

**MICHIGAN LIQUOR CONTROL CODE OF 1998 (EXCERPT)**  
**Act 58 of 1998**

**436.1401 Wholesalers to be granted exclusive sales territory by manufacturer and outstate seller of beer and malt beverages.**

Sec. 401.

(1) A manufacturer and outstate seller of beer and malt beverages shall grant to each of its wholesalers an exclusive sales territory, as agreed on between the wholesaler and manufacturer or outstate seller of beer, within which the wholesaler is the exclusive distributor of the specified brand or brands of the manufacturer or outstate seller of beer.

(2) If the manufacturer or outstate seller manufactures or supplies more than 1 brand of beer or malt beverage, the manufacturer or outstate seller may grant exclusive sales territories to different wholesalers for the sale of the different brand or brands.

(3) Notwithstanding subsection (2), a brand extension is not considered a new or different brand. A manufacturer or outstate seller of beer or malt beverages shall assign a brand extension to the wholesaler that was granted the exclusive sales territory to the brand from which the brand extension resulted.

(4) Subsection (3) does not apply if, before January 1, 1994, a manufacturer or outstate seller of beer or malt beverages had assigned a brand extension to a wholesaler that was not the appointed wholesaler for the brand from which the brand extension was made.

(5) Subsection (3) does not apply if, before October 1, 2019, a successor manufacturer or successor outstate seller of beer or malt beverages had assigned a brand extension to a wholesaler that was not the appointed wholesaler for the brand from which the brand extension was made.

(6) The sales territory under this section is the territory agreed on between the wholesaler and manufacturer or outstate seller of beer.

**History:** 1998, Act 58, Imd. Eff. Apr. 14, 1998 ;-- Am. 2020, Act 113, Imd. Eff. July 1, 2020