

CHAPTER 171, Laws of 1977

AN ACT to amend 135.02 (5) and 135.03; and to create 135.025, 135.045 and 135.065 of the statutes, relating to cancellation of dealerships.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 135.02 (5) of the statutes is amended to read:

135.02 (5) "Dealer" means a person who is a grantee of a dealership situated in this state.

SECTION 1m. 135.025 of the statutes is created to read:

135.025 Purposes; rules of construction; variation by contract. (1) This chapter shall be liberally construed and applied to promote its underlying remedial purposes and policies.

(2) The underlying purposes and policies of this chapter are:

(a) To promote the compelling interest of the public in fair business relations between dealers and grantors, and in the continuation of dealerships on a fair basis;

(b) To protect dealers against unfair treatment by grantors, who inherently have superior economic power and superior bargaining power in the negotiation of dealerships;

(c) To provide dealers with rights and remedies in addition to those existing by contract or common law;

(d) To govern all dealerships, including any renewals or amendments, to the full extent consistent with the constitutions of this state and the United States.

(3) The effect of this chapter may not be varied by contract or agreement. Any contract or agreement purporting to do so is void and unenforceable to that extent only.

SECTION 1. 135.03 of the statutes is amended to read:

135.03 Cancellation and alteration of dealerships. No grantor, directly or through any officer, agent or employe, may terminate, cancel, fail to renew or substantially change the competitive circumstances of a dealership agreement ~~entered into after April 5, 1974~~ without good cause. The burden of proving good cause ~~shall be~~ is on the grantor.

SECTION 2. 135.045 of the statutes is created to read:

135.045 Repurchase of inventories. If a dealership is terminated by the grantor, the grantor, at the option of the dealer, shall repurchase all inventories sold by the grantor to the dealer for resale under the dealership agreement at the fair wholesale market value. This section applies only to merchandise with a name, trademark, label or other mark on it which identifies the grantor.

SECTION 3. 135.065 of the statutes is created to read:

135.065 Temporary injunctions. In any action brought by a dealer against a grantor under this chapter, any violation of this chapter by the grantor is deemed an irreparable injury to the dealer for determining if a temporary injunction should be issued.