

STATE OF MAINE

KENNEBEC, SS.

COCA-COLA BOTTLING PLANTS, INC.)

ASSURANCE OF
DISCONTINUANCE

In accordance with the Unfair Trade Practices Act,
 Title 5 M.R.S.A. § 206 et seq., the Attorney General for
 the State of Maine has investigated a pricing promotion of
 Coca-Cola Bottling Plants, Inc., and has reason to believe
 that:

1. Coca-Cola Bottling Plants, Inc. is a Delaware corporation which is qualified to do business in the State of Maine and engages in the business of distributing the following brands of soft drinks: Coca-Cola, Tab and Sprite, to various retailers throughout the State of Maine.

2. During the months of January and February, 1982, Coca-Cola Bottling Plants, Inc. engaged in various promotions of Coca-Cola, Tab and Sprite. The terms and conditions of the various promotions are detailed in the promotion offers, copies of which are incorporated herein and marked as Exhibits A, B, C, D and E.

3. After investigation, the Attorney General's Office has reason to believe that the various promotions of Coca-Cola Bottling Plants, Inc. were not offering the same product on

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proportionately equal terms to all of its customers, were not communicated to all of its customers and were not made available to all of its customers. In addition, the promotion offers appear to violate the rule that any agreement between a seller and its buyer fixing the price at which the buyer may resell the products is a per se violation of the Sherman Act because the offer specifies retail prices and then proceeds to couple that with a performance section implying an obligation on a retail seller to sell at a lower price.

As a result, the Attorney General believes that the above promotions constitute an unfair method of competition and an unfair practice in the conduct of trade in violation of Title 5 M.R.S.A. § 207 of the Unfair Trade Practices Act.

In lieu of bringing any action pursuant to Title 5 M.R.S.A. § 209, the Attorney General and Coca-Cola Bottling Plants, Inc., agree to the filing of this Assurance of Discontinuance whereby Coca-Cola Bottling Plants, Inc. assures that future promotions will conform to the following requirements:

1. Whenever Coca-Cola Bottling Plants, Inc. makes payments, discounts prices or furnishes goods or services in connection with a promotion, it will incorporate all terms and conditions of said promotion in the written plan.

2. Coca-Cola Bottling Plants, Inc., will provide each retail account with a copy of the plan at least two weeks in advance before the commencement of the promotion. If the promotion is offered by a salesperson, then the salesperson shall present a copy of the plan directly to the retailer.

3. Coca-Cola Bottling Plants, Inc. shall maintain a file for each promotion containing:

- a) a copy of the promotion plan;
- b) a composite list showing the names of the retailers; the date the retailer received a copy of the written promotion plan and whether the retailer elected to participate in the plan;
- c) cost justification figures for any price discrimination. This cost justification should include the complete work papers and a summary of the method used in the cost study. The work papers should be detailed enough so that each input is identified and the mechanical process of computation explained so that the final cost can be traced back to the original inputs. Those inputs in addition should be identified according to the source from the company's accounting books, records and journals.

Files shall be maintained for at least one calendar year following the termination of the promotion.

4. All customers of Coca-Cola Bottling Plants, Inc., shall be offered the same product on proportionately equal terms.

5. Any promotional offer shall make it clear that any resale price is suggested only and shall not apply in any manner an obligation on the retail seller to sell at their suggested prices.

6. The parties understand that evidence of a violation of this Assurance constitutes prima facie evidence of an act or practice declared unlawful under Chapter 10, Title 5 M.R.S.A. § 206 et seq. in any action later brought under Chapter 10. Accordingly, to insure that management and sales personnel of Coca-Cola Bottling Plants, Inc. are aware of this Assurance of Discontinuance, Coca-Cola agrees to prepare an additional brochure which will briefly describe the requirements of the Robinson-Patman Act, refer to this Assurance of Discontinuance and explain the repercussions if this Assurance is violated. This brochure will be prepared within 30 days of the signing of this Assurance and shall be in a form which is acceptable to the Attorney General's Office. The brochure will then be distributed to all management and sales personnel of Coca-Cola Bottling Plants, Inc.

7. By entering into this Assurance of Discontinuance Coca-Cola Bottling Plants, Inc. does not admit the promotions complained of constituted an unfair method of competition or an unfair practice in the conduct of trade. In fact, Coca-Cola Bottling Plants, Inc. expressly denies these allegations.

Date: 3/16/83

STATE OF MAINE
JAMES E. TIERNEY
Attorney General

Steven R. Davis
WITNESS

By: Michael N. Westcott
MICHAEL N. WESTCOTT
Assistant Attorney General

Date:

COCA-COLA BOTTLING PLANTS, INC.

3/8/83

By: Oakley Jones
OAKLEY JONES
Vice President and General
Manager, Eastern Division

STATE OF MAINE
KENNEBEC, SS.

Then personally appeared the above-named Michael N. Westcott who signed the foregoing instrument as Assistant Attorney General for the State of Maine and acknowledged the same to be his free act and deed.

REC'D & FILED before me,
PEARL VALERIE PACE

MAR 18 1983

3/16/83

CLERK OF COURTS
KENNEBEC COUNTY

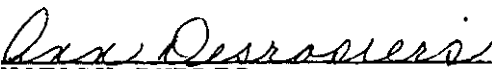
Steven R. Davis
NOTARY PUBLIC
JUSTICE OF THE PEACE
MY COMMISSION EXPIRES
AUGUST 29, 1987

STATE OF MAINE

CUMBERLAND, SS.

Then personally appeared the above-named Oakley Jones, Vice President and General Manager, Eastern Division, Coca-Cola Bottling Plants, Inc. and acknowledged the foregoing instrument to be his free act and deed in his said capacity and the free act and deed of said corporation.

Before me,


NOTARY PUBLIC
~~JUSTICE OF THE PEACE~~

My Commission Expires
December 2, 1984

REC'D & FILED
PEARL VALERIE PAGE

MAR 18 1983

CLERK OF COURTS
KENNEBEC COUNTY

TO OUR VALUED CUSTOMERS: Serviced by Portland, Lewiston, Bangor, Maine;
Somersworth, New Hampshire (Maine Only)

PRODUCTS: Coca-Cola, Tab, Sprite, Ramblin' Root Beer, Sunkist Orange

TIMING: For the period of 1/4/82 through 1/30/82

PACKAGE: 2 Liter PET

ALLOWANCE: \$1.45 off invoice per case

NORMAL WHOLESALE

<u>Cost*</u>	<u>Retail</u>	<u>Case Profit</u>	<u>% Margin</u>
\$7.15	1/\$1.49	\$1.79	20.0%

PROMOTIONAL WHOLESALE

	<u>Cost*</u>	<u>Retail</u>	<u>Case Profit</u>	<u>% Margin</u>
1.	\$5.70	1/\$1.19	\$1.44	20.2%
2.	\$5.70	1/\$1.09	\$0.84	12.8%
3.	\$5.70	1/\$0.99	\$0.24	4.0%

PERFORMANCE:

Feature Ad
Secondary Display (10 case min.)
Price Inducement to the Consumer

*Plus Deposit

TO OUR VALUED CUSTOMERS: Serviced by Portland, Lewiston, Bangor, Maine;
Somersworth, New Hampshire (Maine Only)

Coca-Cola of Maine is very pleased to announce a special consumer offer to help kick-off the New Year. Throughout January and February when consumers buy six bottles of 500 ml Coke, Tab or Sprite they receive two bottles free. This offer combines the magic word "FREE" with strong T. V. and Radio support. As a theme promotion it also insures a strong 20% margin for you. A special eight-pack for each brand will be available. For details, see below.

PACKAGE: 500 ml 8-pack

BRANDS: Coca-Cola, Tab and Sprite

TIMING: For the period of January 11th through February 27th, 1982 (While supplies last). T. V. and Radio advertising January 18th through January 30th. A newspaper ad with coupon will also run during the promotional period.

UPC CODES:

Coca-Cola-	49000-00740
Tab -	49000-00742
Sprite -	49000-00741

NORMAL WHOLESALE

<u>Cost*</u>	<u>Retail</u>	<u>Case Profit</u>	<u>% Margin</u>
\$6.68	6/\$2.09	\$1.68	20.0%

PROMOTIONAL WHOLESALE

	<u>Cost*</u>	<u>Retail</u>	<u>Case Profit</u>	<u>% Margin</u>
1.	\$5.00	8/\$2.09	\$1.27	20.2%
2.	\$5.00	8/\$1.99	\$0.97	16.2%
3.	\$5.00	8/\$1.89	\$0.67	11.8%

PERFORMANCE:

- Feature Advertising
- Secondary Display (50 case min.)
- Consumer Offer passed along
- Product must be sold by carton

*Plus Deposit

TO OUR VALUED CUSTOMERS: Serviced by Portland, Lewiston, Bangor,
Maine; Somersworth, New Hampshire (Maine
only)

PRODUCTS: Coca-Cola, Tab, Sprite and Sugar Free Sprite

TIMING: Any one week from 2/8/82 through 2/27/82

PACKAGE: 2 Liter PET

ALLOWANCE: \$1.45 off invoice per case

NORMAL WHOLESALE

<u>Cost*</u>	<u>Retail</u>	<u>Case Profit</u>	<u>% Margin</u>
\$7.15	1/\$1.49	\$1.79	20.0%

PROMOTIONAL WHOLESALE

	<u>Cost*</u>	<u>Retail</u>	<u>Case Profit</u>	<u>% Margin</u>
1.	\$5.70	1/\$1.19	\$1.44	20.2%
2.	\$5.70	1/\$1.09	\$0.84	12.8%
3.	\$5.70	1/\$0.99	\$0.24	4.0%

PERFORMANCE:

Feature Ad
Secondary Display (10 case min.)
Price Inducement to the Consumer

* Plus Deposit

TO OUR VALUED CUSTOMERS: Serviced by Portland, Lewiston, Bangor, Maine;
Somersworth, New Hampshire (Maine Only)

PRODUCTS: Coca-Cola, Tab and Sprite

TIMING: Any one week from January 11th to January 30th, 1982

PACKAGE: 500 ML 6 - pak

ALLOWANCE: \$0.98 off invoice per case

NORMAL WHOLESALE

<u>Cost*</u>	<u>Retail</u>	<u>Case Profit</u>	<u>% Margin</u>
\$6.68	6/\$2.09	\$1.68	20.1%

PROMOTIONAL WHOLESALE

	<u>Cost*</u>	<u>Retail</u>	<u>Case Profit</u>	<u>% Margin</u>
1.	\$5.70	6/\$1.79	\$1.46	20.4%
2.	\$5.70	6/\$1.69	\$1.06	15.7%
3.	\$5.70	6/\$1.59	\$0.66	10.4%

PERFORMANCE:

Feature Ad
Secondary Display (10 case min.)
Price Inducement to the Consumer

* Plus Deposit

TO OUR VALUED CUSTOMERS: Serviced by Portland, Lewiston, Bangor, Maine;
Somersworth, New Hampshire (Maine Only)

PRODUCTS: Coca-Cola, Tab and Sprite
TIMING: Any one week from 2/1/82 through 2/27/82
PACKAGE: 500 ML 6 packs
ALLOWANCE: \$0.98 off invoice per case

NORMAL WHOLESALE

<u>Cost*</u>	<u>Retail</u>	<u>Case Profit</u>	<u>% Margin</u>
\$6.68	6/\$2.09	\$1.68	20.1%

PROMOTIONAL WHOLESALE

	<u>Cost*</u>	<u>Retail</u>	<u>Case Profit</u>	<u>% Margin</u>
1.	\$5.70	6/\$1.79	\$1.46	20.4%
2.	\$5.70	6/\$1.69	\$1.06	15.7%
3.	\$5.70	6/\$1.59	\$0.66	10.4%

PERFORMANCE:

Feature Ad
 Secondary Display (10 case min.)
 Price Inducement to the Consumer

* Plus Deposit