

### **365.020 Price discrimination between localities prohibited -- Exceptions.**

- (1) No person doing business in this state and engaged in the production, manufacture, distribution or sale of any commodity or product, or service or output of a service trade, of general use or consumption, or the product or service of any public utility, with the intent to destroy the competition of any regular established dealer in such commodity, product or service, or to prevent the competition of any person who in good faith intends and attempts to become such dealer, shall discriminate between different sections, communities or cities, or portions thereof or locations therein, in this state, by selling or furnishing such commodity, product or service at a lower rate in one section, community or city, or any portion thereof or location therein, than in another, after making allowance for difference, if any, in the grade or quality, and in the actual cost of transportation from the point of production, if a raw product or commodity, or from the point of manufacture, if a manufactured product or commodity. The inhibition against locality discrimination shall embrace any scheme of special rebates, collateral contracts or any device of any nature whereby such discrimination is, in substance or fact, effected in violation of the spirit and intent of this section.
- (2) Motion picture films when delivered and under a lease to motion picture houses shall not be deemed a commodity or product of general use or consumption under this section. This section is not intended to prohibit the meeting in good faith of a competitive rate, or to prevent a reasonable classification of service by public utilities for the purpose of establishing rates.

**History:** Recodified 1942 Ky. Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat. sec. 4748h-1.