

11 CSR 70-2.240 Advertising of Intoxicating Liquor and Nonintoxicating Beer

PURPOSE: *This rule allows manufacturers of intoxicating liquor to offer consumer rebate coupons and clarifies the advertising regulation as it applies to the advertising of sales price below cost.*

(1) No person engaged in business as a producer, manufacturer, brewer, bottler, importer, wholesaler or retailer of intoxicating liquor or nonintoxicating beer, directly or indirectly, shall publish or disseminate or cause to be published or disseminated in any newspaper, magazine or similar publication any advertisement of intoxicating liquor or nonintoxicating beer, unless the advertisement is in conformity with the regulations.

(A) These provisions shall not apply to the publisher of any newspaper, magazine or similar publication, unless the publisher is engaged in business as a producer, manufacturer, brewer, bottler, importer, wholesaler or retailer of intoxicating liquor or nonintoxicating beer, directly or indirectly.

(2) The term advertisement includes any advertisement through the media of radio, television, motion pictures, newspapers, magazines or similar publications or any sign or outdoor billboard or other printed or graphic matter, except that the term shall not include:

(A) Any label affixed to any container of intoxicating liquor or nonintoxicating beer or any individual covering, carton or other wrapper of a container; and

(B) Any editorial or other reading matter in any periodical or publication or newspaper for the preparation or publication of which no money or other valuable consideration is paid or promised, directly or indirectly, by any person subject to these regulations.

(3) Mandatory Statements.

(A) The advertiser shall state the name and address of the producer, manufacturer, bottler, brewer, importer, wholesaler or retailer responsible for its publication.

(B) The advertisement shall contain a conspicuous statement of the class and type or other designation of the product, corresponding with the complete designation which appears on the brand label of the product.

(C) The alcoholic content shall be stated in the manner and form in which it appears on the labels of intoxicating liquor or nonintoxicating beer advertised.

(D) In the case of distilled spirits (other than cordials, liqueurs and specialties) produced by blending or rectification, if neutral spirits have been used in the production of distilled spirits, there shall be stated in the advertisement the percentage of neutral spirits so used and the name of the commodity from which the neutral spirits have been distilled in substantially the manner and form in which these statements appear on the labels of the distilled spirits advertised. In the case of neutral spirits or of gin produced by a process of continuous distillation, there shall be stated in the advertisement the name of the commodity from which the neutral spirits or gin have been distilled substantially in the manner and form in which this statement appears on the labels of the distilled spirits advertised.

(E) Where an advertisement does not mention a specific product but merely refers to a class of intoxicating liquor or nonintoxicating beer (such as whiskey or beer) and the advertiser markets more than one (1) brand of intoxicating liquor or nonintoxicating beer of that class, or where the advertisement refers to several classes of intoxicating liquor or nonintoxicating beer (such as whiskey, brandy, rum, gin, liqueur, wine, beer, etc.) marketed under a single brand, the only mandatory information

prescribed by section (1) applicable to advertisement would be the name and address of the responsible advertiser.

(F) Advertisements by retail establishments which merely refer to the availability of intoxicating liquor or nonintoxicating beer in these establishments, but which otherwise make no reference to a specific brand of intoxicating liquor or nonintoxicating beer shall be subject only to the prohibited statements provisions of section (5) of this rule.

(4) Statements required by these regulations to be stated in any written, printed or graphic advertisement shall appear in lettering or type of a size, kind and color sufficient to render them both conspicuous and readily legible. In particular

(A) Required information shall be stated against a contrasting background and in type or lettering which is at least the equivalent of eight (8)-point type;

(B) Required information shall be so stated as to appear to be a part of the advertisement and shall not be separated in any manner from the remainder of the advertisement;

(C) Where an advertisement relates to more than one (1) product, the required information shall appear in a manner as to clearly indicate the particular products to which it is applicable; and

(D) Required information shall not be buried or concealed in unrequired descriptive matter or decorative designs.

(5) No advertisement of intoxicating liquor or nonintoxicating beer shall contain:

(A) Any statement that is false or misleading in any material particular;

(B) Any statement that is disparaging of a competitor's products;

(C) Any statement, design, device or representation which is obscene, indecent, in poor taste or conveys a derogatory connotation;

(D) Any statement design, device or representation of or relating to analyses, standards, or tests, irrespective of falsity, which is likely to mislead the consumer;

(E) Any statement, design, device or representation of or relating to any guarantee, irrespective of falsity, which is likely to mislead the consumer. Nothing in this subsection shall prohibit the use of any enforceable guarantee in substantially the following form: "We will refund the purchase price to the purchaser if s/he is in any manner dissatisfied with the contents of this package";

(F) Any statement that the product is produced, blended, brewed, made, bottled, packaged, sold under or in accordance with any authorization, law or regulation of any municipality, county, state, federal or foreign government unless the statement is required or specifically authorized by the laws or regulations of the government; and, if a municipality, county, state or federal permit number is stated, the permit number shall not be accompanied by an additional statement relating to it;

(G) Any statement offering any coupon, premium, prize, rebate, sales price below cost or discount as an inducement to purchase intoxicating liquor or nonintoxicating beer except, manufacturers of intoxicating liquor other than beer or wine shall be permitted to offer and advertise consumer cash rebate coupons and all manufacturers of intoxicating liquor may offer and advertise coupons for nonalcoholic merchandise in accordance with section 311.355, RSMo;

(H) Any statement offering free delivery or credit terms to consumers, as an inducement to purchase intoxicating liquor or nonintoxicating beer; and

(I) A price that is below the retailer's actual cost.

(6) The advertisement shall not contain any statement concerning a brand or lot of intoxicating liquor or nonintoxicating beer that is inconsistent with any statement on the labeling.

(7) The advertising shall not contain any statement, design or device representing that the use of any intoxicating liquor or nonintoxicating beer has curative or therapeutic effects or tending to create an impression that it does have curative or therapeutic effects.

(8) No advertisement shall contain any statement, design, device or pictorial representation of or relating to, or capable of being construed as relating to the armed forces of the United States or of the American flag, any state flag, or of any emblem, seal, insignia or decoration associated with any such flag or the armed forces of the United States; nor shall any advertisement contain any statement device, design or pictorial representation of or concerning any flag, seal, coat of arms, crest or other insignia, likely to falsely lead the consumer to believe that the product has been endorsed, made or used by or produced for or under the supervision of or in accordance with the specifications of the government, organization, family or individual with whom the flag, seal, coat of arms, crest or insignia is associated.

(9) An advertisement for distilled spirits shall not contain:

(A) The words bond, bottled in bond, aged in bond, or phrases containing these or synonymous terms, unless these words or phrases appear upon the labels of the distilled spirits advertised and are stated in the advertisement in the manner and form in which they appear upon the label;

(B) Any statement, design or device, directly or by implication concerning age or maturity of any brand or lot of distilled spirits unless a statement of age appears on the labels of the advertised product. When any statement, design or device concerning age or maturity is contained in any

advertisement, it shall include (in direct conjunction with the advertisement and with substantially equal conspicuousness) all parts of the statement concerning age and percentages, if any, which appear on the label. However, an advertisement for any whiskey or brandy, which does not bear a statement of age on the label or an advertisement for rum which is four (4) years or more old, may contain general inconspicuous age, maturity or other similar representations, for example aged in wood, mellowed in fine oak cask; and

(C) A representation that intoxicating liquor or nonintoxicating beer was manufactured in or imported from a place or country other than of its actual origin or was produced or processed by one who was not in fact the actual producer or processor.

(10) An advertisement for wine shall not contain:

(A) Any statement of bonded winecellar or bonded winery numbers unless stated in direct conjunction with the name and address of the person operating the winery or storeroom. Statement of bonded winecellar and bonded winery numbers may be made in the following form: "Bonded Winecellar No. . . .," "Bonded Winery No," "B.W.C. No," or "B.W. No," No additional reference to numbers shall be made, nor shall any use be made of a statement that may convey the impression that the wine has been made or matured under United States government or any state government supervision or in accordance with United States government or any state government specifications or standards.

(B) Any statement, design, device or representation which relates to alcoholic content or which tends to create the impression that a wine is unfortified or has been fortified or has intoxicating qualities or contains distilled spirits except for a reference to distilled spirits in a statement of composition where the statement is required by these regulations to appear as a part of the designation of the product.

(11) No statement of age or representation relative to age (including words or devices in any brand name or mark) shall be made, except that

(A) In the case of vintage wine, the year of vintage may be stated if it appears on the label; and

(B) Truthful references of a general and informative nature relating to methods of production involving storage or aging, for example "This wine has been mellowed in oak casks," "Stored in small barrels" or "Matured at regulated temperatures in our cellars," may be made.

(12) The statement of any bottling date shall not be deemed to be a representation relative to age, if the statement appears without undue emphasis in the following form: "bottled in," (inserting the year in which the wine was bottled).

(13) No date, except as provided in this section and section (12) of this rule with respect to statement of vintage year and bottling date, shall be stated unless, in addition to the year and date, and direct conjunction with the year and date, in the same size and kind of printing there shall be stated an explanation of the significance of the date. If any date refers to the date of establishment of any business, this date shall be stated without undue emphasis and in direct conjunction with the name of the person to whom it refers.

(14) The advertisement shall not represent that the wine was manufactured in, or imported from, a place or country other than that of the actual origin or produced or processed by one who was not in fact the actual producer or processor.

(15) No retail licensee shall advertise for sale any brand of intoxicating liquor or nonintoxicating beer unless s/he has the particular brand and size of container or package of intoxicating liquor or nonintoxicating beer in his/her licensed premises for sale.

(16) No wholesale licensee shall allow any sign owned by him/her or advertising his/her product to be placed or allowed to remain on or upon any building unless the building has an occupant holding a license issued by the supervisor.

(17) No wholesale or retail licensee shall use any loudspeaker or public address system to advertise intoxicating liquor or nonintoxicating beer.

(18) No producer, manufacturer, brewer, bottler, importer or wholesaler of intoxicating liquor or nonintoxicating beer shall advertise the retail price or suggested retail price of intoxicating liquor or nonintoxicating beer.

AUTHORITY: section 311.660, RSMo 1994.* This version of rule filed Feb. 8, 1973, effective Feb. 18, 1973. Amended: Filed Dec. 12, 1986, effective Feb. 28, 1987. Amended: Filed Jan. 22, 1996, effective July 30, 1996. Amended: Filed Feb. 27, 1998, effective Aug. 30, 1998.

*Original authority 1939, amended 1989.

State ex rel. Letz v. Riley, 559 SW2d 631 (Mo. App. 1977). Despite the issuance by the attorney general of a "no action" letter stating that certain games in theory were not violative of Chapter 563, RSMo, the doctrine of equitable estoppel was not available to support an injunction restraining the supervisor of the Division of Liquor Control from enforcing Liquor Control Regulation 15(k) (prohibiting any licensee from allowing any sort of gambling upon licensed premises) and 25II(c)(1)(g) (restricting advertisement of intoxicating liquor and nonintoxicating beer).

Milgram Food Stores, Inc. v. Ketchum, 384 SW2d 510, (Mo. App. 1965) cert. denied, 382 U.S. 801. Regulation 15(f)(5) (now covered by 11 CSR 70-2.240(2) and (5)(G) and (H)) prohibiting the advertisement of intoxicating liquor which offers any coupon, premium, prize, rebate as an inducement to purchase such intoxicating liquor, did have a reasonable relation to and in accord with the provisions and purposes of the Liquor Control Law; and that rule is not unreasonable, arbitrary and capricious as claimed by the respondent, as to "free" Santa Claus covers offered in advertisement with purchase of

certain liquors, this fell within prohibited practices and suspension of respondent's license for twenty-five (25) days was not unreasonable.