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BLOGS
Contracts

Pennsylvania District Court Dismisses Beer Distributor's Amended Complaint Against MillerCoors

The United States District Court for the Western District of Pennsylvania dismissed with prejudice a beer distributor's amended complaint alleging violations of a distributorship agreement between the parties. *Frank B. Fuhrer Wholesale Co. v. MillerCoors LLC*, 2013 U.S. Dist. LEXIS 155253 (W.D. Pa. Oct. 30, 2013). Under the agreement, Frank B. Fuhrer Wholesale Co. was granted exclusive distribution rights for certain Coors products in a nine-county area including metropolitan Pittsburgh. The agreement allowed MillerCoors to add products to the list of those for which the distributor had exclusive distribution rights, and gave Fuhrer Wholesale the right to sell other beer manufacturers' products. MillerCoors later conditioned Fuhrer Wholesale's distribution of new craft or specialty beers on its creation of a new entity dedicated exclusively to MillerCoors products. Fuhrer Wholesale sued, alleging that MillerCoors had breached the distributorship agreement, violated the Pennsylvania Liquor Code, and engaged in an "unreasonable restraint of trade."

The distributor supported its breach of contract claim by arguing that the restrictions contained in the Pennsylvania Liquor Code were implied terms of its contract. In dismissing that claim, the court held that because the statute does not create a private right of action, an alleged violation could not support Fuhrer Wholesale's breach of contract claim. Further, the court held that the distributorship agreement permitted, but did not require, MillerCoors to grant Fuhrer Wholesale rights to new beer brands. In dismissing the distributor's allegation of an "unreasonable restraint of trade," the court noted that the distributor had stated that it was not seeking to allege a common law antitrust claim and held that there was no other private right of action for an "unreasonable restraint of trade" in the context presented by the case.

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