Anheuser-Busch
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Michigan Senate Regulatory Reform Committee
Testimony on Senate Bill 667
February 3, 2016

Chairman Rocca, Vice Chairman Jones, Ranking Member Warren and members of the Michigan Senate Regulatory Reform Committee, my name is Scott Corbitt and I am the Director of State Affairs for Anheuser-Busch. Thank you for allowing me the opportunity to express Anheuser-Busch's support of Senate Bill 667.

Of the changes made in Senate Bill 667, three changes codify and update specific rules governed by the Michigan Liquor Control Commission. The fourth change in the legislation simply adds three items to the approved secondary use list. All four changes will provide flexibility to Michigan wholesalers, retailers and consumers.

Trade Spending -- Senate Bill 667 increases the amount of trade spending a manufacturer or wholesaler can do in an on-premise account. The modest increase goes from $50 per day to $100 per day per licensee. This change will give more customers in a bar or restaurant setting the opportunity to try new products that hit the market. The cost of this promotion is covered entirely by the manufacturer or the wholesaler.

Price-Posting – The administrative code requires beer prices to be held for 180 days after a price change has been filed with the Michigan Liquor Control Commission. The change in Senate Bill 667 would codify the rule and decrease the hold requirement to 90 days, which provides better pricing flexibility.

Display Enhancers – The language in Senate Bill 667 codifies and amends a November 18, 1999 order from the Michigan Liquor Control Commission which limited beer display enhancers at $100 per item for off and on premise retailers. The new language increases that limit to $200 per item.

The fourth and final change in Senate Bill 667 amends current statute to add three items to the approved secondary use list: suction cups, cooler door attachments and tear pad holders.

I would like to thank Senator Stamas for bringing this much needed legislation forward.

Thank you Chairman Rocca and committee members for your consideration and I'm happy to take any questions.