Memorandum

TO: Retail and wholesale permittees

Date: July 11, 2019

Subject: Electronic Data Interchange

Discussion:

A number of retail outlets have begun utilizing electronic data interchange (EDI) platforms under various trade names. An EDI platform allows invoices, pricing information, and similar information be shared between retailers and wholesalers. There is no prohibition against the use of such EDI software; however, it has been brought to our attention that some retailers are requiring wholesalers to use their EDI platform and pay a fee to offset their cost of adopting the EDI platform.

Retailers may not require a wholesaler to provide any sort of gift or service. This practice runs afoul of Arkansas’s three-tier system and Rule 2.28 (4) explicitly prohibits wholesalers from providing any gift of service. This practice constitutes a Class A violation under A.C.A. § 3-4-403 (8).

Sincerely,

[Signature]

Doralee Chandler
Director

DC/lcm