competitive adjustments: **within 3 business days after the price lists are published for inspection**, a wholesaler may **amend its filed schedule to reduce prices or increase discounts in order to meet a lower competing price** filed by another wholesaler for the same brand and item . This is often called the "**meet competition amendment**." It allows wholesalers to match the lowest price in the market, but **only downward and only to match** (not beat) a competitor's price . For example, if Wholesaler A originally posted a case of XYZ Vodka at \$100 but sees that Wholesaler B posted \$95 for that case, A can amend its filing to \$95 so it doesn't lose business. However, A could not go to \$94 – the law forbids undercutting beyond matching . The SLA's system is open on the 16th–18th of the month specifically to allow these price-lowering amendments . Any such amended price becomes effective on the first of the next month (same as original postings) .
Compliance note: The meet-competition clause is tightly restricted – it must be same brand, like item, and wholesalers can only lower prices or discounts, not raise them. After this window, **no further changes** can be made until the next filing cycle. Wholesalers should document any amendments they make and ensure they're truly to match a competitor's filed price (the SLA can investigate if a price drop looks suspiciously below all others).

- **“Hold” Duration:** Once in effect on the first of the month, a wholesaler’s posted prices **must hold for the entire month** (no deviations) . Retailers are also effectively locked into buying at those prices – there is no haggling once prices are posted. This system prevents price wars during the month and any secret last-minute deals. Wholesalers contemplating price changes have to wait for the next posting period (or use the above matching provision). The pricing month is thus a stable period where all transactions occur at the published rates.
- **Limited Availability Items:** If a product is in short supply or on allocation (e.g. limited-release spirits or rare wines), wholesalers must still price-post it like any other item. In fact, the SLA requires **all “limited availability” items to be clearly identified** on the price schedule by marking them with an “L” in the system . **No quantity discounts are allowed on limited availability items** . The rationale is that if a product is so scarce that retailers are allocated only small amounts, it shouldn’t have a volume discount that favors larger purchasers. Wholesalers should post such items at a unit price with no further discount for buying more. A common pitfall is failing to flag a limited product as limited; this could mislead retailers or invite enforcement if quantity discounts were mistakenly applied. Always update the “limited availability” designation when posting scarce products.
- **Quantity Discounts & Package Sizes:** Wholesalers, like suppliers, can offer quantity-based price breaks **only if filed in the schedule**. Typically, wholesalers will post both a bottle price and a lower case price (which inherently is a quantity discount for buying a full case). They may also offer additional discounts for multiple-case orders. The **same rule of 2+ applies** – any quantity discount must start at least at the purchase of two units of the relevant package . For instance, a wholesaler listing a \$10 bottle price and \$100 per case (12 bottles) is effectively giving a discount for the 12-bottle purchase. If they want to encourage larger orders, they might file a price of \$95 per case for 5 cases or more. Such gradations are allowed as long as they do not exceed any statutory maxima and are uniformly available . **Importantly, only one “unit of measure” may be discounted in a given month for a product** : wholesalers must decide whether to discount by the bottle **or** by the case, but not both for the same item in the same month. The SLA’s guidance explicitly says you cannot concurrently offer a bottle-level discount and a case-level discount on the identical item . This means if you post a case price (which is lower than the bottle price), you shouldn’t also offer a discount on purchasing multiple bottles below case quantity. Conversely, if something is sold only by the bottle (no case price given), you could then have a discount on, say, 3+ bottles. This rule prevents complex or stacked discounts that could be seen as a subterfuge to give extra deals. **Practical check:** Wholesalers should review each item each month to ensure they aren’t inadvertently double-discounting. The posted schedule format usually enforces this by only one discount field per item, but caution is warranted if, for example, a wholesaler contemplates both a half-case and full-case price – it must be structured carefully within the allowed format.

- **Early Payment Terms:** Wholesalers may offer retailers a small discount for prompt payment, mirroring the supplier's allowance. The legal limit is **1% if paid within 10 days** of delivery . In practice, many wholesalers simply offer “net 10 days, 1%” terms, meaning the retailer can deduct 1% if they pay within ten days. Offering a larger cash discount or requiring payment sooner than 10 days is not permitted by regulation (e.g., 2% 5 days would violate the rules) . All credit terms must also comply with New York's separate **30-day credit law** for beer and wine products (discussed below), but for liquor/wine, 30 days credit is generally allowed. Wholesalers should include any cash discount on their price posting and invoices. If a retailer doesn't pay within the discount period, they simply lose the discount – the wholesaler cannot then extend a new secret discount later.
- **Beer Pricing Note:** It should be noted that **beer (and low-alcohol wine products)** are not subject to the same price posting system as liquor and wine in NY. Beer wholesalers do not file monthly price schedules with the SLA for beer. Instead, beer pricing is governed by market dynamics and other rules, including the ABC Law §101-aaa which sets strict cash payment and credit rules for beer sales (e.g., no beer may be sold on credit beyond 30 days) . Additionally, beer wholesalers must adhere to their own non-discrimination provision (they cannot illegally discriminate between retailers either), but they adjust prices without the formal post-and-hold requirement. The focus of **pricing compliance for beer** is ensuring no sales to retailers on extended credit and no secret rebates or gifts – effectively many of the same fairness principles, but administered through credit law rather than posted price schedules. Wholesalers handling beer should be careful with promotional incentives as well; even though they don't post prices, they cannot give unlawful inducements (like extra product or equipment freebies) to select retailers. For the purposes of this summary, the detailed “price posting” requirements apply to wine and spirits wholesalers.
- **Public Availability of Price Lists:** All retail price schedules filed by wholesalers are open to public inspection once the SLA releases them to licensees . In fact, the SLA's **Public Price Lookup** tool allows anyone (including retailers and competitors) to see current posted prices . Wholesalers should expect that **retailers will comparison-shop** using these published lists. This encourages wholesalers to keep their prices competitive and honest. It also means any deviation a wholesaler might attempt (like an unposted deal) could be easily flagged by a retailer who sees a different price on the official list. **Compliance best practice:** use the openness to your advantage – regularly check the posted prices to ensure your sales staff are charging according to the filing (no more, no less), and be aware of competitor pricing trends.
- **Retention of Schedules:** Each wholesaler is required to **keep a copy of their currently effective price schedule on the licensed premises** . This copy should be available if a retailer or SLA inspector asks to see it. It's wise to keep a binder or electronic file of each month's postings. Since postings are legal attestations, maintaining archives is also useful for internal compliance audits.

- **Penalties for Non-Compliance:** Violations of the pricing rules by wholesalers carry the same tough penalties. The SLA may suspend or revoke a wholesaler's license and/or levy fines for any sale that violates the posted schedule rules . For example, selling at a price other than the filed price, giving a retailer an unposted rebate, or failing to file a required schedule are all punishable offenses. Additionally, selling to unlicensed purchasers or colluding with retailers to bypass rules (like disguising a rebate as something else) can lead to enforcement action. A wholesaler's license bond can be forfeited in egregious cases . **Common pitfalls for wholesalers:** Late filings (or data entry errors in filings) that result in unposted prices, granting "special" one-off deals to favored retailers, or simply forgetting to remove a discount on a limited item – these can all trigger violations. The SLA does conduct audits and sting operations; for instance, they might compare retailer purchase records against posted prices. If a retailer paid less than the posted price (without a valid posted discount to explain it), both the wholesaler and retailer could face charges. Thus, wholesalers must instill a compliance culture: sales reps should know the posted prices are sacrosanct, and any deviations or retailer requests for "better pricing off the record" must be refused. When in doubt, a wholesaler can petition the SLA for guidance or permission, but cannot unilaterally stray from the legal requirements.