



STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LIQUOR CONTROL COMMISSION

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In the matter of the request of)	
GILLIGAN-STEELE TASTING LLC)	
432 E. Paterson)	Request ID No. 663152
North Building, Suite 2000)	
Kalamazoo, Michigan 49006)	
)	
Kalamazoo County)	
_____)	

At the March 19, 2013 hearing of the Michigan Liquor Control Commission (Commission) in Lansing, Michigan.

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

LICENSING APPEAL ORDER

On June 26, 2012, Gilligan-Steele Tasting LLC (applicant) filed a request for a new Micro Brewer license under the provisions of MCL 436.1537(k) at the above-noted location.

At a meeting held on March 6, 2013, the Commission denied this request under administrative rule R 436.1103(2) as the applicant failed to provide all information necessary for investigation and processing of the application.

Joseph Infante, legal counsel on behalf of the applicant, submitted a timely request for an appeal in this matter and represented the applicant at the March 19, 2013 hearing, held at the Commission's Lansing office.

After hearing arguments, reviewing the MLCC file and exhibits presented, and discussion of the issue on the record, the Commission finds that the applicant sufficiently demonstrated through updated records removing the previous questions concerning the membership interest held in the licensed business.

The Commission finds sufficient reasons to reverse its denial issued in this matter and to approve the applicant's request for the reasons stated on the record.

Under Article IV, Section 40, of the Constitution of Michigan (1963), the Commission shall exercise complete control of the alcoholic beverage traffic within this state, including the retail sales thereof, subject to statutory limitations. Further, the Commission shall have the sole right, power, and duty to control the alcoholic beverage traffic and traffic in other alcoholic liquor within this state, including the manufacture, importation, possession, transportation and sale thereof under MCL 436.1201(2).

THEREFORE, IT IS ORDERED that:

A. The denial order of March 6, 2013 issued in this matter is reversed and the applicant's request is APPROVED, subject to the following:

1. The licensee shall submit to the Commission a Federal Basic Permit issued by the Alcohol, Tobacco, Tax & Trade Bureau (TTB) under administrative rule R 436.1609(1).
2. The licensee shall submit to a final inspection to be conducted by the MLCC Enforcement Division to determine that all renovations and improvements are complete and that there are no direct connections; to determine that all furniture, fixtures and equipment have been installed; to determine true costs and method of financing; to determine that seating capacity has been determined and is posted; and to determine that the establishment meets all MLCC requirements.
3. The licensee shall submit to the Commission an executed and acceptable Lease Agreement.
4. The licensee shall submit verification that Gilligan-Steele Tasting LLC received a small business loan of at least \$200,000.00 from a bona fide lending institution.
5. The licensee shall submit proof of financial responsibility providing security for liability as required under MCL 436.1803. Failure to

maintain proof of financial responsibility providing security for liability will result in the immediate suspension of the subject license until the licensee provides the Commission with proof of financial responsibility as required under MCL 436.1803.

6. The licensee shall provide documentary proof to the Commission to demonstrate that, at a minimum, supervisory personnel on each shift and during all hours in which alcoholic liquor is served have successfully completed a server training program approved by the Commission as required under MCL 436.1501(1), within 180 days from the issuance of the license, as provided in administrative rule R 436.1060.

- a. The licensee shall maintain active certification of completion for server training on the licensed premises at all times as provided in administrative rule R 436.1060.
- b. Failure to provide this documentary proof to the Commission within 180 days of the issuance of the license shall result in the licensee being charged with failure to comply with this order, under administrative rule R 436.1029, which may result in fines, suspension and/or revocation of the license.

- B. The Commission also advises the applicant of the following:

1. The licensee shall pay all license fees by April 30th each year.
2. The licensee is allowed to produce no more than 30,000 barrels of beer per year and may sell that beer to consumers for consumption on or off the licensed premises under MCL 436.1109(3).
3. A brewer whose tax liability for the preceding calendar year has averaged less than \$50,000.00 per month shall submit to the Commission by the fifteenth of each month, a beer tax report of all beer sold in this state during the previous calendar month, along with the required beer excise tax due as required under MCL 436.1409 and administrative rule R 436.1621(1).

4. A brewer whose tax liability for the preceding calendar year has averaged \$50,000.00 or more per month shall submit to the Commission tax reports each month. One beer tax report must be submitted no later than the last day of each month reflecting an estimate or actual report of all beer sold in this state during the first fifteen (15) days of that month, along with the required beer excise tax due. A second beer tax report shall be submitted by the fifteenth day of each month for all beer sold in this state during the preceding calendar month along with the required beer excise tax, less the amount of beer excise tax previously paid for that month, as required under administrative rule R 436.1621(2).
5. The licensee must label all beer products in accordance with the federal beer regulations published in 27 C.F.R. prior to the sale in Michigan under administrative rule R 436.1611.
6. The license shall receive a registration number of approval from the Commission prior to the sale of any beer products in Michigan under administrative rule R 436.1611(c).
7. The licensee shall collect a container deposit of a minimum of \$30.00 for all refillable containers of beer with a capacity over five (5) gallons. A cash refund equal to the deposit collected for all refillable containers over five (5) gallons shall be made to a licensee who has made the deposit and returned the containers for refund under administrative rule R 436.1629.

C. Under administrative rule R 436.1003, the licensee shall comply with all state and local building, plumbing, zoning, sanitation, and health laws, rules, and ordinances as determined by the state and local law enforcements officials who have jurisdiction over the licensee. Approval of this license by the Michigan Liquor Control Commission does not waive any of these requirements.

D. Failure to comply with all requirements of licensure in the State of Michigan will result in the licensee being charged with a violation of the Michigan Liquor Control Code, MLCC Administrative Rules, and Commission order, which may result in fines, suspension, and/or revocation of the license.

MICHIGAN LIQUOR CONTROL COMMISSION

Andrew J. Deloney, Chairman

Dennis Olshove, Commissioner

Prepared by:
Terri Chase, Commission Aide

Date Mailed: _____