



BUSINESS MEETING OF THE
MICHIGAN LIQUOR CONTROL COMMISSION

Held: Wednesday, February 10, 2016
Lansing District Office
525 W Allegan
Lansing MI 48909

Present: Andrew J. Deloney, Chairman
Teri L. Quimby, Commissioner

Absent: Dennis Olshove, Commissioner

Staff: Kerry Krone, Business Manager
Pam Hamilton, Deputy Director of Finance Division
Anita Fawcett, Executive Services Division

The meeting was called to order by Chairman Deloney at 9:37 a.m., noting a quorum was present.

- I. **Moved by Commissioner Quimby, supported by Chairman Deloney, that the minutes of the Commission meeting of January 12, 2016, be approved as written and presented, motion carried by unanimous vote.**

Moved by Commissioner Quimby, supported by Chairman Deloney, that the minutes of the Closed Session meeting of January 20, 2016, be approved as written and presented, motion carried by unanimous vote.

- II. Ms. Hamilton presented the E-Quote reports for product listings in four categories and requested approval of the following:

- A. That the products listed below be granted exceptions to the standard pack size, inasmuch as the items are packaged nationally or meets other exceptions as indicated and be approved for listing in the approved products list effective February 28, 2016:

<u>COMPANY/ADA</u>	<u>PRODUCT</u>	<u>PACK SIZE</u>
Brown-Forman Corporation	750ml Herradura Ultra Anejo	6 Bottles
(General Wine & Liquor Co.)	750ml Woodford Reserve Rye	6 Bottles
Castle Brands (USA) Corp.	750ml Jefferson's Ocean Age Cask-112	6 Bottles
(NWS Michigan, LLC)	750ml Knappogue Castle-12 Yr.	6 Bottles
Gray Skies Distillery, LLC	750ml Gray Skies Barrel Finished Gin	6 Bottles
(NWS Michigan, LLC)	750ml Gray Skies Utility Vodka	6 Bottles

William Grant & Sons, Inc. (General Wine & Liquor Co.)	750ml Tullamore Dew (Irish) 15 Yr.	6 Bottles
Hatfield & McCoy Moonshine, LLC (NWS Michigan, LLC.)	750ml Hatfield & McCoy Drink Devil Corn	6 Bottles
Hotel Tango Whiskey, LLC (NWS Michigan, LLC)	750ml Hotel Tango Golf Gin	6 Bottles
	750ml Hotel Tango Lima Ch Limoncello	6 Bottles
	750ml Hotel Tango Mike Moonshine	6 Bottles
	750ml Hotel Tango Romeo Rum	6 Bottles
	750ml Hotel Tango Victor Vodka	6 Bottles
Global Spirits USA, LLC (NWS Michigan, LLC)	375ml Khortytsa Platinum Vodka	20 Bottles
Ole Smoky Distillery, LLC (NWS Michigan, LLC)	750ml Ole Smoky Moonshine Apple-70	6 Bottles
Remy Cointreau USA, Inc. (NWS Michigan, LLC)	750ml Bruichladdich Oct Edition:07.1	6 Bottles
	750ml Bruichladdich Oct Edition:07.3	6 Bottles
St. George Spirits Inc. (NWS Michigan, LLC)	750ml St. George Apple Brandy	6 Bottles
Luxco, Inc. (NWS Michigan, LLC)	1000ml Rebel Yell BBN	6 Bottles
Sky Spirits, LLC (General Wine & Liquor Co.)	750ml Espolon Extra Anejo Tequila	3 Bottles
Stoli Group (USA), LLC (General Wine & Liquor Co.)	375ml Stolichnaya 80 Vodka	12 Bottles
Wilson Daniels Ltd. (General Wine & Liquor Co.)	750ml Sipsmith London Dry Gin	6 Bottles
	750ml Sipsmith Special Edition 2013	6 Bottles
	750ml Sipsmith V.J.O.P.	6 Bottles
Whyte and MacKay (Americas) Limited, LLC (General Wine & Liquor Co.)	750ml Pura Vida Anejo Tequila	6 Bottles
	750ml Pura Vida Reposado Tequila	6 Bottles
	750ml Pura Vida Silver Tequila	6 Bottles

That the request of Dry Fly Distilling Inc, holder of 2015 Small Distiller license, for addition of the following product to the case size exception products list, be approved for listing, effective February 28, 2016; further prior to any sale and distribution of this product through the Commission's spirit distribution system, Dry Fly Distilling Inc, must submit and receive Commission approval for an amended liquor quotation which designates an Authorized Distribution Agent for this product:

<u>PRODUCT</u>	<u>PACK SIZE</u>
750ml Dry Fly Straight Triticale	6 Bottles

That the request of Long Road Distillers LLC, holder of 2015 Small Distiller license, for addition of the following products to the case size exception products list, be approved for listing, effective February 28, 2016; further prior to any sale and distribution of these

products through the Commission's spirit distribution system, Long Road Distillers LLC must submit and receive Commission approval for an amended liquor quotation which designates an Authorized Distribution Agent for these products:

<u>PRODUCT</u>	<u>PACK SIZE</u>
750ml Long Road Rye from MI Rye	6 Bottles
750ml Long Road Vodka from Apples	6 Bottles

- A. That the products listed below be granted exceptions to the standard pack size, inasmuch as the items are packaged nationally or meets other exceptions as indicated and be approved for listing in the approved products list effective April 3, 2016:

<u>COMPANY/ADA</u>	<u>PRODUCT</u>	<u>PACK SIZE</u>
Jim Beam Brands Co. (NWS Michigan, LLC)	100ml Courvoisier VS Cognac	24 Bottles
Hood River Distillers, Inc. (General Wine & Liquor Co.)	750ml Trail's End Bourbon Whiskey	6 Bottles
Long Road Distillers LLC (NWS Michigan, LLC)	750ml Long Road Aquavit	6 Bottles
MHW Ltd. (General Wine & Liquor Co.)	750ml Combier Pamplemousse Rose	6 Bottles
Proximo Spirits, Inc. (NWS Michigan, LLC)	750ml 1800 Milenio Tequila	3 Bottles
Vision Wine & Spirits, LLC (General Wine & Liquor Co.)	750ml Rock Oyster Scotch	6 Bottles
	750ml Scallywag Scotch	6 Bottles
	750ml Timorous Beastie Scotch	6 Bottles
Western Spirits Beverage Company, LLC	50ml Bird Dog Jalapeno Honey Whiskey	60 Bottles
	375ml Bird Dog Jalapeno Honey Whiskey	12 Bottles
	200ml Twenty Grand Apple Vodka	24 Bottles
	375ml Twenty Grand Apple Vodka	12 Bottles
	750ml Twenty Grand Apple Vodka	6 Bottles

That the request of Long Road Distillers LLC, holder of 2015 Small Distiller license, for addition of the following product to the case size exception products list, be approved for listing, effective April 4, 2016; further prior to any sale and distribution of this product through the Commission's spirit distribution system, Long Road Distillers, LLC must submit and receive Commission approval for an amended liquor quotation which designates an Authorized Distribution Agent for this product:

<u>PRODUCT</u>	<u>PACK SIZE</u>
750ml Long Road Sngl Brll Rye MI Rye	6 Bottles

B. That the following requests for addition of product to the approved products list be approved for listing, effective February 28, 2016:

<u>COMPANY/ADA</u>	<u>PRODUCT</u>	<u>PACK SIZE</u>
Sazerac North America, Inc. (NWS Michigan, LLC)	100ml 99 Apples PL	48 Bottles
Jim Beam Brands Co. (NWS Michigan, LLC)	1750ml Knob Creek Rye	6 Bottles
Buzzballz, LLC (General Wine & Liquor Co.)	750ml Andrew John's Gin	12 Bottles
	750ml Pelican Harbor Rum	12 Bottles
	750ml XIII Kings Vodka	12 Bottles
Fabrizia Spirits, LLC (NWS Michigan, LLC)	750ml Fabrizia's Italian Margarita	12 Bottles
LeVecke Corporation (General Wine & Liquor Co.)	1750ml Kirkland Golden Margarita PL	6 Bottles
Global Spirits USA, LLC (NWS Michigan, LLC)	1750ml Khortytza Platinum Vodka	6 Bottles
MISA Imports, Inc. (NWS Michigan, LLC)	1750ml Kirkland Blended Scotch Whiskey	6 Bottles
Proximo Spirits, Inc. (NWS Michigan, LLC)	1750ml Jose Cuervo Golden Gpfrt Marg	6 Bottles
	750 Kraken Black Spiced Rum-70	12 Bottles
	1750ml Tincup Whiskey	6 Bottles
Sazerac Company, Inc. (NWS Michigan, LLC)	100ml Hunter Rye PL	48 Bottles
	1750ml Member's Mark Golden Marg	6 Bottles
Luxco, Inc. (NWS Michigan, LLC)	1000ml Ezra Brook BBN	12 Bottles
Whyte and MacKay (Americas) Limited, LLC (General Wine & Liquor Co.)	1000ml Pura Vida Naranja Orange	12 Bottles

That the request of Ann Arbor Distilling Company, LLC, holder of 2015 Small Distiller license, for addition of the following products to the approved products list, be approved for listing, effective February 28, 2016; further prior to any sale and distribution of these products through the Commission's spirit distribution system, Ann Arbor Distilling Company, LLC must submit and receive Commission approval for an amended liquor quotation which designates an Authorized Distribution Agent for these products:

<u>PRODUCT</u>	<u>PACK SIZE</u>
750ml Water Hill Gin	12 Bottles
750ml Water Hill Vodka	12 Bottles

That the request of D'still, LLC, holder of 2015 Small Distiller license, for addition of the following product to the approved products list, be approved for listing, effective February 28, 2016; further prior to any sale and distribution of this product through the Commission's spirit distribution system, D'still, LLC must submit and receive Commission approval for an amended liquor quotation which designates an Authorized Distribution Agent for this product:

<u>PRODUCT</u>	<u>PACK SIZE</u>
750ml Motor City Gas Struggle Bus	12 Bottles

That the request of Northern Latitudes Distillery, LLC, holder of 2015 Small Distiller license, for addition of the following product to the approved products list, be approved for listing, effective February 28, 2016; further prior to any sale and distribution of this product through the Commission's spirit distribution system, Northern Latitudes Distillery, LLC must submit and receive Commission approval for an amended liquor quotation which designates an Authorized Distribution Agent for this product:

<u>PRODUCT</u>	<u>PACK SIZE</u>
750ml Deer Camp Reserve BBN Whiskey	12 Bottles

B. That the following requests for addition of product to the approved products list be approved for listing, effective April 3, 2016:

<u>COMPANY/ADA</u>	<u>PRODUCT</u>	<u>PACK SIZE</u>
Hood River Distillers, Inc. (General Wine & Liquor Co.)	750ml Pendleton Midnight	12 Bottles
Mammoth Distilling LLC (NWS Michigan, LLC)	750ml Mammoth Whiskey	12 Bottles
Stoli Group (USA), LLC (General Wine & Liquor Co.)	750ml Stolichnaya Gluten Free Vodka	12 Bottles
Western Spirits Beverage Company, LLC (NWS Michigan, LLC)	750ml Bird Dog Jalapeno Honey 100ml Twenty Grand Apple Vodka	12 Bottles 48 Bottles

C. That the following requests for promotional or special packaging be approved for listing, effective February 28, 2016:

<u>COMPANY/ADA</u>	<u>PRODUCT</u>	<u>PACK SIZE</u>
Brown-Forman Corporation (General Wine & Liquor Co.)	750ml J Daniels Tenn Fire w/50ml Chata	12 Bottles
Constellation Brands, Inc. (General Wine & Liquor Co.)	1750ml Black Velvet w/50ml Serp Apple 750ml Casa Noble Blanco w/Shaker & Bk	6 Bottles 6 Bottles

	1750ml Svedka Vodka w/50ml Serp Apple	6 Bottles
Sazerac Company, Inc. (NWS Michigan, LLC)	1750ml Canadian Hunter w/50ml Rye PL	6 Bottles
Sutter Home Winery, Inc. (General Wine & Liquor Co.)	750ml Sugar Island Coconut w/Pneapple	6 Bottles
	750ml Tres Agaves Blanco w/Marg Mix	6 Bottles
Diageo Americas, Inc. (NWS Michigan, LLC)	1750ml Cap Morgan spiced w/GI Mug	3 Bottles
	750ml Crown Royal w/Beanie	12 Bottles
	750ml Smir Source Variety w/50 ml Crown	12 Bottles

C. That the following requests for promotional or special packaging be approved for listing, effective April 3, 2016:

<u>COMPANY/ADA</u>	<u>PRODUCT</u>	<u>PACK SIZE</u>
Heaven Hill Distilleries, Inc. (General Wine & Liquor Co.)	1750ml /Deep Eddy Vodka w/3-50ml	3 Bottles
MHW Ltd. (General Wine & Liquor Co.)	750ml Rum Chata w/50ml JD Fire	6 Bottles

D. That the following requests for deletion of product from the approved products list be approved for delisting, effective February 28, 2016:

<u>COMPANY</u>	<u>PRODUCT</u>	<u>PACK SIZE</u>
Buzzballz, LLC (General Wine & Liquor Co.)	200ml Buzzballz Stiff Lemonade PL	24 Bottles
Stoli Group (USA), LLC (General Wine & Liquor Co.)	375ml Stolichnaya 80 Vodka	24 Bottles

D. That the following requests for deletion of product from the approved products list be approved for delisting, effective April 3, 2016:

<u>COMPANY</u>	<u>PRODUCT</u>	<u>PACK SIZE</u>
Jim Beam Brands Co. (NWS Michigan, LLC)	100ml Courvoisier VS Cognac	48 Bottles
Brown-Forman Corporation (General Wine & Liquor Co.)	750ml Southern Comfort 70 w/50ml J Dan	12 Bottles
Long Road Distillers, LLC (Small Distiller)	750ml Long Road Aquavit	6 Bottles
Mammoth Distilling LLC (Small Distiller)	375ml Mammoth Straight Bourbon	24 Bottles
	750ml Mammoth Straight Bourbon	12 Bottles
	750ml Mammoth Whiskey	12 Bottles

Proximo Spirits, Inc.
(NWS Michigan, LLC)

750ml 1800 Milenio Tequila

6 Bottles

Moved by Commissioner Quimby, supported by Chairman Deloney that the above actions be taken in accordance with the E-Quote reports dated February 5, 2016, motion carried by unanimous vote.

- III. Ms. Hamilton presented licensee requests for special price reductions on spirit products in accordance with the provisions of the Commission's Order of September 11, 2012 regarding special price reductions on spirit products, which was effective on January 1, 2013. She advised there were twenty four (24) different licensees requesting price reductions; that 419 product price reductions could be approved; and that there were 9 product price reductions to be denied.

Moved by Commissioner Quimby, supported by Chairman Deloney, that the 419 special price reductions be approved as indicated on the attached Approval for Price Reduction on Liquor reports, motion carried by unanimous vote.

Moved by Commissioner Quimby, supported by Chairman Deloney, that the 9 special price reduction be denied for the reason stated in the attached Notification of Denial for Price Reduction reports, motion carried by unanimous vote.

- IV. Ms. Hamilton requested approval for an order to have Eliboun, Inc., prepay for purchases of spirits. She advised the Commission that General Wine & Liquor Company has asked that the licensee be placed on a prepay basis for spirit purchases as Eliboun, Inc. has demonstrated a continuing pattern of non-compliance regarding payment of spirit orders.

Moved by Chairman Deloney, supported by Commissioner Quimby, that the order to have Eliboun, Inc., be placed on a prepay basis for spirit purchases for a period of twelve months, effective February 10, 2016, be approved as written and presented, motion carried by unanimous vote.

- V. Chairman Deloney advised on September 15, 2015, the Commission voted unanimously to accept the request for rule making from Canal Street Brewing Company, LLC, regarding R 436.1311 which prohibits an advertisement or label affixed to a container from depicting or making any reference to a minor. He stated that, considering the recent history of federal court decisions on matters concerning commercial free speech, the rule is clearly and unambiguously a violation of the First Amendment to the United States Constitution. He further stated that the rule should be rescinded under Section 44 of the Administrative Procedures Act (APA).

The request for rulemaking was approved by the Office of Regulatory Reinvention (ORR) on January 22, 2016, and the draft of the rescission was approved by ORR on January 28, 2016. Chairman Deloney advised this adoption does not show his approval of advertising that depicts minors and alcohol, but Section 44 of the APA allows a rule to be amended or rescinded if it is deemed to be obsolete.

Moved by Chairman Deloney, supported by Commissioner Quimby, that the Commission adopt rescission of R 436.1311 Prohibited Advertising, motion carried by unanimous vote.

VI. Old Business.

There was no Old Business.

VII. New Business.

There was no New Business.

VIII. Public Comments.

There were no Public Comments.

With no further business, moved by Commissioner Quimby, supported by Chairman Deloney, that the business meeting be adjourned at 9:50 a.m., motion carried by unanimous vote.

Andrew J. Deloney
Chairman

Anita Fawcett
Executive Services