

VWBA – Compensation  
February 28, 2018

If the committee prefers to go with 5 times gross profits, VWBA proposes as follows:

(3) As used in this section, “~~reasonable~~ compensation” means the cost of the wholesale dealer’s laid-in inventory related to the terminated franchise and five times the average annual gross profits earned by the wholesale dealer on the **sale of the terminated franchise products** during the last three fiscal years or, if the franchise has not been in existence for three years, the average annual gross profits earned during the period of time during which the franchise has been in existence. “Gross profits” **is defined as the total revenue received by the wholesale dealer from sales of the terminated franchise products minus the cost of said products including shipping and taxes.**

#### **§ 702. Prohibited acts by manufacturer**

A manufacturer shall not:

\* \* \*

(3) fail or refuse to deliver promptly to a wholesale dealer after the receipt of its order any malt beverages or vinous beverages when the product is available ~~publicly advertised~~ for immediate sale.