Authority: 15 U.S.C. 49–50; 27 U.S.C. 202 and 205; 44 U.S.C. 3504(h).

Par. 2. Section 6.1 is revised to read as follows:

§ 6.1 General.

The regulations in this part, issued pursuant to section 105 of the Federal Alcohol Administration Act (27 U.S.C. 205), specify practices that are means to induce under section 105(b) of the Act, criteria for determining whether a practice is a violation of section 105(b) of the Act, and exceptions to section 105(b) of the Act. This part does not attempt to enumerate all of the practices that may result in a violation of section 105(b) of the Act. Nothing in this part shall operate to exempt any person from the requirements of any State law or regulation.

§ 6.4 [Amended]

Par. 3. Section 6.4 is amended by removing the reference to "section 5(b) of the Federal Alcohol Administration Act" where it appears in paragraph (b) and replacing it with a reference to "section 105(b) of the Federal Alcohol Administration Act".

Par. 4. Section 6.5 is added to subpart A to read as follows:

§ 6.5 Administrative provisions.

- (a) General. The Act makes applicable the provisions including penalties of sections 49 and 50 of Title 15, United States Code, to the jurisdiction, powers and duties of the Director under this Act, and to any person (whether or not a corporation) subject to the provisions of law administered by the Director under this Act. The Act also provides that the Director is authorized to require, in such manner and such form as he or she shall prescribe, such reports as are necessary to carry out the powers and duties under this chapter.
- (b) Examination and Subpoena. The Director or any authorized ATF officers shall at all reasonable times have access to, for the purpose of examination, and the right to copy any documentary evidence of any person, partnership, or corporation being investigated or proceeded against. The Director shall also have the power to require by subpoena the attendance and testimony of witnesses and the production of all such documentary evidence relating to any matter under investigation, upon a satisfactory showing that the requested evidence may reasonably be expected to yield information relevant to any matter being investigated under the Act.
- (c) Reports required by the Deputy Associate Director (Regulatory Enforcement Programs).

- (1) General. The Deputy Associate Director (Regulatory Enforcement Programs) may, as part of a trade practice investigation of an industry member, require such industry member to submit a written report containing information on sponsorships, advertisements, promotions, and other activities pertaining to its business subject to the Act conducted by, or on behalf of, or benefiting the industry member
- (2) Preparation. The report will be prepared by the industry member in letter form, executed under the penalties of perjury, and will contain the information specified by the Deputy Associate Director (Regulatory Enforcement Programs). The period covered by the report will not exceed three years.
- (3) *Filing.* The report will be filed in accordance with the instructions of the Deputy Associate Director (Regulatory Enforcement Programs).

(Approved by the Office of Management and Budget under control number 1512–0392)

Par. 5. Section 6.11 is amended by adding the definitions for "ATF officer," "brand," "Deputy Associate Director (Regulatory Enforcement Programs)" and "Director" and by removing the term "retailer establishment" and adding in its place "retail establishment" and placing it in appropriate alphabetical order.

§ 6.11 Meaning of terms.

* * * * *

ATF officer. An officer or employee of the Bureau of Alcohol, Tobacco and Firearms (ATF) authorized to perform any function relating to the administration or enforcement of this part Brand. For purposes of administering this part, the term "brand" refers to differences in the brand name of a product or in the nature of a product. Examples of different brands are products having a different brand name or class, type, or kind designation; appellation of origin (wine); vintage date (wine); age (distilled spirits); or percentage of alcohol. Differences in packaging such as difference in label design or color, or a different style, type or size of container are not considered different brands.

Deputy Associate Director (Regulatory Enforcement Programs). The principal ATF headquarters official responsible for administering regulations in this part. Director. The Director, Bureau of Alcohol, Tobacco and Firearms, the Department of the Treasury, Washington, DC.

* * * * *

Par. 6. Section 6.25 is revised to read as follows:

§ 6.25 General.

The act by an industry member of acquiring or holding any interest in any license (State, county or municipal) with respect to the premises of a retailer constitutes a means to induce within the meaning of the Act.

Par. 7. Section 6.27 is amended by revising paragraph (a) to read as follows:

§ 6.27 Proprietary interest.

(a) Complete ownership. Outright ownership of a retail business by an industry member is not an interest which may result in a violation of section 105(b)(1) of the Act.

Par. 8. Section 6.31 is revised to read as follows:

§ 6.31 General.

The act by an industry member of acquiring an interest in real or personal property owned, occupied, or used by the retailer in the conduct of business constitutes a means to induce within the meaning of the Act.

Par. 9. Section 6.33 is amended by revising paragraph (a) to read as follows:

§ 6.33 Proprietary interest.

(a) Complete ownership. Outright ownership of a retail business by an industry member is not an interest that may result in a violation of section 105(b)(2) of the Act.

Par. 10. Section 6.41 is revised to read as follows:

§ 6.41 General.

Subject to the exceptions listed in Subpart D, the act by an industry member of furnishing, giving, renting, lending, or selling any equipment, fixtures, signs, supplies, money, services, or other things of value to a retailer constitutes a means to induce within the meaning of the Act.

Par. 11. Section 6.42 is revised to read as follows:

§ 6.42 Indirect inducement through third party arrangements.

(a) General. The furnishing, giving, renting, lending, or selling of equipment, fixtures, signs, supplies, money, services, or other thing of value by an industry member to a third party, where the benefits resulting from such things of value flow to individual retailers, is the indirect furnishing of a thing of value within the meaning of the Act. Indirect furnishing of a thing of value includes, but is not limited to, making payments for advertising to a retailer association or a display