



ADMINISTRATIVE  
MEETING OF THE  
MICHIGAN LIQUOR CONTROL COMMISSION

Held: Tuesday, August 14, 2012  
Lansing District Office

Present: Andrew J. Deloney, Chairman  
Dennis Olshove, Commissioner

Staff: Tom Hagan, Director of Enforcement Division  
Julie Wendt, Director of Executive Services Division  
Andy Neumann, Director of Administrative Services Division  
Pamela Hamilton, Deputy Director of Finance Division  
Anita Fawcett, Executive Services Division

Absent: Teri L. Quimby, Commissioner

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The meeting was called to order by Chairman Deloney at 11:05 a.m., noting a quorum was present.

- I. **Moved by Commissioner Olshove, supported by Chairman Deloney, that the minutes of the Commission meeting of July 24, 2012, 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 meet other exceptions as indicated and be approved for listing in the approved products list effective October 1, 2012:

<u>COMPANY/ADA</u>	<u>PRODUCT</u>	<u>PACK SIZE</u>
Kai Vodka LLC (NWS Michigan, Inc.)	750ml Kai Lemongrass Ginger Vodka 750ml Kai Young Coconut Vodka	6 Bottles 6 Bottles
McCormick Distilling Company, Inc. (General Wine & Liquor Co.)	50ml 360 Glazed Donut PL Vodka	60 Bottles
Mexcor, Inc. (General Wine & Liquor Co.)	200ml Hijos De Villa Reposado	12 Bottles

Pernod Ricard USA, LLC (NWS Michigan, Inc.)	750ml Olmeca Altos Plata	6 Bottles
	750ml Olmeca Altos Reposado	6 Bottles
Shaw-Ross International Importers, LLC (NWS Michigan, Inc.)	750ml Glengoyne 21 yr Scotch	6 Bottles
Sky Spirits, LLC (General Wine & Liquor Co.)	750ml Auchentoshan 21 yr Scotch	6 Bottles

**B.** That the following requests for addition of product to the approved products list be approved for listing, effective October 1, 2012:

<u>COMPANY/ADA</u>	<u>PRODUCT</u>	<u>PACK SIZE</u>
Berniko, L.L.C. (NWS Michigan, Inc.)	750ml Big Rack Vodka	12 Bottles
	1750ml Big Rack Vodka	6 Bottles
Shaw-Ross International Importers, LLC (NWS Michigan, Inc.)	750ml Ron Barcelo Gran Anejo	12 Bottles
	750ml Ron Viejo De Caldas	12 Bottles
Wilson Daniels, Ltd. (NWS Michigan, Inc.)	750ml Seagram's Cookies & Cream	12 Bottles
	1000ml Seagram's Cookies & Cream	12 Bottles

**C.** That the following requests for promotional or special packaging be approved for listing, effective October 1, 2012:

<u>COMPANY/ADA</u>	<u>PRODUCT</u>	<u>PACK SIZE</u>
Sidney Frank Importing Co., Inc. (General Wine & Liquor Co.)	750ml Michael Collins W/2 Gls	6 Bottles
MHW, Ltd. (General Wine & Liquor Co.)	750ml Black Beard Spiced Rum w/Flask	6 Bottles
Pernod Ricard USA, LLC (NWS Michigan, Inc.)	750ml Kahlua w/bag of Coffee	6 Bottles
The Patron Spirits Company (NWS Michigan, Inc.)	750ml Pyrat XO Reserve w/Wood Lantern	6 Bottles
Shaw-Ross International Importers, LLC (NWS Michigan, Inc.)	750ml Ron Barcelo Gran Anejo w/2 Gls	6 Bottles
	750ml Ron Viejo De Caldas w/Gls	6 Bottles
Wilson Daniels, Ltd. (General Wine & Liquor Co.)	1750ml Crystal Head Vodka w/2 Gls	3 Bottles

**D.** That the following requests for deletion of product from the approved products list be approved for delisting, effective October 1, 2012:

<u>COMPANY</u>	<u>PRODUCT</u>	<u>PACK SIZE</u>
Castle Brands (USA) Corp. (General Wine & Liquor Co.)	750ml Pallini Limoncello w/2 Cups	6 Bottles
Luxco, Inc. (General Wine & Liquor Co.)	1000ml Arrow Amaretto	12 Bottles
	750ml Arrow Cr De Cacao Brown	12 Bottles
	1000ml Arrow Cr De Cacao Brown	12 Bottles
	750ml Arrow Cr De Cacao White	12 Bottles
	1000ml Arrow Cr De Cacao White	12 Bottles
	750ml Arrow Cr De Mint Green	12 Bottles
	1000ml Arrow Cr De Mint White	12 Bottles
	750ml Arrow Peach Schnapps	12 Bottles

After discussion, no action will be taken at this time on the following products pending further information and review:

<u>COMPANY/ADA</u>	<u>PRODUCT</u>	<u>PACK SIZE</u>
Mexcor, Inc. (General Wine & Liquor Co.)	200ml Hijos De Villa Blanco Silver	12 Bottles
Shaw-Ross International Importers, LLC (NWS Michigan, Inc.)	750ml Ron Barcelo Imperial Rum	6 Bottles
Jim Beam Brands Co. (NWS Michigan, Inc.)	750ml Pinnacle Pumpkin Pie Vodka	12 Bottles
Spirits One Marque LLC. (General Wine & Liquor Co.)	1750ml Svedka Colada Vodka	6 Bottles
Diageo Americas, Inc. (NWS Michigan, Inc.)	750ml Baileys Hazelnut Irish Cream	12 Bottles
Vision Wine & Spirits, LLC (General Wine & Liquor Co.)	750ml John B Stetson Bourbon	12 Bottles
Castle Brands (USA) Corp. (General Wine & Liquor Co.)	750ml Pallini Limoncello w/2 Gls	6 Bottles
Sidney Frank Importing Co., Inc. (General Wine & Liquor Co.)	750ml Jagermeister w/Ice Bucket	6 Bottles
The Patron Spirits Company (NWS Michigan, Inc.)	750ml Patron Anejo w/Crystal Bees	6 Bottles
Shaw-Ross International Importers, LLC (NWS Michigan, Inc.)	750ml Strega Liquore w/2 Gls	6 Bottles
Diageo Americas, Inc. (NWS Michigan, Inc.)	750ml Smir Iced Cake w/50ml Capt Orig	12 Bottles
	750ml Smir Kiss Carmel w/50 ml Capt Orig	12 Bottles

**Moved by Chairman Deloney, supported by Commissioner Olshove, that the above actions be taken in accordance with the E-Quote reports dated August 9, 2012, 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 February 15, 2006 regarding special price reductions on spirit products. She advised there are eleven different licensees requesting price reductions; that 485 price reductions should be approved; and that 31 price reductions should be denied for the reasons stated in the attached reports.

**Moved by Chairman Deloney, supported by Commissioner Olshove, that the 485 special price reductions be approved as indicated on the attached Approval for Price Reduction on Liquor reports, motion carried by unanimous vote.**

**Moved by Chairman Deloney, supported by Commissioner Olshove, that the 31 special price reductions be denied for the reasons stated in the attached Notification of Denial for Price Reduction reports, motion carried by unanimous vote.**

- IV. Ms. Hamilton presented a summary of the June 2012 financial statement. She stated the report shows the results of our operation for the period of October 1, 2011 through June 30, 2012, and is compared with the same period from the previous fiscal year. Ms. Hamilton reported that the Distilled Spirit case sales were 5,492,488, up by 3.7%; and that the average price per case sold is \$139.76, an increase of 1.7%. She advised Total Gross Sales were \$767,620,948 which is 5.5% higher than last years; and that Net Income from liquor sales is also higher this year by \$784,463 or 6.4% increase.

Chairman Deloney stated suppliers are providing good products, the retailers are selling the products to the consumers and the results are showing in the increase in the Michigan Liquor Control Commission's revenue.

**Moved by Chairman Deloney, supported by Commissioner Olshove, that the financial report for June 2012, be accepted, motion carried by unanimous vote.**

- V. Ms. Hamilton presented a proposed bulletin for a pricing structure change as the 1.85% specific liquor tax will be repealed on October 1, 2012. She advised this bulletin is a reminder to the Authorized Distribution Agents to change their invoice pricing to eliminate the repealed 1.85% specific liquor tax beginning October 1, 2012.

**Moved by Chairman Deloney, supported by Commissioner Olshove, that Bulletin 2012-13, be approved as written and presented, motion carried by unanimous vote.**

**VI. Old Business**

There was no Old Business.

**VII. New Business**

There was no New Business.

**VIII. Public Comments**

Mr. Joe Cekola and Mr. John Leone from Imperial Beverage advised they have moved into their new warehouse which is over 600,000 square feet. Mr. Cekola stated that their craft beer sales are growing, and that Michigan is number ten in craft brewing in the United States. Mr. Cekola requested an update on the status of their application to be certified as an Authorized Distribution Agent. Chairman Deloney responded that the Financial Management Director, Steve Robinson, had spoken with their attorney and an itemized list is being prepared relative to the next steps that need to be taken from both a logistical and technological standpoint.

Chairman Deloney paid tribute to Michigan Liquor Control Commission Investigator Ryan Baragwanath who passed away unexpectedly on August 4, 2012 and offered his sympathies to Ryan's family, friends and co-workers.

**With no further business, moved by Commissioner Olshove, supported by Chairman Deloney, that the business meeting be adjourned at 11:24 a.m., motion carried by unanimous vote.**

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Anita Fawcett  
Executive Services

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Andrew J. Deloney  
Chairman